

**APPROVED**

# FY2026 Operating & Capital Budget

## & 5-Year Capital Improvement Plan



Capital Metropolitan Transportation Authority | Austin, Texas

**CapMetro**



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Capital Metropolitan Transportation Authority  
Texas**

For the Fiscal Year Beginning

**October 01, 2024**

*Christopher P. Morill*

Executive Director

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## Organization of the Budget Document

This document is the annual budget for Capital Metropolitan Transportation Authority (CapMetro or the Authority) for the period October 1, 2025 - September 30, 2026. A budget is a formal plan of action, expressed in monetary terms, for a specified period of time. This document details CapMetro's plan for Fiscal Year (FY) 2026.

### Major Sections

CapMetro's budget document is divided into nine sections: Introduction and Overview, Financial Policies, Financial and Service Summary, Capital Budget, Long-Range Financial Plan, Operating Detail by Department, Glossary, Index and Appendices. Each section contains information on the process for budget approval.

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# 1

## Introduction and Overview



CapMetro

To our CapMetro Board of Directors, staff, customers, partners and communities of Central Texas,

I'm pleased to share with you CapMetro's approved FY2026 budget, along with my deep appreciation for everyone who participated in what was a challenging but necessary budget process. As in previous years, our budget reflects our values, priorities, and steadfast commitment to our customers, community, and staff—while acknowledging the financial discipline required to ensure our long-term sustainability.

Just like families and businesses in Central Texas are watching their spending, CapMetro is doing the same. Our budget for FY2026 is a plan we can truly afford, not just what we wish we could do. We're making tough but necessary choices to ensure we are good stewards of public funds, particularly as our primary revenue source, sales tax, has seen growth that is slower and lower than in years past. This budget required us to make thoughtful, strategic decisions that protect what matters most: putting safe, reliable transit service on the street every day. We've focused exclusively on what drives results, what is essential for service delivery, and what advances our core strategic priorities.

## **Celebrating 40 Years of Service**

As we present this budget, it's meaningful that FY2026 marks CapMetro's 40th anniversary of serving Central Texas. For four decades, this organization has adapted, evolved, and grown while maintaining our core mission of connecting people to opportunities. This milestone reminds us that responsible stewardship and strategic focus have always been essential to our success. The disciplined approach reflected in this budget honors that legacy and ensures we'll be here to serve our community for the next 40 years.

## **Strategic Plan 2030: Our Roadmap Forward**

The Central Texas region is larger and more vibrant today than many imagined when CapMetro was created 40 years ago. We have tremendous potential for continued prosperity, building on our growth in the last few decades. At the same time, we know there are challenges that CapMetro and our partners must come together to address.

Strategic Plan 2030 is CapMetro's organizational blueprint for the next five years and our internal roadmap for how we build and sustain the organizational capacity to deliver excellence. This budget directly supports its four Critical Results: Reliable and Secure Service, Increased Ridership, Fiscal Responsibility, and Regional Significance. We are pursuing the 18 bold actions outlined in the plan, focusing on Customer, Community, Workforce, and Organizational Effectiveness.

For the first three years of this five-year plan, we will work from our solid foundation to make CapMetro a top option for transportation in the region. We will show our customers they can count on us to consistently get them where they need to go safely and on time. In the process, we will remain vital to the entire community, who depend on the essential workers we serve and the economic activity we enable.

Following these initial years, as we see measurable progress toward our Critical Results, our attention will turn to updating how the region funds and governs public transportation. We will continue to lay the groundwork to create the world class transportation system needed for our region's continued economic competitiveness and prosperity.

## **Customer**

**Service Protection** – Despite challenging revenue conditions, CapMetro is maintaining our existing service hours to protect the transit service our customers depend on. We are keeping budgeted service hours flat year-over-year, with exceptions only for grant-required full-service on Rapid 800 and 837, and CapMetro Access hours necessary for federal compliance. This commitment remains our top priority and demonstrates our dedication to the communities we serve.

**Transit Police Expansion** – CapMetro will continue building our Transit Police Department with additional officers joining our comprehensive public safety approach alongside our Community Intervention

Specialists and Public Safety Ambassadors. These new transit police officers directly align with our goal of enhancing service quality through reliability and security improvements.

**Project Connect Commitments** – We will maintain our essential Project Connect service obligations, including continued operation of the Expo and Pleasant Valley Rapid Lines and Pickup zones launched under this initiative.

## **Community**

**Transit Plan 2035** – We continue our work on this critical long-term planning initiative, our master plan for network updates and service optimization over the next decade. While we've made tough choices in this budget, we remain committed to the vision of Transit Plan 2035. We are actively assessing routes based on changing travel patterns to help people get to jobs, schools, healthcare, and stores faster and easier. This plan, driven by community input, allows us to make informed decisions about route changes ensuring we prioritize connection and efficiency with the resources we have.

**Strategic Focus** – This budget reflects our commitment to concentrating resources on initiatives that directly support service delivery and our core mission, ensuring every dollar spent advances our community's mobility needs. We're prioritizing essential operations and projects that directly support our strategic goals, deferring non-critical initiatives to future years.

**Shared Economic Partnership** – We recognize that CapMetro is not alone in facing budget constraints. We are in close communication with our partner agencies, who are also making difficult budget decisions, and like them, we're evaluating our operations to ensure long-term stability and continued service delivery.

## **Workforce**

**Job Protection** – I'm proud that this budget achieves necessary cost reductions without laying off any existing staff. Our team members are our most valuable asset, and protecting their jobs remained a non-negotiable priority throughout the budget process.

**Merit Recognition** – The budget includes funding for an average merit-based increase of 3% for all eligible CapMetro staff, demonstrating our continued investment in recognizing performance and supporting our workforce. While this represents a reduction from our current 3.5%, it reflects our commitment to managing costs responsibly while still recognizing our dedicated workforce.

**Organizational Efficiency** – We've reduced our budgeted headcount from 656 to 625 positions through strategic evaluation of vacant positions only, allowing us to reallocate resources to meet our most critical staffing needs including transit police officers and essential customer service positions. We are strategically repurposing vacant positions to meet critical needs, maximizing our existing resources while bringing more work in-house and encouraging local and virtual professional development.

## **Organizational Effectiveness**

**Financial Discipline** – This budget reflects extraordinary cross-organizational efforts to align our operating costs with revenue realities while protecting service delivery. Our commitment to fiscal responsibility is a core tenet of Strategic Plan 2030, ensuring every dollar maximizes our positive community impact. Through careful examination of our operations and strategic reallocation of resources, we're ensuring long-term sustainability.

**Operational Focus** – We've significantly reduced professional services budgets, restricted non-essential travel, and implemented disciplined spending policies to redirect resources toward in-house capabilities and core operations that directly support our mission.

**Strategic Resource Allocation** – Every investment in this budget directly supports service delivery, safety, or our core strategic priorities, ensuring we maximize the impact of every public dollar entrusted to us. This budget ensures we continue to implement comprehensive reliability strategies, enhance security, and streamline business processes, laying the groundwork for future success.

The proposed budget was shared with the community, before a public hearing and adoption by the CapMetro Board in September. The approved budget went into effect on October 1, 2025.

I want to thank every single member of CapMetro for your continued dedication to our mission and for your support during this challenging budget process. The difficult decisions reflected in this budget were made possible by your commitment to protecting what matters most—the service our community depends on. Every choice we've made honors our 40-year legacy while positioning us for sustainable success in the decades ahead.

Sincerely,

A handwritten signature in black ink that reads "Dottie L. Watkins". The signature is written in a cursive, flowing style.

Dottie L. Watkins

President & CEO

## Austin Area Information, History and Economy

CapMetro is the regional public transportation provider for Central Texas. The Central Texas region is one of the fastest-growing areas in the country and mobility and traffic congestion remain top concerns. CapMetro was created in 1985 in accordance with Chapter 451 of the Texas Transportation Code and was established by a voter referendum on January 19, 1985, to provide mass transportation services to the metropolitan area and is funded in part by a 1% sales tax levied by its service area members.

Since 2010, the Austin metropolitan area has gained about 834,000 residents, a 44% population growth, according to the latest U.S. Census Bureau figures. According to the Capital Area Metropolitan Planning Organization (CAMPO) 2045 Regional Transportation Plan, the total population in the six-county Central Texas region of Bastrop, Burnet, Caldwell, Hays, Travis and Williamson Counties is projected to continue to increase, growing from 1.7 million in 2010 to nearly 4.7 million in 2045.

The Austin area is host to six universities, a robust community college system and numerous other institutions of higher learning. In Austin, 49% of adults 25 years or older hold a bachelor's or advanced degree, compared to 29% for Texas and 31% for the U.S. The University of Texas at Austin (UT), a world-class center of education and research, is the 8th largest public university in the U.S. in terms of undergraduate enrollment.

Austin is nationally recognized as a great place to live due in part to its eclectic population, as well as an environment that allows a year-round outdoor active lifestyle. Austin's quality of life has become its most significant economic development engine and the city's diverse demographics serve to support and enrich its quality of life.

## History

Starting as a small town to be called Waterloo, Austin was selected to be the capital of the Republic of Texas in 1839 and then renamed after Stephen F. Austin. By using the electricity generated by the Great Granite Dam, manufacturers utilized a well-established power grid to assist the U.S. in the war effort during World War II and pulled itself out of the Great Depression as much of the rest of the country had. After that several research laboratories and high-tech companies were brought to the area by the stable power and established educational base in the area, a growth that continues to this day. Population growth and a creative cultural wave continued from the 1960s to the current day and a musical boom drew national attention to the city because of artists such as Stevie Ray Vaughan and Willie Nelson. Music festivals such as Austin City Limits (ACL) and art/culture/technology conventions such as South by Southwest (SXSW) continue to make the Greater Austin Area a destination for tourism as well as an excellent place to live, creating a fertile environment for various forms of transit.

## Economy

The overall economic activity of the Austin-Round Rock metropolitan statistical area (MSA) grew at a rate of 2.93% in 2024 per the Business Cycle Index by the Federal Reserve Bank of Dallas and continues to grow in 2025 with a 2.2% increase in the index through May compared to the same period the previous year.

In 2024, the Texas real gross domestic product (GDP) grew 3.6% compared to 2023, significantly higher than the 2.8% increase in the U.S. annual growth rate.

## Employment

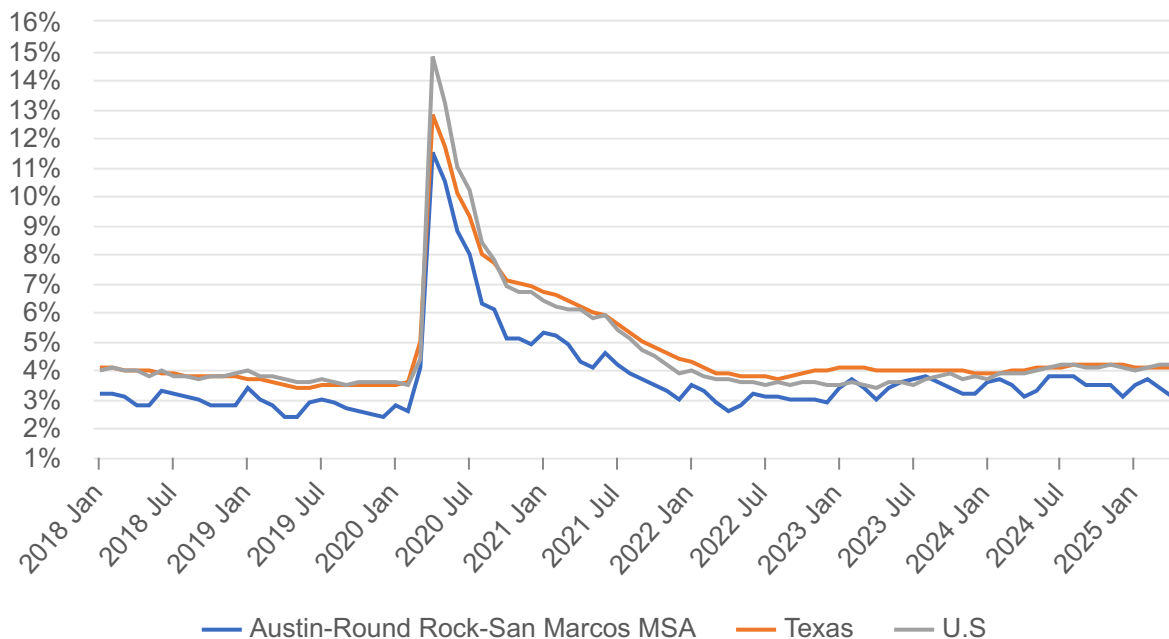
The statewide unemployment rate increased to 4.2% in 2024 from 3.9% in 2023, remaining higher than the record low of 3.5% in 2019. Texas gained nearly over 2.5 million new nonfarm jobs in 2024.

Austin has a high demand for skilled workers, as seen in the manufacturing sector, which continues to move from traditional to advanced manufacturing, requiring specific, highly technical skills. High-tech companies, including Apple, Amazon, Tesla, Oracle, Alphabet, Meta, Dell and Indeed, have a large presence in the Austin area.

The Austin area had a 2.2% increase in employment in 2024, gaining 356,000 net new nonfarm jobs in the calendar year. Job growth in the Austin-Round Rock-San Marcos MSA from April 2024 to April 2025 was ranked 11th among the largest 56 metropolitan areas per the U.S. Bureau of Labor statistics.

The Austin-Round Rock-San Marcos area unemployment rate of 3.1% in December 2024 was well below the state and national unemployment rates of 4.2% and 4.1% respectively. The area's largest employers are the State of Texas, the University of Texas, the City of Austin and many technology companies, such as Apple, Alphabet, IBM, Amazon, Samsung, Dell, NVIDIA and Tesla.

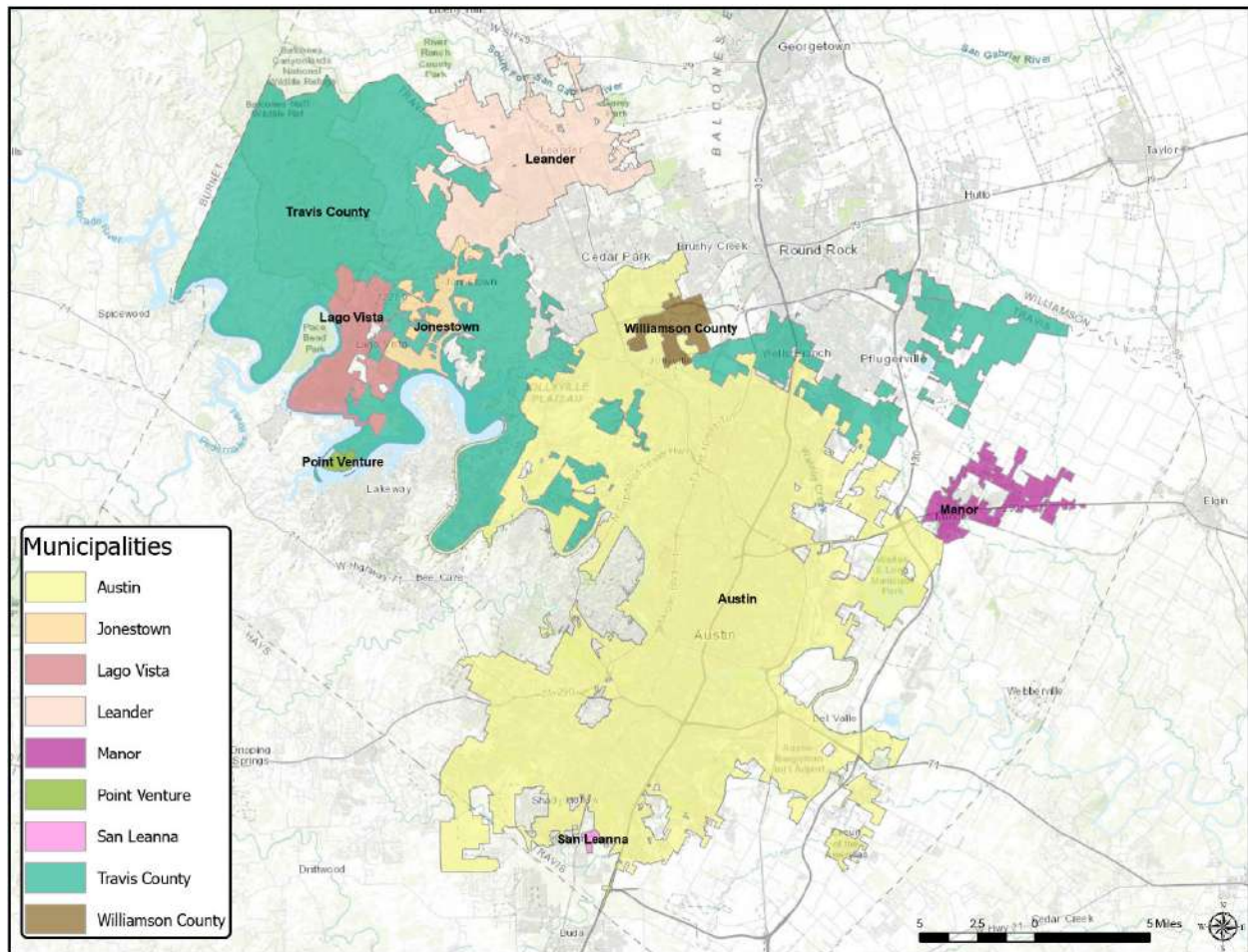
### Historical Unemployment Rate



Source: Bureau of Labor Statistics and Texas Workforce Commission

## Service Area Member Cities and Communities

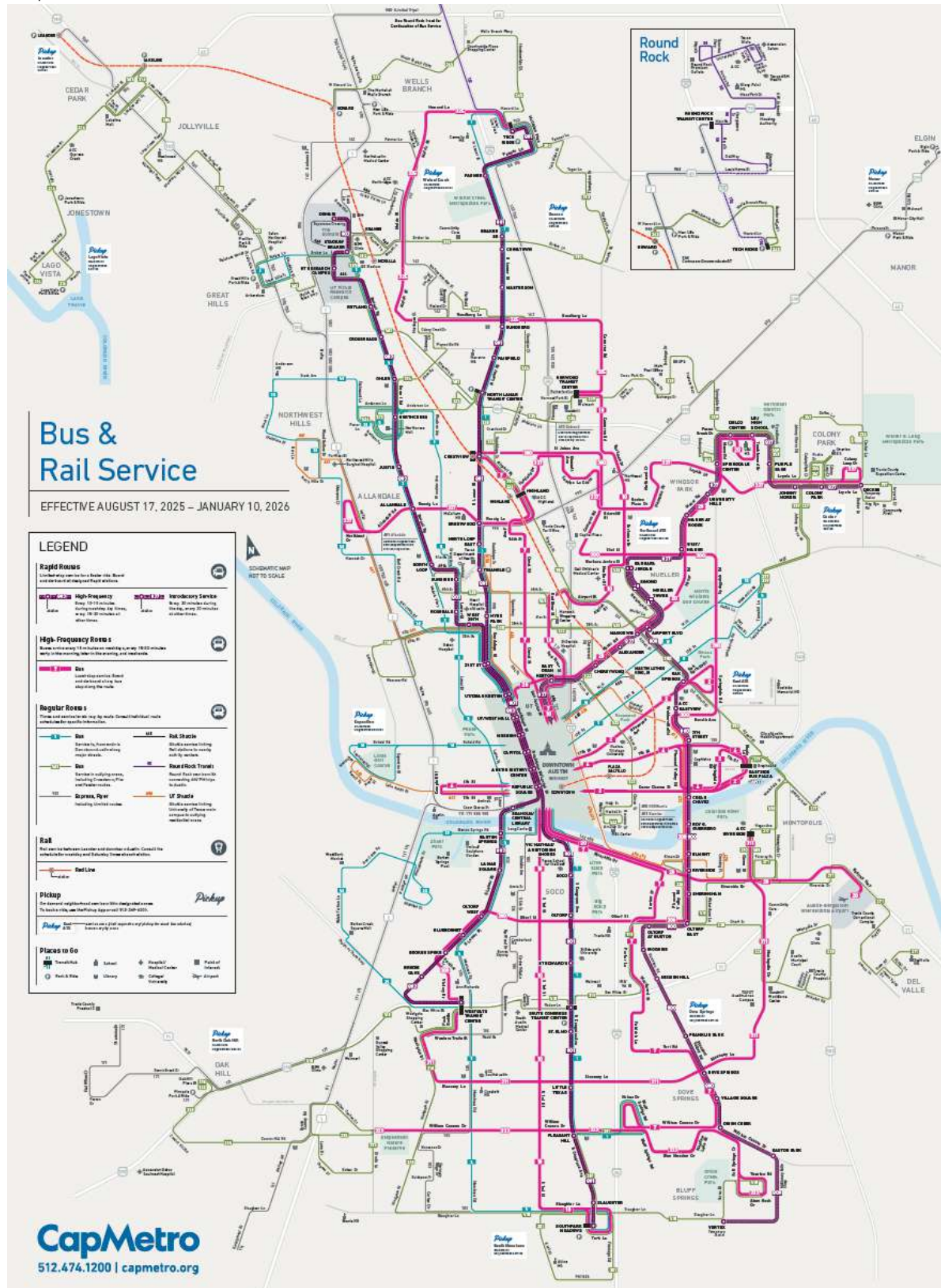
The CapMetro service area extends across approximately 549 square miles and includes more than 1.3 million residents. The following map shows the CapMetro service area. The areas that participate in the agency include Austin, Jonestown, Lago Vista, Leander, Manor, Point Venture, San Leanna and Precinct Two of Travis County and the Anderson Mill area of Williamson County.



This information is to be used for reference purposes only. CapMetro does not guarantee the accuracy of this material and is not responsible for any misuse or misrepresentation of this information.

## CapMetro System Map

This information is to be used for reference purposes only. CapMetro does not guarantee the accuracy of this material and is not responsible for any misuse or misrepresentation of this information.



## Community Information and CapMetro Engagement

CapMetro is invested in the Central Texas community and has adopted a Community Engagement Policy to ensure the community is part of its decision-making process. CapMetro works with three citizen advisory committees appointed by the board of directors, which provide recommendations and feedback on planning, operations and services: the Customer Satisfaction Advisory Committee (CSAC), the Access Advisory Committee (AAC) and Public Safety Advisory Committee (PSAC). In addition, the agency is a partner with dozens of stakeholder organizations throughout the region to ensure their voices are considered.

CapMetro partners with various nonprofit, cultural, business and social service organizations to serve the community. In FY2025, the agency continued our partnerships with organizations like the Creative Action, Foundation Communities, Dove Springs Proud, African American Youth Harvest Foundation, Austin NAACP, Con Mi Madre, AVANCE, AGE of Central Texas, ATX KIDS CLUB, DivInc, Todos Juntos Learning Center, Austin Lighthouse, iMOMS, Más Cultura, The New Philanthropist, El Buen Samaritano, American Youthworks and forged new ones with groups like Communities in Schools, DAWA, Sustain the Mag and Big Brothers Big Sisters.

Over the past year, CapMetro has collaborated closely with the Transit Empowerment Fund (TEF) and the community to improve the program. This fund was established in 2011 through a partnership between CapMetro and One Voice Central Texas, a coalition of more than 100 health and human service nonprofit organizations. It is designed to increase access to transportation for underserved communities and funds innovative projects that address transportation challenges and engages community members in finding solutions. The fund also operates a Transit Pass Program, providing discounted and no-cost transit passes to nonprofit organizations and governmental entities to support low-income clients. Since its launch, the program has provided more than 10 million rides.

In FY2024, CapMetro introduced a new transit pass for people experiencing homelessness, further expanding the work achieved through our partnership with TEF and other fare programs. Looking ahead to FY2025, CapMetro continues to grow this initiative, partnering with over 30 social service providers to enhance access to transit.

CapMetro supports emergency response operations, both within and outside of the service area, by sending buses to support first responders and community members during floods, fires and other emergencies. In addition, when temperatures fall below 32 degrees, CapMetro sends “cold weather buses” for Austin-area residents experiencing homelessness, transporting them to local emergency shelters in cooperation with the City of Austin’s Office of Emergency Management. The agency has provided similar support when the city has issued extreme heat warnings to transport people to cooling centers.

CapMetro’s engagement team continues to use a hybrid approach to public involvement, engaging with the community both in person and virtually. Many of the FY2025 key projects for Community Engagement will continue through FY2026 for public involvement and outreach, including:

- **Project Connect:** Coordinating with the Austin Transit Partnership to support engineering, design and implementation efforts.
- **Service Planning:** Partnering with CapMetro’s Planning Department on three service changes per year, including CapMetro Rapid Pleasant Valley and Expo Lines and Transit Plan 2035.
- **Fares Program:** Developing a community involvement plan to support the agency-wide proposed fares program. In FY2025, there was a fares technology update and CapMetro Bikeshare Fares Adjustment and it will be a continued process.
- **Demand Response:** Collaborating with CapMetro’s Demand Response team on Pickup Decker.
- **Capital Projects:** Engaging with the community on rail double tracking, new facilities projects and Truss Bridge.

- **Budget Engagement:** Partnering with the Finance team to gather public comment.
- **Public Safety:** Supporting community engagement in the development of the Capital Metro Police Department.
- **Administration:** Supported with Childcare Meetings for Parent Engagement (FY2025 project only)

Additionally, CapMetro's Art Program offers the Art on the Bus initiative in partnership with Creative Action. This program collaborates with the marketing team and involves students from Austin, Leander, Manor and Del Valle school districts. Student artwork is featured on four vehicle wraps, reinforcing themes of sustainability and the value of transit. The CapMetro Cares program amplifies local nonprofits by providing a limited opportunity to use available space on CapMetro vehicles for promotion. Finally, CapMetro's Sponsorship Program, led by the engagement team, partners with over 60 local organizations to support community initiatives.

## **Benefits of Public Transportation**

### **Saves Money**

Riding transit is an affordable option. CapMetro has some of the lowest fares in the nation. For a calendar month, local services cost our customers just \$41.25.

### **Protects the Environment and Improves Air Quality**

Switching to riding public transportation is one of the most effective actions individuals can take to reduce their carbon footprint. Each year since 2019, CapMetro engages the community and children in this conversation through the Art on the Buses contest to raise awareness of the benefits of electric buses.

### **Improves Health**

Riding CapMetro is a healthy choice. Studies have shown that regular transit riders tend to be healthier because of the exercise they get walking to and from bus stops, train stations and their homes or workplaces. Additionally, those who drive less frequently tend to have lower levels of stress. Reduced stress levels can decrease the risk of cardiovascular disease and improve mental health. Riding transit also increases the opportunity for social connections. Stronger social networks within a community have been shown to have positive correlations with physical and mental well-being.

### **Manages Traffic Congestion**

According to Texas A&M's Texas Transportation Institute (TTI), Austin ranked 12th in travel-time delay for medium-sized cities with an index of 1.33, meaning peak-hour travel takes an average of 33% longer than free-flow travel, particularly on I-35 and MoPac. Drivers in the region are wasting millions of hours annually stuck in traffic.

Transit agencies play an important role in reducing congestion by providing transportation alternatives and supporting land use patterns that reduce vehicle travel. Based on the most recent TTI report on congestion, public transportation saved travelers 865 million hours in travel time and 450 million gallons of fuel. During rush hour, a full 40-foot bus can take 35 cars off the road and a full train has more than 100 cars.

## Governance

An eight-member board of directors has governance responsibilities over CapMetro. The composition of the CapMetro board is shown below:

- ◆ Three members appointed by CAMPO, of whom
  - One must be an elected official.
  - One must have at least 10 years of experience in a financial or accounting position.
  - One must have at least 10 years of experience in an executive-level position.
- ◆ Two members appointed by the city of Austin, of whom
  - One must be an elected official.
- ◆ One member appointed by Travis County Commissioners.
- ◆ One member appointed by Williamson County Commissioners.
- ◆ One member, who must be an elected official, appointed by the suburban city mayors (excludes city of Austin).

| <b><u>BOARD MEMBER</u></b> | <b><u>APPOINTING BODY</u></b>                   | <b><u>TERM EXPIRES</u></b> |
|----------------------------|-------------------------------------------------|----------------------------|
| Jeffrey Travillion, Chair  | Travis County                                   | June 1, 2027               |
| Paige Ellis, Vice Chair    | City of Austin                                  | June 1, 2028               |
| Becky Ross, Secretary      | Suburban Cities                                 | June 1, 2027               |
| Eric Stratton              | Williamson County                               | June 1, 2026               |
| Zohaib "Zo" Qadri          | Capital Area Metropolitan Planning Organization | June 1, 2028               |
| Diane Bangle               | Capital Area Metropolitan Planning Organization | June 1, 2026               |
| Jose "Chito" Vela          | City of Austin                                  | June 1, 2028               |
| Matt Harriss               | Capital Area Metropolitan Planning Organization | June 1, 2027               |

## Management

CapMetro's executive management team has diverse experience and the skills to lead the organization into the future.

| Executive Management Team                                                   |                    |
|-----------------------------------------------------------------------------|--------------------|
| President and Chief Executive Officer                                       | Dottie Watkins     |
| Deputy Chief Executive Officer                                              | Kerri Butcher      |
| Executive Vice President, Chief Financial Officer                           | Kevin Conlan       |
| Executive Vice President, Chief Operating Officer                           | Andy Skabowski     |
| Executive Vice President, Chief Experience and Engagement Officer           | Samantha Baez      |
| Executive Vice President, Engineering, Construction and Operations Systems  | Dave Kubicek       |
| Executive Vice President, Chief Strategic Planning and Development Officer  | Sharmila Mukherjee |
| Executive Vice President, Chief Administrative Officer & EEO Officer        | Donna Simmons      |
| Executive Vice President, Systemwide Accessibility and Chief Safety Officer | Gardner Tabon      |
| Senior Vice President, Chief Information Officer                            | Tanya Acevedo      |
| Vice President, Procurement and Chief Contracting Officer                   | Muhammad Abdullah  |
| Vice President, Government Affairs                                          | Zane Barnes        |
| Vice President, Chief Counsel                                               | Brad Bowman        |
| Vice President, Facility Management and Capital Construction                | Ken Cartwright     |
| Vice President, Organizational Strategy and Projects                        | Ashley Erickson    |
| Chief Audit Executive                                                       | Terry Follmer      |
| Vice President, Rail Operations                                             | Muriel Friday      |
| Vice President, Facilities Maintenance                                      | Jeff Hill          |
| Vice President, Demand Response and Innovative Mobility                     | Art Jackson        |
| Vice President, Chief Information Security Officer Technology               | John Kiczek        |
| Vice President, Rolling Stock and Support Equipment                         | Rahul Nair         |
| Vice President, Systems Engineering and Design                              | Juan Rincon        |
| Vice President, People & Culture                                            | Benjamin Sims      |
| Vice President, Bus Operations and Maintenance                              | Vacant             |
| Vice President, Deputy Chief Financial Officer                              | Vacant             |

## System Facility and Fleet Characteristics

### CapMetro Facilities

Administration Building  
3100 E. Fifth Street, Austin, Texas 78702  
182,716 square feet, 2023

North Operations Facility  
9315 McNeil Road, Austin, Texas 78758  
136,827 square feet, 2008

Administrative Annex/Childcare Facility  
624 N. Pleasant Valley, Austin, Texas 78702  
25,500 square feet, 2006

Paratransit Eligibility  
209 W. Ninth Street, Travis Building, First Floor  
Austin, Texas 78701  
7,052 square feet, 2013

Central Warehouse  
9715-A Burnet Road, Suite 450  
Austin, Texas 78758  
20,822 square feet, 2023

South Operations and Maintenance Facility  
2910 E. Fifth Street, Austin, Texas 78702  
Administration: 42,840 square feet, 1986  
Maintenance: 116,495 square feet, 1986

South Demand Response Services Facility  
509 Thompson Lane, Austin, Texas 78742  
24,821 square feet, 2000

Transit Police Station  
8200 Cameron Road, Building A, Ste. 186  
Austin, Texas 78754  
9,246 square feet, 2023

Bikeshare/Bus Operations & Maintenance (Interim)  
4811 E. Seventh Street  
Austin, Texas 78702  
11,978 square feet, 2023

Transit Store  
1705 Guadalupe Street, Ground Floor Unit  
Austin, Texas 78701  
7,749 square feet, 2023

North Base Demand Response Facility  
817 West Howard Lane, Buildings B and A200  
Austin, Texas 78728  
32,000 square feet, 2024

## Park & Ride Facilities

### Austin

Delco Center Park & Ride  
Great Hills Park & Ride  
Howard Station Park & Ride  
Lakeline Station Park & Ride  
New Life Church Park & Ride  
Norwood Transit Center  
North Lamar Transit Center  
Pavilion Park & Ride  
ACC Pinnacle Park & Ride  
South Congress Transit Center  
South Park Meadows Park & Ride

Tech Ridge Park & Ride

Triangle Park & Ride

Westgate Transit Center

### Jonestown

Jonestown Park & Ride

### Lago Vista

Lago Vista Park & Ride

### Leander

Leander Station Park & Ride

### Manor

Manor Park & Ride

## Rail Stations

Crestview Station

Downtown Station

Highland Station

Howard Station and Park & Ride

Kramer Station

Leander Station and Park & Ride

Lakeline Station and Park & Ride

McKalla Station

MLK Jr. Station

Plaza Saltillo Station

## Fleet Description

Diesel buses: 375

Electric buses: 104

Paratransit vans: 137

Paratransit minivans: 56

Pickup vans: 78

Rail vehicles: 10

## Business Planning and Budget Process

Chapter 451 of the Texas Transportation Code provides requirements of CapMetro related to strategic planning, budget planning and capital planning.

### Business Planning and Adoption Process

State law requires that CapMetro's Board adopt an annual operating and capital budget of all major expenditures by type and amount. The budget must be adopted before the beginning of each fiscal year (October 1) and before CapMetro conducts any business in the new fiscal year.

CapMetro initiated the budget process with requests for departments to submit preliminary budget requests in February 2025. The budget was then calibrated to ensure alignment with revenue and projected spending for the remainder of fiscal year 2025 and extensively reviewed by agency management and leadership.

The budget adoption timeline was presented to the Board in May 2025 and a draft proposed budget was presented in July 2025.

Public engagement on the budget kicked off in July 2025 and included meetings with CapMetro's existing board-appointed advisory committees, a public hearing held in September 2025 and general engagement opportunities through online engagement platforms.

### Capital Plan

Chapter 451 of the Texas Transportation Code requires the Board to adopt a five-year plan for capital improvements that support strategic goals as outlined in the strategic plan. The capital improvement plan must describe the projects, prioritize them and establish funding and policy guidelines.

### Strategic Plan

Chapter 451 of the Texas Transportation Code requires the CapMetro Board to adopt a strategic plan that establishes the authority's mission and goals and summarizes planned activities to achieve the mission and goals.

The CapMetro Board adopted the agency strategic plan (mission, vision, values, objectives) in 2022 and was provided updates on the strategic plan and priority implementation in 2023 and 2024. Annual priorities for fiscal year 2023, 2024 and 2025 were identified by CapMetro's Senior Executive and leadership team.

In preparation for fiscal year 2026, CapMetro completed a long-range agency vision exercise, which included interviews with CapMetro's Board and external stakeholders and partners, as well as workshops and interviews with internal departments and leadership. The resulting board-approved document, CapMetro Strategic Plan 2030, aligns the agency's actions, plans, programs and services with CapMetro's mission and vision. The four goals within the plan remain unchanged, centered around Customer, Community, Workforce and Organizational Effectiveness.

## CapMetro

### Strategic Plan 2030

#### What is Strategic Plan 2030?

Strategic Plan 2030 is CapMetro's organizational blueprint for the next five years. It outlines the Critical Results we plan to achieve, the actions we'll take, and methods we'll use to ensure accountability in what we have achieved.

#### Our Mission

To empower, enhance, and serve the region and its communities through the responsible delivery of high-quality public transportation.

#### Our Vision

CapMetro is integral to the region and its communities, providing connectivity, fostering economic activity, and ensuring safe, environmentally sustainable, and equitable access to opportunity.

#### Critical Results

These four Critical Results are meant to guide the actions of all CapMetro team members



##### Reliable and Secure Service

Enhance service quality through reliability and security improvements.



##### Increased Ridership

Grow transit ridership in the region.



##### Regional Significance

Make CapMetro a significant and integral component of transportation in the region.



##### Fiscal Responsibility

Ensure fiscal responsibility guides all the organization's activities.

#### Strategic Actions

CapMetro will undertake 18 actions to achieve our Critical Results. Key actions include:

- Implementing a comprehensive reliability strategy
- Enhancing security measures
- Advancing digital transformation
- Optimizing service through Transit Plan 2035
- Leading regional transit governance updates
- Preparing for light rail operations
- ... and more!



Learn more about Strategic Plan 2030 here!

| Annual Calendar                                                                                                                                                                                                                     | Month          |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| Management team develops objectives and strategies to achieve organizational goals.                                                                                                                                                 | February       |
| Budget development begins.                                                                                                                                                                                                          | February       |
| Department managers develop business plans that support achievement of objectives.                                                                                                                                                  | April          |
| Board reviews strategic plan.                                                                                                                                                                                                       | May            |
| Board reviews proposed budget.<br>Staff provides budget updates to the Access Advisory Committee, the Customer Satisfaction Advisory Committee and the Public Safety Advisory Committee.<br>Staff holds meetings with stakeholders. | July/August    |
| Proposed budget document is posted online for public review.                                                                                                                                                                        | August         |
| Staff conducts budget outreach across service area for public input.                                                                                                                                                                | Late August    |
| Board holds public hearing on proposed budget.                                                                                                                                                                                      | Mid-September  |
| Board is scheduled to adopt budget.                                                                                                                                                                                                 | Late September |
| Approved budget document is published.                                                                                                                                                                                              | October        |

## Basis of Budget and Basis of Accounting

CapMetro accounts for its operations as a proprietary (enterprise) fund. Proprietary funds are used to account for operations that: (a) are financed and operated in a similar manner to private business where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

As a proprietary fund, the budget is prepared on a full-accrual basis of accounting. This means that expenses are recognized as they are incurred and revenues are recognized when earned. Accounting records and financial statements are developed and maintained on a full-accrual basis in accordance with generally accepted accounting principles (GAAP).

To prepare the budget, CapMetro uses a zero-based budgeting concept. Each year, expenses must be justified to the president and Chief Executive Officer, the deputy Chief Executive Officer, the Chief Financial Officer, the Executive Team and Budget staff. Revenue projections are developed based on service levels, ridership estimates and the economic outlook. CapMetro's policy is to prepare a structurally balanced budget such that estimated ongoing revenue is sufficient to fund ongoing operating expenses and to use the accumulated fund balance prudently for capital investment or one-time needs.

### Budget Assumptions

#### **Service Area**

It is assumed that the service area will sustain minimal changes.

#### **Sales Tax Rate**

The sales tax rate is anticipated to remain at 1%.

#### **Service Levels**

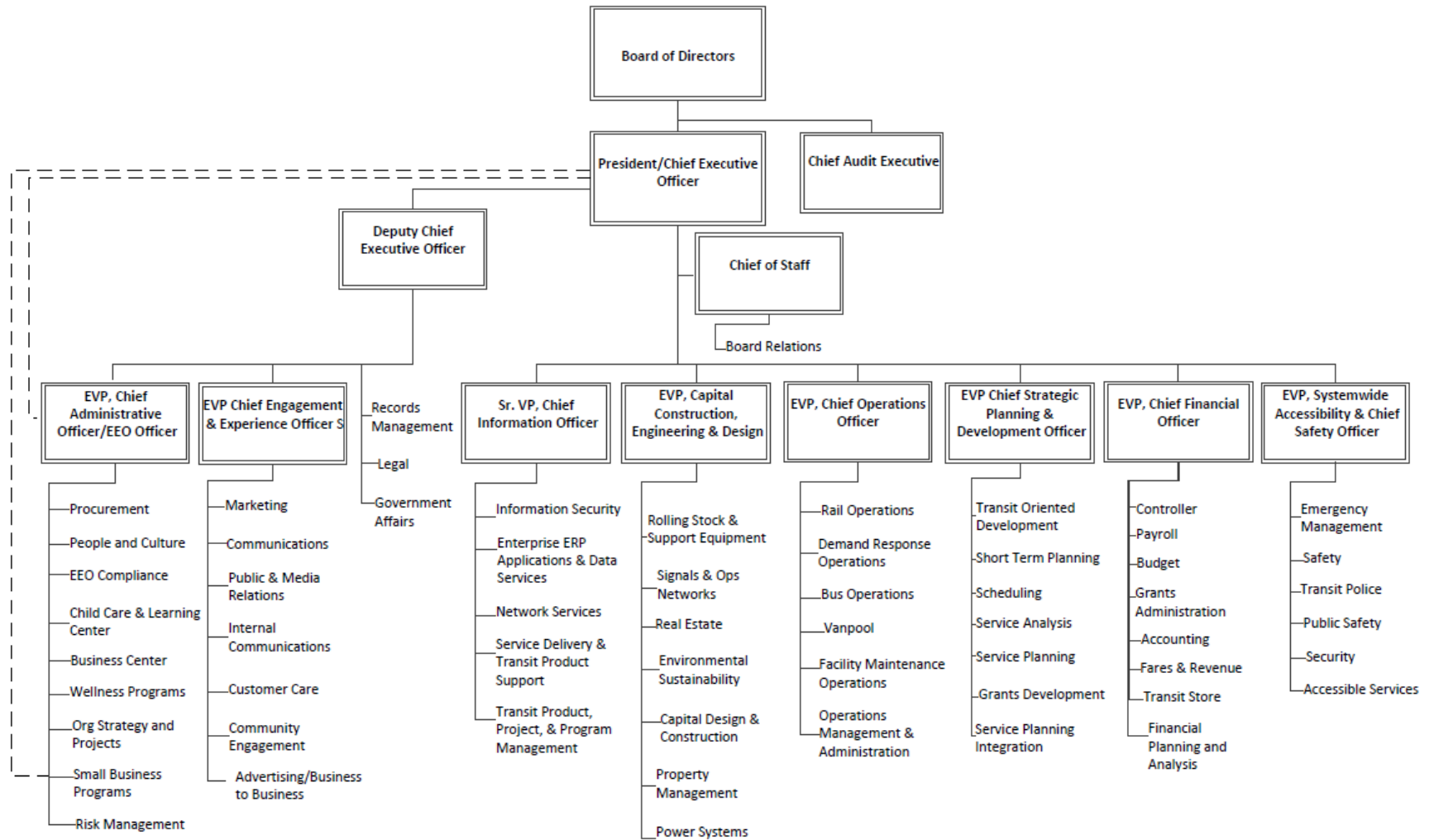
It is assumed that bus and rail service miles and hours traveled will be funded at budgeted levels.

Further details are available in the Financial and Service Summary section.

#### **Staffing Levels**

The [Full-Time Equivalent \(FTE\) Staffing Chart](#) shows the staffing levels by department increasing by a combined 8.5 FTEs in FY2025 and FY2026.

## Organizational Chart



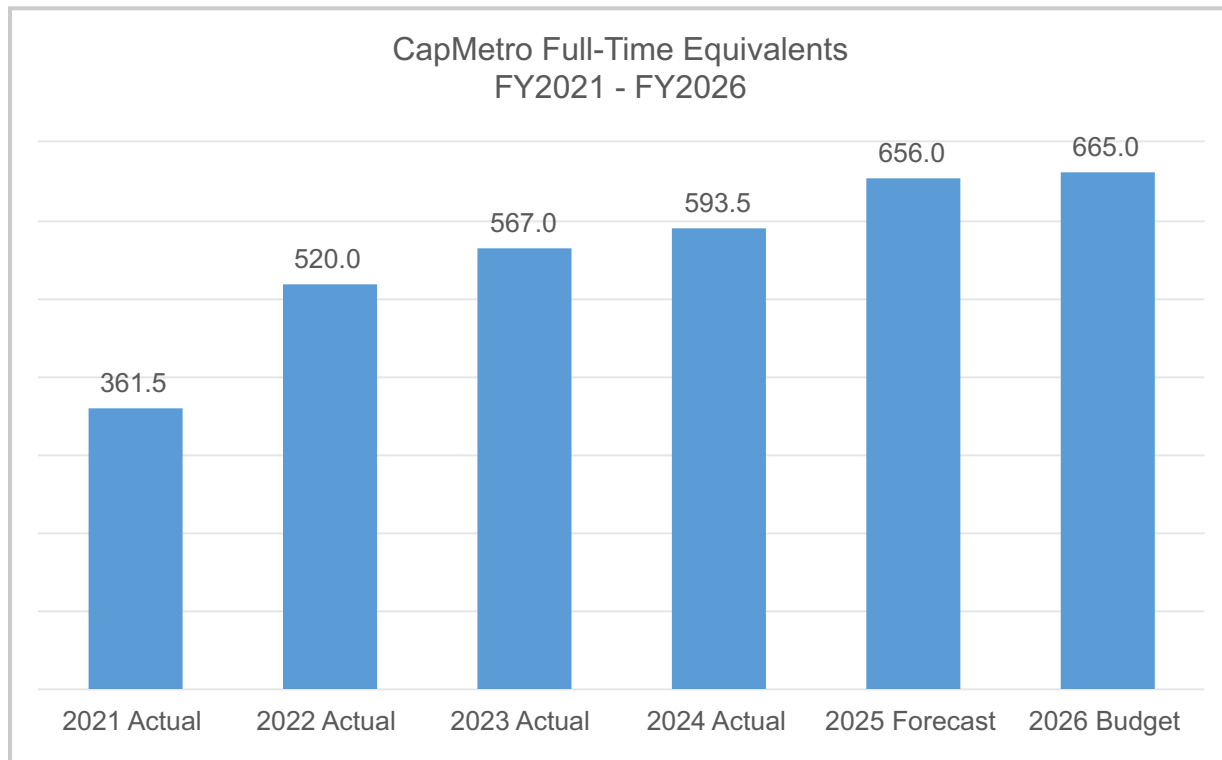
## Full-Time Equivalent Staffing Chart

| Division / Department                                 | FY2024 Actual | FY2025 Budget | FY2025 Staffing Changes | FY2026 Staffing Changes | FY2026 Budget |
|-------------------------------------------------------|---------------|---------------|-------------------------|-------------------------|---------------|
| <b>Administration</b>                                 |               |               |                         |                         |               |
| Board Relations                                       | 1.0           | 1.0           |                         |                         | 1.0           |
| Business Center                                       | —             | —             |                         |                         | —             |
| Child Care and Learning Center                        | —             | —             |                         |                         | —             |
| Executive Staff                                       | 8.0           | 8.0           |                         |                         | 8.0           |
| Government Affairs                                    | 4.5           | 4.5           |                         |                         | 4.5           |
| Legal                                                 | 6.5           | 7.5           |                         |                         | 7.5           |
| Non-Allocated Benefits                                | —             | —             |                         |                         | —             |
| Organizational Strategy and Projects                  | 9.0           | 13.5          | (1.5)                   |                         | 12.0          |
| People and Culture                                    | 29.5          | 35.0          | (3.5)                   |                         | 31.5          |
| Procurement                                           | 22.0          | 22.0          | 1.0                     |                         | 23.0          |
| Small Business Programs and Compliance                | 6.0           | 6.0           | (2.0)                   |                         | 4.0           |
| Wellness and Fitness Centers                          | —             | —             |                         |                         | —             |
| <b>Capital Construction, Engineering &amp; Design</b> |               |               |                         |                         |               |
| Capital Construction and Facility Management          | 7.0           | 9.0           |                         |                         | 9.0           |
| Capital Construction, Engineering and Design          | 1.0           | 1.0           |                         |                         | 1.0           |
| Capital Design and Construction                       | 7.0           | 8.0           | 1.0                     |                         | 9.0           |
| Facility Design and Construction                      | 3.0           | 3.0           |                         |                         | 3.0           |
| Facility Programming and Management                   | 8.5           | 9.5           | 1.0                     |                         | 10.5          |
| Power Systems and Sustainability                      | 2.0           | 2.0           |                         |                         | 2.0           |
| Real Estate                                           | 5.0           | 5.0           |                         |                         | 5.0           |
| Rolling Stock and Support Equipment                   | 4.0           | 4.0           |                         |                         | 4.0           |
| Systems Engineering and Designs                       | 1.0           | 1.0           |                         |                         | 1.0           |
| <b>Experience &amp; Engagement</b>                    |               |               |                         |                         |               |
| Community Engagement                                  | 5.5           | 6.5           |                         |                         | 6.5           |
| Customer Care                                         | 17.5          | 17.5          |                         | 1.0                     | 18.5          |
| Marketing and Communications                          | 25.0          | 26.0          |                         |                         | 26.0          |
| <b>Finance</b>                                        |               |               |                         |                         |               |
| Finance                                               | 32.0          | 35.5          | (0.5)                   |                         | 35.0          |
| <b>Information Technology</b>                         |               |               |                         |                         |               |
| Information Technology                                | 60.0          | 64.5          | 1.0                     |                         | 65.5          |
| <b>Internal Audit</b>                                 |               |               |                         |                         |               |
| Internal Audit                                        | 5.5           | 6.5           | (0.5)                   |                         | 6.0           |
| <b>Operations</b>                                     |               |               |                         |                         |               |
| Bikeshare                                             | 11.0          | 13.0          |                         |                         | 13.0          |
| Bus Operations and Maintenance                        | 123.0         | 135.0         | (9.0)                   | (2.0)                   | 124.0         |
| Demand Response Control and Call Center               | 38.0          | 39.0          | 2.0                     |                         | 41.0          |
| Demand Response Oversight                             | 7.0           | 12.0          | 1.0                     |                         | 13.0          |
| Facilities Maintenance                                | 25.0          | 19.0          | 8.0                     | (1.0)                   | 26.0          |
| Microtransit                                          | 2.0           | 2.0           |                         |                         | 2.0           |
| Paratransit Eligibility                               | 10.0          | 13.0          | 2.0                     |                         | 15.0          |
| Project Connect                                       | —             | —             |                         |                         | —             |

| Division / Department                      | FY2024 Actual | FY2025 Budget | FY2025 Staffing Changes | FY2026 Staffing Changes | FY2026 Budget |
|--------------------------------------------|---------------|---------------|-------------------------|-------------------------|---------------|
| Rail Commuter Operations                   | 10.0          | 11.0          |                         | 1.0                     | 12.0          |
| Rail Freight Management                    | 1.0           | 1.0           |                         |                         | 1.0           |
| Vanpool                                    | —             | —             |                         |                         | —             |
| <b>Safety and Systemwide Accessibility</b> |               |               |                         |                         |               |
| Public Safety and Emergency Management     | 36.5          | 38.5          |                         | 1.0                     | 39.5          |
| Safety                                     | 15.0          | 15.5          | (0.5)                   |                         | 15.0          |
| Systemwide Accessibility                   | 2.0           | 2.0           |                         |                         | 2.0           |
| Transit Police                             | 13.0          | 28.0          |                         | 10.0                    | 38.0          |
| <b>Strategic Planning and Development</b>  |               |               |                         |                         |               |
| Strategic Planning and Development         | 29.5          | 31.0          |                         | (1.0)                   | 30.0          |
| <b>Total CapMetro FTEs</b>                 | <b>593.5</b>  | <b>656.5</b>  | <b>(0.5)</b>            | <b>9.0</b>              | <b>665.0</b>  |

Net decrease of 0.5 full-time positions during FY2025 and increase of 9.0 positions in FY2026 for transit police officers and essential customer service positions.

The following chart shows full-time equivalents for CapMetro from FY2021 to FY2026.



# 2

## Financial Policies



**CapMetro**

## Summary of Financial Policies

CapMetro is not included in any other governmental “reporting entity” as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards. The appointed members of the board have the authority to make policy decisions for CapMetro and maintain primary accountability for fiscal matters. CapMetro is in compliance with its financial policies.

CapMetro’s primary financial goal focuses on providing effective and efficient transportation services and systems to the public using a balanced budget. The financial goals of CapMetro are to:

- Operate under a balanced budget.
- Safeguard and maximize resources.

The following guidance and policies are in place to achieve these goals:

- CapMetro operates under a balanced budget. CapMetro’s definition of a balanced budget is in accordance with the Texas Transportation Code, Section 451.103.
- CapMetro utilizes the zero-based budgeting concept.
- Capital assets are recorded at cost and are depreciated over their useful life using the straight-line method.
- Fixed assets for capitalization and financial reporting purposes are purchased items that have a useful life of more than one year, are of a tangible nature and have a value of \$5,000 or more, net cost, not including trade-ins or any taxes, or licenses.
- Sales tax revenue is accrued monthly based on the approved annual budget.
- CapMetro funds its capital improvements with sales taxes and grants, primarily from the Federal Transit Administration (FTA). Revenue is recognized when all eligibility requirements have been met. The grantor retains a reversionary interest in the capital asset over the estimated useful life of that asset.

Per policy, CapMetro will establish accounting practices that conform to Generally Accepted Accounting Principles as set forth by the authoritative standard-setting body.

An annual audit will be performed by an independent certified public accounting firm and an annual comprehensive financial report shall be issued no later than six months following the end of the fiscal year.

The independent certified accounting firm shall report the results of the annual audit to the board’s Finance, Audit and Administration Committee no later than 60 days after the issuance of the annual comprehensive financial report. The Chief Financial Officer shall be responsible for establishing processes to ensure timely resolution of audit recommendations, if applicable.

CapMetro shall provide its annual share of contributions to retirement plans in accordance with actuarial recommendations.

Investments shall be made prudently in conformance with CapMetro’s Investment Policy and state statute.

All grants and other federal and state funds shall be managed to comply with the laws, regulations and guidance of the grantor.

A five-year financial forecast shall be prepared annually projecting revenue and expenditures. The forecast shall be used as a planning tool in developing the following year’s budget and five-year capital improvement plan.

A financial forecast that spans a longer planning horizon shall be prepared at least every five years, or more frequently if dictated by changing conditions or priorities. The long-range financial forecast shall be developed in conjunction with CapMetro's comprehensive service plan development to evaluate whether estimated funding sources are sufficient to address service priorities over the planning period.

The board shall adopt a budget for the coming fiscal year as required by Section 451.102 of the Code and a five-year capital improvement plan as required by Section 451.135, no later than its September board meeting. As required by statute, the proposed budget will be made available for public review at least 14 days prior to the board meeting.

Budget accountability rests primarily with individual departments. Department directors and the Finance Department review budget variances on a monthly basis. Significant budget variances will be further evaluated by the Finance Department, the respective department director and business unit vice president to determine whether remedial action is required. If remedial action is required, the Finance Department will make recommendations to the Chief Executive Officer, the Deputy Chief Executive Officer and the Chief Operating Officer to address the variance.

Section 451.103 of the Code states that an agency may not spend on operations in excess of the total amount specified for operating expenses in the annual operating budget. CapMetro maintains budget control at the departmental level for purposes of operational spending. Section 451.133 of the Code states that an agency may not spend for capital improvements in excess of the total amount allocated for major capital expenditures in the annual budget. CapMetro maintains budget control at the project level for capital expenditures.

CapMetro is in compliance with its financial policies.

## Reserves and Contingencies Policy

CapMetro will maintain the following reserve and budgetary contingency accounts in addition to any cash balances that must be maintained to support current spending requirements. CapMetro management will report quarterly to the board of directors and annually as part of the budget development and long-range planning processes the reserve and budgetary contingency balances and any significant changes to the balances.

- A statutory operating reserve is maintained equal to at least two months of operating expenses. The prior fiscal year's actual audited operating expenses will be used when calculating the allocation. The statutory operating reserve is to be used at the discretion of the board only if the board considers the expenditure necessary to address circumstances that could not have been planned or anticipated. Expenditures from the reserve should provide temporary financing for emergencies or unforeseen extraordinary needs.
- A capital project contingency is maintained equal to at least 10% of the five-year annual average capital expenditure of the adopted Five-Year Capital Improvement Plan, but not less than \$2 million. The capital reserve is to be used at the discretion of the board or the Chief Executive Officer for needed capital costs not already included in CapMetro's budget for a given year.
- A budgetary operating contingency account is maintained equal to 2% of the prior fiscal year's actual operating expenses, but not less than \$1 million. The operating contingency account is to be used at the discretion of the board or the Chief Executive Officer to provide for unforeseen needs that arise during the year, including new service needs that are identified after the budget process. Transfers to and from the contingency account of \$150,000 or more are to be reported to the board of directors quarterly.
- A self-insurance reserve is maintained equal to at least 25% of the prior fiscal year's actual claim payments. The self-insurance reserve is to be used at the discretion of the board only to fund claims not already included in CapMetro's budget for a given year.

- A budget stabilization reserve (“rainy day fund”) is maintained equal to one month of annual average operating expenses. The budget stabilization reserve is to be used at the discretion of the board of directors, in times of unexpected revenue shortfall caused by events such as significant economic downturns.
- The \$10 million sustainability capital fund was established in FY2022 to support CapMetro's sustainability vision plan. These funds will be depleted by sustainability-related expenditures programmed in the F2026-FY2030 Capital Improvement Plan and beyond.
- In March 2022, a regional partnership with suburban member cities and a one-time \$10 million transit-supportive infrastructure fund was established. The estimated FY2026 ending fund balance is \$3.3 million.
- A \$30 million Project Connect dedicated fund was established in FY2024 from the remaining annual FY2023 CapMetro contribution to the Project Connect sequence plan and remaining unused annual contributions have been added to the fund since adding up to an estimated \$40 million by the end of FY2025. These funds will be depleted by future expenditures to the program.
- Additional reserves may be created by the agency to set aside funds for specific future purposes. These reserves are to be used at the discretion of the Chief Executive Officer.

CapMetro is in compliance with its reserve and contingency policy.

## Summary of Debt Policy

Debt: Section 451.352 of the Texas Transportation Code authorizes an authority to issue bonds at any time and for any amounts it considers necessary or appropriate for the acquisition, construction, repair, equipping, improvement or extension of its transit authority system with the following conditions:

- The board, by resolution, may authorize the issuance of bonds payable solely from revenue.
- Bonds, any portion of which is payable from taxes, may not be issued until authorized by a majority of the votes received in an election ordered and held for that purpose.
- CapMetro's bonds may be sold at a public or private sale as determined by the board to be more advantageous.
- The board, by resolution, may issue short-term bonds secured from revenue or taxes received if the debt has a term not exceeding 12 months and the bond is payable with taxes or other revenue received on or after the date of issuance and before the end of the fiscal year following the fiscal year during which the bonds were issued.
- CapMetro may not issue short-term debt (less than 12 months in duration) or bonds secured by the revenue of the agency to finance the purchase, acquisition, construction, operation or maintenance of a fixed-rail transit system without a voter referendum.

Pension Obligation Bonds: Section 451.139 of the Transportation Code gives CapMetro the authority to issue bonds in the amounts necessary for managing or funding retiree pension benefit obligations for pension plans existing as of January 1, 2011 and that result from the competitive bidding of transit services required by Section 451.137. The use of this bonding authority is strictly limited and it is the board's policy to use the authority only in a manner that is consistent with the original intent of the law and only at such a time as it can be justified in terms of the long-term financial sustainability of CapMetro.

Contractual Obligations: Chapter 271, Subchapter A of the Local Government Code authorizes CapMetro to execute, perform and make payments under a contract with any person for the use or the purchase or other acquisition of personal property, or the financing thereof. This provision specifically applies to the purchase or lease of personal property or for financing the acquisition of personal property, such as

vehicles. Projects involving purchases of real property or improvements to real property cannot be financed using contractual obligations under state law.

- The contract must (1) be on terms considered appropriate by the board, (2) be in the form of a lease, a lease with an option or options to purchase, an installment purchase or any other form considered appropriate by the board, including that of an instrument that would be required to be approved by the Texas Attorney General, provided that contracts in such form must be approved by the attorney general, (3) be for a term approved by the board and contain an option or options to renew or extend the term and (4) be made payable from a pledge of all or any part of any revenues, funds or taxes available to CapMetro for its public purposes.
- Subject only to applicable constitutional restrictions, the board may obligate taxes or revenues for the full term of a contract for the payment of the contract. The contract may be for any term not to exceed 25 years.

**Lease Financing:** Lease obligations may also be considered appropriate for financing capital. Lease financing should be considered when determined to be more beneficial, either economically or from a policy perspective. Factors to be considered and evaluated include the useful life of the capital, the terms and conditions of the lease, market convention and the impact on debt capacity and budget flexibility.

The primary goal of the board is to minimize the use of debt and to use debt financing prudently when it is utilized. CapMetro will keep outstanding debt within the limits prescribed by state law and at levels consistent with its creditworthiness objectives. CapMetro will maintain debt service coverage ratios consistent with the best practices for local government debt issuance. At a minimum, the debt service coverage ratio for financial planning purposes will be set at an average coverage ratio of two times net revenue over annual debt service costs. The debt-to-net-revenue coverage ratio will be calculated and presented to the board annually and included in CapMetro's annual comprehensive financial report.

CapMetro is in compliance with its debt policy.

## Summary of Fare Policy

### Purpose

The purpose of this policy is to establish goals, objectives and guidelines to assist the CapMetro Board of Directors and staff in making decisions regarding changes to transit fares. All such decisions will be made in accordance with CapMetro's enabling legislation, Texas Transportation Code Chapter 451, as amended and Federal Transit Administration (FTA) fare requirements, including 49 CFR Section 609 related to reduced fares for elderly and handicapped persons. When considering increasing or restructuring fares, CapMetro will conduct a comprehensive review of ways to reduce costs and increase ridership and the corresponding effects on fare box recovery, to minimize the effects of any fare changes on CapMetro's customers. CapMetro's fare recovery ratio remained relatively stable at close to 4% over the last three fiscal years.

### Goal

The goal of this fare policy is to support CapMetro's overall strategic mission to provide quality public transportation choices for our community that meet the needs of our growing region. To accomplish this mission, CapMetro must develop and use its resources in a manner that ensures sustainable business growth.

### Fare Policy Review

CapMetro will review its fare policy and pricing annually with the expectation that fares may need to be adjusted to keep pace with the increase in the cost of transit operations. Generally, fare changes will become effective in conjunction with service changes in January or August. Recommendations for fare adjustments will be developed in conjunction with the budget process for the following fiscal year. CapMetro is assessing our fare structure, programs and pricing across modes and programs.

CapMetro is in compliance with its fare policy.

## Current Fare Structure

| Fare Type   | Local  | Local Equifare | Local Reduced | Commuter | Commuter Equifare | Commuter Reduced | Access |
|-------------|--------|----------------|---------------|----------|-------------------|------------------|--------|
| Single Ride | \$1.25 | \$1.00         | \$0.60        | \$3.50   | \$3.00            | \$1.75           | \$1.75 |
| Day Pass    | \$2.50 | \$2.00         | \$1.25        | \$7.00   | \$6.00            | \$3.50           | None   |

| Additional Passes                      |         |
|----------------------------------------|---------|
| CapMetro Access 10-Ride Ticket Booklet | \$17.50 |
| CapMetro Access Monthly Pass           | \$46.50 |
| Stored Value Card (\$20.00 value)      | \$20.00 |

| Bikeshare           |                            |                            |                             |                              |
|---------------------|----------------------------|----------------------------|-----------------------------|------------------------------|
| Pay-as-you-Ride     | 1-Day Pass                 | 31-Day Pass                | Annual Pass                 | Student (18 & over) Discount |
| \$2.50 + \$0.25/min | \$10 (30 min) + \$0.25/min | \$25 (30 min) + \$0.25/min | \$150 (30 min) + \$0.25/min | 50% off Annual Pass          |

Local: CapMetro Bus, High-Frequency routes, UT Shuttle, Rapid and Pickup.

Commuter: CapMetro Rail and Express (Commuter passes are also valid on all Local services).

Discounted fares are available for qualifying riders with a CapMetro Reduced Fare ID: Reduced Fare (seniors, active and reserve military ID holders not in uniform and riders with disabilities or on Medicare) and Equifare (qualifying low-income riders). Seniors 65 and older, Medicare cardholders, active-duty military personnel and people with disabilities may obtain the ID for \$3.00 from the CapMetro Transit Store and is valid for two years. Additionally, there are 67 agencies that participate in the discounted fare program dedicated to ensure affordability for agencies who serve individuals who are 125% of the poverty level or below. This program allows agencies to provide discount transit access for those they serve.

Fare Capping: A pay-as-you-go system to reduce or "cap" customer spending on fares in a service day or calendar month to an amount equivalent to the published daily or monthly pass rates.

Kids 18 and younger and emergency or military personnel in uniform ride free on all CapMetro services.

CapMetro Access Monthly Passes are valid for all Local and Commuter services. Customers riding Local or Commuter services with a valid CapMetro Access Monthly Pass also need a valid CapMetro issued CapMetro Access ID.

CapMetro Access Single Ride and 10-Ride Ticket Booklets are valid only for CapMetro Access services. The tickets are not valid for Local or Commuter services.

CapMetro Bikeshare is a dock-based bike sharing service operating in the downtown, central east and campus regions of Austin. Discounted memberships are provided for students in all colleges, trade schools, nursing schools and high schoolers who are 18 or older.

CapMetro Vanpool program provides eligible groups of four to 12 people with a month-to-month vanpool lease agreement including maintenance, insurance, 24-hour roadside assistance and an optional fuel purchasing program. The cost of a vanpool vehicle varies and is based on vehicle selection, commute distance and number of riders sharing the monthly vanpool lease, plus fuel and tolls. Groups must either start or end their trip within the CapMetro service area. CapMetro provides a subsidy of 50% of the monthly lease of the vanpool vehicle.

## Expense Policies

### Expenditure Accountability

All invoices are reviewed on multiple levels. Monthly and quarterly reports that provide operational accountability are provided to department directors, the executive team and the board. Capital project budgets and progress are monitored and reported to the department directors, the senior management team and the board at predetermined intervals. CapMetro has an Internal Audit Department that reports directly to the board and is an independent source of objective advice.

### Income Taxes

CapMetro is a political subdivision of the state of Texas and is not subject to income taxation.

## Procurement Policy and Procurement Methods

CapMetro's Procurement Department is responsible for purchasing all required goods and services in accordance with sound public contracting policies and procedures. These policies are designed to provide timely delivery of goods and services, quality customer service and savings through:

- Obtaining the most competitive market price to meet or exceed the agency's needs.
- Maintaining effective and user-friendly processes and systems.
- Building strategic partnerships with internal customers.
- Obtaining maximum value from supplier relationships.
- Providing education tools for procurement teams, customers and suppliers.

CapMetro is in compliance with its procurement policy, which is entitled "Acquisition Policy."

CapMetro uses a variety of procurement methods. Selecting the best method is dependent on several factors. One important factor is estimated price. Small purchases expected to cost less than \$50,000 are purchased via CapMetro's "small purchases" method of procurement. Other infrequently used procurement methods include sole source, emergency procurements and statement of qualifications for statutory professional services that must comply with the Texas Professional Services Act.

### Micro Purchases

Purchases less than \$10,000 are micro-purchases and can be completed without securing competitive quotes if the price is fair and reasonable. Procurement and agency staff using purchasing cards for micro-purchases are required to equitably distribute the purchase of like goods and services among qualified suppliers. Micro-purchase procedures may not be used for construction contracts with a value of \$2,000 or more.

### Request for Quotes

A request for quotes (RFQ) is used when a good or service is expected to cost between \$10,000 and \$50,000. A brief description of the item is provided to vendors, who submit written quotes to CapMetro by an established deadline. Whenever possible, CapMetro distributes an RFQ through PlanetBids, a third-party solicitation distribution website. Vendors can register with PlanetBids and receive a free subscription. Registered vendors will automatically receive notification of CapMetro solicitations that match their profile.

### Large Purchases

Purchases in excess of \$50,000 require more comprehensive methods than those used for small purchases. These purchases are solicited using a full and open competitive process to allow all prospective bidders an opportunity to do business with CapMetro. Special efforts are made to make the vendor community aware of CapMetro's requirements. Solicitations are advertised in newspapers and

transit industry publications and CapMetro distributes solicitation notifications to registered vendors on PlanetBids.

If it is deemed to be in the best interest of the Authority, we may utilize state and local governmental cooperatives. These cooperatives use procurement methods that are in full compliance with all federal and state best practices for full and open competition.

The basic types of procurement methods used for large purchases are invitation for bids (IFB) and request for proposals (RFP). Generally, goods/commodities are procured via IFB and services through RFP. The solicitation includes a detailed purchase description and/or statement of work, contractual terms and conditions and instructions on how to submit an offer. Solicitations generally remain open for 30 days.

For IFBs, CapMetro awards contracts to the responsive and responsible bidder offering the lowest price. A bid is responsive if it meets all the material requirements of a solicitation. A bidder is responsible if it can demonstrate the capacity and willingness to meet the requirements (e.g., proper equipment, manpower, financial resources and technical expertise). An award is made to the “low bidder” only if the bidder meets both tests of responsiveness and responsibility.

For RFPs, awards are not based on price alone but include additional weighted factors of importance specified in the solicitation. An independent evaluation team reviews the proposals submitted and the vendor/contractor offering the best value to the Authority is selected.

For each solicitation, CapMetro assigns a contract administrator as the primary point of contact. In addition, a conference is generally scheduled well in advance of the bid/proposal submission deadline so vendors may obtain clarification. Information contained in the proposals or concerning the number or identity of offerors is unavailable to the public or CapMetro staff members who do not have a legitimate need to know prior to the recommendation of award of a contract. After evaluation of all offers, CapMetro awards a contract. Contracts in the amount of \$250,000 and above require approval by CapMetro's Board of Directors.

# 3

## Financial and Service Summary



**CapMetro**

## Fund Balance, Reserves and Contingency Requirements

Sound governmental financial practices require the accumulation and maintenance of funds to help stabilize the budget when needed or to accumulate funds for future spending requirements. An entity's accumulated fund balance provides funds that may be needed to address shortfalls that can occur periodically, such as temporary cash flow shortages, emergencies, global pandemics or other unforeseen events. These balances also help provide funding for long-term capital needs. Through years of responsible budgeting and prudent fiscal management, CapMetro is in a strong financial position with fully-funded reserves. These reserves will provide financial resiliency and the funding needed to deliver transit services to the community and ensure that a stable financial position is maintained coming out of the recent economic crisis.

Section 451.134 of the Transportation Code requires CapMetro to establish a reserve account in an amount equal to or greater than actual operating expenses for two months. The amount held in reserve shall be adjusted annually based on CapMetro's actual operating expenses for the 12 months immediately preceding the adjustment. This reserve account is referred to as the "statutory operating reserve."

In FY2025, CapMetro's budget met the operating reserve requirements set forth by the Texas Legislature. The statutory operating reserve account is fully funded at \$58.8 million based on the FY2024 Annual Comprehensive Financial Report and is expected to increase to approximately \$70.0 million in FY2026 as depicted in the table that follows. CapMetro established the statutory operating reserve account on September 1, 2016. The reserve amount will be adjusted annually when audited financial information becomes available. In addition to the statutory operating reserve, the board approved an operating contingency account to be funded at a minimum of \$1 million each year.

CapMetro has budgeted additional amounts to dedicate toward the implementation of the Project Connect sequence plan of \$21.2 million in FY2025 and \$21.9 million in FY2026.

While sales tax receipts were increasing, CapMetro began funding a budget stabilization reserve in FY2016. This reserve was approved by the board in 2010 and was established to set aside excess revenue for use in times of unexpected revenue shortfall caused by emergencies or economic downturns. The reserve was fully funded at the targeted one month of annual average operating expenses in FY2018. In FY2026, the budget stabilization reserve is expected to remain stable at approximately \$35.0 million compared to a balance of \$29.4 million in FY2025. Projections are depicted in the table that follows. The agency has \$32.4 million of dedicated funds for the Project Connect sequence plan that have accumulated from required annual contributions. These funds will be depleted over time as additional construction takes place and revenue service begins. A sustainability capital fund of \$10 million was created in FY2022 for the purpose of supporting the new CapMetro Sustainability Vision Plan and future projects that are developed from the plan. An estimated -\$2.3 million is forecast to be utilized by the end of FY2026, leaving a balance of \$9.4 million for projects beyond FY2026. The budget also includes a self-insurance reserve of approximately \$2.3 million, a reserve of \$3.9 million to fund estimated commitments beyond FY2025 under interlocal agreements with the city of Austin for mobility programs. The operating budget includes \$1 million in appropriations for potential billings from the city of Austin in FY2026. A Suburban Cities Transit Supportive Infrastructure Fund of \$3.3 million has also been set aside.

## FY2026 Projected Ending Fund Balance:

|                                    |                      |
|------------------------------------|----------------------|
| <b>Projected Beginning Balance</b> | <b>\$371,544,209</b> |
|------------------------------------|----------------------|

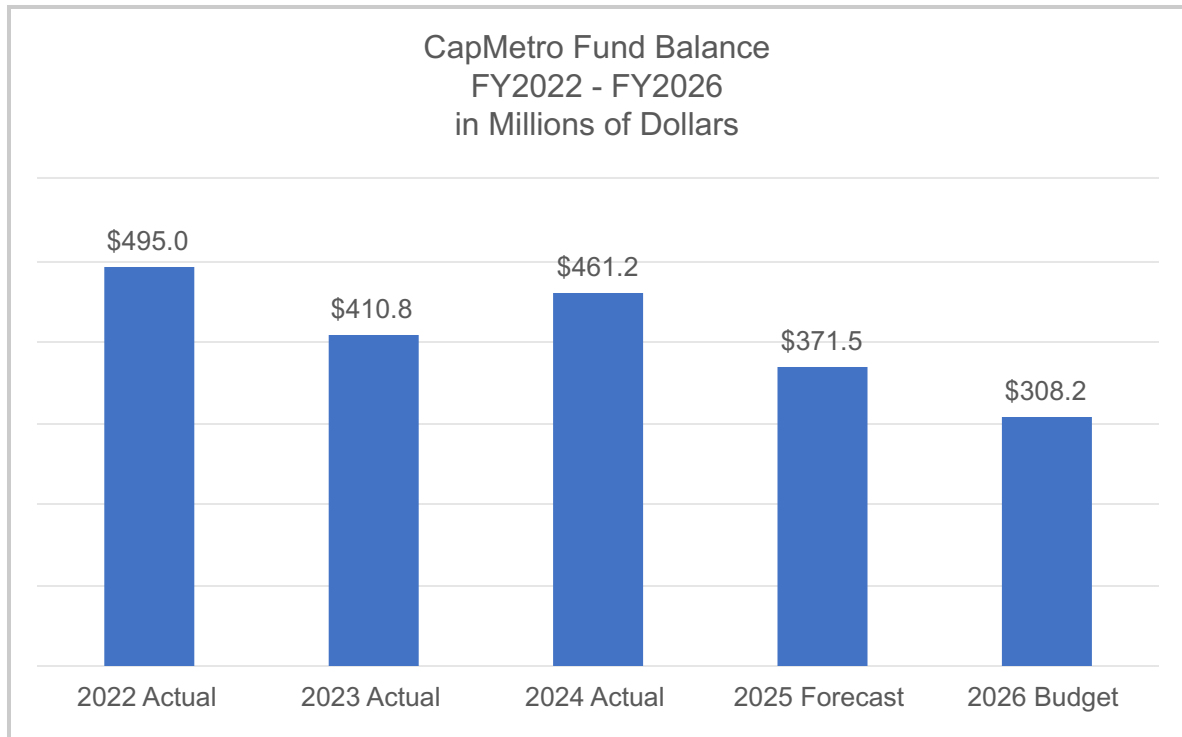
### FY2026 Projected Activity:

|                                       |                      |
|---------------------------------------|----------------------|
| + Revenue                             | 561,829,504          |
| - Operating Expenses                  | 442,432,699          |
| - Interlocal Agreements               | 5,905,196            |
| - Contribution Toward Project Connect | 21,854,540           |
| - Capital Projects                    | 155,016,177          |
| <b>= Projected Ending Balance</b>     | <b>\$308,165,101</b> |

### Breakdown of Ending Balance:

|                                                               |                      |
|---------------------------------------------------------------|----------------------|
| Statutory Operating Reserve Requirement                       | 69,995,295           |
| Budget Stabilization Reserve                                  | 34,997,647           |
| Project Connect - Dedicated Funds                             | 32,374,911           |
| Sustainability Capital Fund                                   | 9,435,440            |
| Suburban Member Cities Transit Supportive Infrastructure Fund | 3,322,739            |
| City of Austin Mobility Programs                              | 3,888,410            |
| Self-Insurance Reserve                                        | 2,283,523            |
| Funding for 5-Year Capital Improvement Plan                   | 151,867,136          |
| <b>= Projected Ending Balance</b>                             | <b>\$308,165,101</b> |

The following chart depicts the history and a projection of ending fund balance for five fiscal years.



## Revenue by Category

The following schedule summarizes FY2026 revenue projections by category and shows the increase or decrease compared to the FY2025 budget. The schedule also depicts FY2024 actual revenue, as well as FY2025 forecast revenue. Sales tax revenue represents the primary source of revenue for CapMetro, contributing approximately 71.0% of the total revenue budget.

|                                    | <b>FY2024<br/>ACTUAL</b> | <b>FY2025<br/>BUDGET</b> | <b>FY2025<br/>FORECAST</b> | <b>FY2026<br/>BUDGET</b> | <b>Var \$ FY2026<br/>vs. FY2025</b> | <b>Var % FY2026<br/>vs. FY2025</b> |
|------------------------------------|--------------------------|--------------------------|----------------------------|--------------------------|-------------------------------------|------------------------------------|
| Sales Tax                          | \$389,023,178            | \$402,760,855            | \$391,166,345              | \$398,989,672            | (\$3,771,183)                       | (0.9%)                             |
| Passenger Revenue                  | 17,564,639               | 20,090,998               | 16,137,692                 | 18,876,274               | (1,214,724)                         | (6.0%)                             |
| Freight Railroad Revenue           | 7,059,989                | 6,672,148                | 6,907,918                  | 6,932,445                | 260,297                             | 3.9%                               |
| Other Revenue                      | 32,280,188               | 19,204,758               | 23,721,916                 | 18,151,169               | (1,053,589)                         | (5.5%)                             |
| Operating Contributions and Grants | 24,608,243               | 64,754,412               | 67,284,241                 | 70,135,282               | 5,380,870                           | 8.3%                               |
| Capital Grants - Federal           | 40,299,751               | 26,583,184               | 29,135,916                 | 31,082,990               | 4,499,806                           | 16.9%                              |
| Capital Grants - State             | —                        | 576,882                  | 4,869,524                  | 530,278                  | (46,604)                            | (8.1%)                             |
| Other Capital Contributions        | 16,038,343               | 60,693,672               | 14,750,807                 | 17,131,394               | (43,562,278)                        | (71.8%)                            |
| <b>Total Revenue</b>               | <b>\$526,874,331</b>     | <b>\$601,336,909</b>     | <b>\$553,974,359</b>       | <b>\$561,829,504</b>     | <b>(\$39,507,405)</b>               | <b>(6.6)%</b>                      |

## Factors Affecting Revenue

### Sales Tax Revenue

Sales tax represents the largest component of CapMetro's total revenue. Sales tax revenue can fluctuate significantly from year to year since collections are directly related to economic conditions. For FY2026, sales tax revenue is budgeted at \$399.0 million, 2.0% above the amount forecasted in FY2025 due to flattening sales tax trends. FY2025 forecasted sales tax collections are \$391.2 million, or 2.9% less than originally budgeted. Several payments in the first half of FY2025 did not achieve the budgeted year-over-year growth rate of 1.5%. This volatility is a result of national and regional forecasts of near-term economic uncertainty and tight monetary policy.

Sales tax is levied on the sale, lease or rental of all taxable goods and services within the CapMetro service area. Certain foods and drugs as well as governmental purchases are exempted from sales tax.

### Passenger Revenue

In total, \$18.9 million is projected in passenger revenue with a continued gradual increase in ridership projected. Included in the passenger revenue category are payments from the University of Texas (UT) for shuttle and bus services for their students, faculty and staff with revenue estimated at \$7.6 million. CapMetro is assessing our fare structure, programs and pricing across modes and programs.

Revenue from CapMetro Vanpool is expected to continue recovering with total revenue estimated at \$1.8 million and 210 vanpools by the end of FY2026.

## **Freight Rail Revenue**

In June 2015, the board approved a contract with Watco Companies, LLC, for freight operations and maintenance services on CapMetro's railroad. The contract provides for a base period of 20 years with six five-year options and Watco assumed complete operation of the assigned services on October 1, 2015. The contract includes a revenue-sharing component, under which CapMetro will receive 16.5% of gross revenue each year. In FY2026, CapMetro's share of gross revenue is expected to be approximately \$5.5 million based on estimated shipping activity. As the owner of the railroad, CapMetro will continue to be responsible for certain capital investments, such as its bridge replacement program.

In January 2005, the United States Congress enacted the Railroad Track Maintenance Tax Credit — section 45G of the U.S. Tax Code. The 45G tax credit is a federal income tax credit for track maintenance conducted by short lines and regional railroads in the United States. The credit is equal to 40% of qualified track maintenance expenditures and other qualifying railroad infrastructure projects estimated to an annual amount of approximately \$544,500. This credit is taken by Watco and credited to CapMetro as revenue per terms of the contract.

The remainder of the freight rail revenue includes approximately \$953,000 related to licenses and fees associated with the use of CapMetro's railroad right-of-way.

## **Other Revenue**

Revenue in this category includes \$9.0 million in interest earnings, \$2.1 million in purchased transportation agreement revenue (revenue CapMetro earns from regional partner agreements with communities outside of the service area) and \$2.1 million projected in advertising revenue on CapMetro buses and trains.

## **Operating Contributions from Grants**

Grants are typically the second largest component of CapMetro's total revenue. CapMetro uses its grant funding for eligible operating and capital activities. Most grant funding contributed to operating activities is provided through the Federal Transit Administration (FTA). CapMetro has projected \$44.0 million of its Urbanized Area Formula (Section 5307) grant program funds for operating activities in FY2026. For public transit agencies that operate in urban areas with a population greater than 1 million, the use of Section 5307 grants for operations is restricted to specific categories of expenses, primarily related to capital consumed for service or maintenance, special services required by the Americans with Disabilities Act (ADA) and mobility management.

Other operating expenses that will be reimbursed by federal grants during FY2026 include \$1.9 million for Transit-Oriented Development.

## **Capital Grants**

CapMetro receives grant funding through a variety of grant programs for various capital projects. These projects include new CapMetro Rapid lines, new buses, facilities and rail infrastructure improvements. Some of the federal grant funds are apportioned to CapMetro annually by the FTA under a prescribed formula. One example is the Grants for Buses and Bus Facilities Formula Program (Section 5339(a)). CapMetro programs its annual Section 5339(a) funds to replace buses that have exceeded their minimum useful life. The State of Good Repair Program (Section 5337) is another formula grant CapMetro receives annually. It programs the funds for rail maintenance and rehabilitation projects to maintain a state of good repair. In FY2026, CapMetro also plans to allocate amounts from its Urbanized Area Formula (Section 5307) grant program apportionment toward revenue vehicle replacements.

Other grants have been awarded to CapMetro for specific capital projects at the discretion of the funding agency instead of by formula. Discretionary grants will provide revenue for various capital projects in FY2026 including the completion of the Pleasant Valley and Expo Center CapMetro Rapid lines which are Project Connect program initiatives partially funded by the FTA's Capital Investment Grant Program. Other capital projects funded by discretionary grants include double tracking for commuter rail optimization in East Austin through the U.S. DOT Rebuilding American Infrastructure with Sustainability

and Equity (RAISE) program and construction of a new North demand response operations and maintenance facility through the FTA's Bus and Bus Facilities Competitive Program (Section 5339(b)).

CapMetro continues to pursue other grant opportunities to maximize transit benefits available to the region. Because many of these grant programs are highly competitive, capital grant projections only reflect grants for projects that have already been awarded or for project selections that have been announced.

### **Other Capital Contributions**

Other capital contributions include \$17.1 million from the Austin Transit Partnership for reimbursement of projects within the Project Connect program sequence plan.

## **Types of Grants**

Most of CapMetro's grants are provided through programs authorized in legislation and administered by the Federal Transit Administration (FTA), one of 10 modal administrations within the U.S. Department of Transportation. The FTA's most recent authorizing legislation is the Bipartisan Infrastructure Law or BIL (enacted as the Infrastructure Investment and Jobs Act (Pub. L. 117-58)), signed into law on November 15, 2021 and effective on October 1, 2021. The BIL reauthorized the federal public transportation program funding for FY2022 through FY2026. It provides a significant increase (approximately 67%) in annual funding for public transportation in comparison with the period authorized in the previous authorization, the Fixing America's Surface Transportation (FAST) Act (P.L. 114-94) of 2015. CapMetro benefits from the following major programs administered by FTA including:

### **Urbanized Area Formula Grant (Section 5307)**

The Urbanized Area Formula Program (Section 5307) provides annual grants to U.S. Census designated urbanized areas (UZAs) for public transportation capital, planning, job access and reverse commute projects. These funds constitute a core investment in the enhancement and revitalization of public transportation systems in the nation's UZAs, which depend on public transportation to improve mobility and reduce congestion. This grant funding is apportioned using factors that are specified in the law. The Austin UZA was apportioned approximately \$49.8 million in Section 5307 grant funds for FY2025. As the Designated Recipient of Section 5307 funds, CapMetro sub-allocated approximately \$1.3 million to the city of Round Rock and appropriated the rest for CapMetro services and capital expenditures. The Bipartisan Infrastructure Law authorizes a 2% increase for 2026. As such, CapMetro estimates \$50.8 million will be apportioned to the Austin, TX UZA in FY2026 and it will sub-allocate \$1.3 million to the city of Round Rock. These funds will be applied to eligible operating expenses including but not limited to, preventive maintenance, special services required by the Americans with Disabilities Act, safety-related activities and capital outlays for revenue vehicle replacement.

### **Enhanced Mobility of Seniors and Individuals with Disabilities (Section 5310)**

The Enhanced Mobility of Seniors and Individuals with Disabilities (Section 5310) program is intended to enhance mobility for seniors and persons with disabilities by providing funds for programs to serve their special needs. Since it became the designated recipient for this program in 2014, CapMetro has been responsible for administering Section 5310 funds apportioned to the Austin UZA. In FY2025 \$1.8 million was apportioned to the Austin UZA and CapMetro estimates a similar amount will be apportioned in FY2026. CapMetro has established a competitive project selection process to award grants for projects carried out by sub-recipients. Although most Section 5310 projects are awarded to local nonprofit agencies, CapMetro uses a portion of the funds for its own activities including program administration, mobility management and for operating assistance for specific transit services.

### **State of Good Repair Grants Program (Section 5337)**

The State of Good Repair Grants Program (Section 5337) provides capital assistance for maintenance, replacement and rehabilitation projects of high-intensity fixed guideway and bus systems to help transit agencies maintain assets in a state of good repair. This grant funding is apportioned annually to states and urbanized areas with fixed guideways and high-intensity motorbus systems in service for at least

seven years. The CapMetro Rail Red Line has been in service since FY2010, making it eligible for these funds. In FY2025, CapMetro was apportioned \$4.8 million and has budgeted a similar amount for FY2026. The funds will be used for activities that maintain the Rail in a state of good repair.

### **Bus and Bus Facilities Formula and Discretionary Grants (Section 5339)**

The Bus and Bus Facilities Formula (Section 5339(a)) program provides funding to replace, rehabilitate and purchase buses, related equipment and bus-related facilities. This grant funding is apportioned annually to states and urbanized areas using factors that are specified in the law. CapMetro was apportioned approximately \$3.2 million in Section 5339(a) grant funds for FY2025 and has budgeted a similar amount for FY2026. These funds will be used to acquire new buses to replace vehicles that have exceeded their useful lives in terms of years and/or miles of service. As the Designated Recipient of Section 5339 funds, CapMetro sub-allocated approximately \$100,939 to the city of Round Rock and appropriated the rest for CapMetro capital expenditures.

In addition to the formula bus program, the BIL reauthorized two programs, the Bus and Bus Facilities Competitive (Section 5339(b)) program and the Low or No Emission Vehicle (Section 5339(c)) program, for projects selected through an annual competitive process. Section 5339(b) grants may be awarded to states and transit agencies to replace, rehabilitate and purchase buses and related equipment and to construct bus-related facilities. The competitive allocation provides funding for major improvements to bus transit systems that would not be achievable through formula allocations. In FY2022, CapMetro was awarded \$20 million for construction of a new North Base Demand Response facility. Construction site work is anticipated to begin in late 2025.

Section 5339(c) includes grants awarded for the purchase or lease of zero-emission and low-emission transit buses as well as acquisition, construction and leasing of required supporting facilities. Under this program, CapMetro has been awarded \$7.4 million in prior rounds to replace diesel buses with zero-emission electric buses and evaluate the performance and interoperability of various technology providers and platforms. CapMetro will continue to pursue awards under this program to support its fleet plan.

### **Capital Investment Grant Program (CIG)**

The Capital Investment Grant (CIG) Program is a discretionary funding program for the construction of new fixed-guideway public transportation systems and the expansion of existing systems. Eligible projects include transit rail, including subway/elevated rail (heavy rail), light rail and commuter rail, as well as bus rapid transit (BRT) and ferries. There are three categories of eligible projects under the CIG program: New Starts, Small Starts and Core Capacity. Federal transit law requires transit agencies seeking CIG funding to complete a series of steps over several years. The law requires projects to be rated by FTA at various points in the process according to statutory criteria evaluating project justification and local financial commitment. Project sponsors must successfully complete each step and receive a minimum evaluation rating before FTA commits federal funds for the projects. On February 7, 2023, CapMetro executed two Small Starts Grants Agreements with FTA for construction of the Expo Center CapMetro Rapid (\$30.9 million) and the Pleasant Valley CapMetro Rapid (\$34.7 million) lines. Limited introductory service on both routes began on February 23, 2025 with full service expected to begin in 2026 when all infrastructure construction is complete.

### **Better Utilizing Investments to Leverage Development Program (BUILD)**

The Better Utilizing Investments to Leverage Development (BUILD) program provides a unique opportunity for the DOT to invest in road, rail, transit and port projects that promise to achieve national objectives. Previously known as the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) program and Transportation Investment Generating Economic Recovery (TIGER) program, Congress has dedicated nearly \$17.5 billion for seventeen rounds of National Infrastructure Investments to fund projects that have a significant local or regional impact.

In each application period, DOT receives hundreds of applications to build and repair critical pieces of our freight and passenger transportation networks. The BUILD program enables DOT to examine these projects on their merits to help ensure that taxpayers are getting the highest value for every dollar invested. The eligibility requirements of BUILD allow project sponsors at the State and local levels to

obtain funding for multi-modal, multi-jurisdictional projects that are more difficult to support through traditional DOT programs. CapMetro was awarded \$18 million in the 2023 round of funding to undertake a commuter rail optimization project. The award was for the design, engineering and construction of double tracks along the existing Red Line from Onion Street in the west to E. Timbes in the east. The project also includes a second station platform at Plaza Saltillo, signalization, positive train control (PTC) modifications, safer railroad crossings at five locations, construction of new active transportation infrastructure between Chicon and Pedernales and the reconfiguration of 5<sup>th</sup> Street. Design activities began in November 2024 and construction is estimated to begin in 2026.

## Other Grants

CapMetro monitors and pursues other FTA grant opportunities to maximize transit benefits available to the region. Recent efforts have resulted in great success. CapMetro has been awarded \$4.65 million for planning initiatives through the FTA's Pilot Program for Transit-Oriented Development (TOD) Planning grant program. The funds are used to conduct planning studies focused on maximizing land use and transportation development for various transit corridors. In FY2022, CapMetro was awarded \$780,100 under the FTA's Route Planning Restoration Program for workforce development activities including training, recruitment and retention of transit personnel. In FY2023, two CapMetro projects were selected for Community Projects/Congressionally Directed Spending funding. Appropriations included \$4.169 million for electric vehicle charging infrastructure (Congressman Doggett) and \$3.3 million for wheelchair-accessible vehicles at the North Austin ADA Paratransit Base (Congressman Sessions). Approximately \$950,000 was awarded to CapMetro for a cooperative agreement with FTA to demonstrate vehicle automation technology through FTA's Automated Transit Bus Maintenance and Yard Operations Demonstration program.

Grants from other Federal agencies have also been critical to the successful implementation of CapMetro projects. The Federal Railroad Administration (FRA) awarded more than \$2.3 million under the FRAs Consolidated Rail Infrastructure and Safety Improvements (CRISI) program to replace portions of the Walnut Creek Bridge on the East Subdivision of CapMetro's freight railroad. In FY2023, CapMetro executed an advanced funding agreement with the Texas Department of Transportation for \$4.6 million in Federal Surface Transportation Program (Federal Highway Administration) funding for environmental studies and preliminary engineering design of a CapMetro Rail Red Line grade separation project at North Lamar and Airport Blvd. Also, the Federal Emergency Management Agency (FEMA) awarded \$120,000 to CapMetro for cybersecurity and information infrastructure. In FY2024, CapMetro was awarded \$1 million for a cooperative agreement with the Department of Transportation Build America Bureau for technical assistance to prepare at least one CapMetro owned candidate site for transit oriented development through public-private partnerships.

In recent years, state grants have also been an important source of funds. The Texas Commission on Environmental Quality (TCEQ) has awarded more than \$11.1 million to CapMetro through various grant programs including the Emissions Reduction Incentive Grant (ERIG) and Texas Clean Fleet Program (TCFP) and the Alternative Fueling Facilities Program (AFFP). These TCEQ funds have provided financial assistance for replacing old buses with new clean diesel buses.

## Operating Expenses by Category

The following schedule summarizes FY2026 operating expenses projections by category and shows the increase or decrease compared to the FY2025 Budget. The schedule also depicts FY2024 actual expenses, as well as FY2025 forecast expenses. Purchased transportation services represent approximately 52.1% of the total operating budget.

|                                 | FY2024<br>ACTUAL     | FY2025<br>BUDGET     | FY2025<br>FORECAST   | FY2026<br>BUDGET     | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|---------------------------------|----------------------|----------------------|----------------------|----------------------|-----------------------------|----------------------------|
| Salaries and Benefits           | \$83,411,676         | \$97,173,433         | \$92,224,616         | \$94,101,853         | (\$3,071,580)               | (3.2%)                     |
| Professional Services           | 44,975,616           | 60,563,382           | 48,657,238           | 51,881,111           | (8,682,271)                 | (14.3%)                    |
| Materials and Supplies          | 19,615,032           | 19,203,942           | 25,073,300           | 24,031,807           | 4,827,865                   | 25.1%                      |
| Fuel and Fluids                 | 15,864,155           | 15,133,560           | 14,163,887           | 15,471,913           | 338,353                     | 2.2%                       |
| Utilities                       | 4,456,128            | 8,340,447            | 5,372,456            | 6,991,190            | (1,349,257)                 | (16.2%)                    |
| Insurance                       | 1,018,699            | 1,953,900            | 1,953,900            | 2,379,000            | 425,100                     | 21.8%                      |
| Purchased Transportation        | 226,840,171          | 228,754,677          | 236,069,709          | 233,698,230          | 4,943,553                   | 2.2%                       |
| Other Expenses                  | 3,694,466            | 11,187,640           | 4,882,644            | 9,326,879            | (1,860,761)                 | (16.6%)                    |
| Interest Expense                | 555,785              | —                    | 136,342              | 388,598              | 388,598                     | —%                         |
| Lease/Rentals                   | 2,585,339            | 6,215,375            | 3,327,685            | 4,162,118            | (2,053,257)                 | (33.0%)                    |
| Interlocal Agreements           | 2,024,513            | 5,191,439            | 3,855,000            | 5,905,196            | 713,757                     | 13.7%                      |
| <b>TOTAL OPERATING EXPENSES</b> | <b>\$405,041,580</b> | <b>\$453,717,795</b> | <b>\$435,716,777</b> | <b>\$448,337,895</b> | <b>(\$5,379,900)</b>        | <b>(1.2%)</b>              |

## Factors Affecting Operating Expenses

### Salaries and Benefits

FY2026 salaries and benefits decrease by \$3.1 million, or 3.2%, due to a revised method in vacancy budgeting, which no longer includes provisions for vacant roles. The budget includes a net increase of 8.5 full-time equivalent positions as well as funding for performance-based salary increases for CapMetro staff, estimated at an average of 3.0%.

Funding for healthcare claims is projected based on current claims utilization, national medical trends and increases in eligible participants. CapMetro's overall benefits expense increase by \$587 thousand in FY2026 from FY2025 with rising health care costs. CapMetro offers premium and cash incentives to help manage health care costs by encouraging employees and spouses to complete health risk assessments and biometric testing. The goal is to help participants identify any potential health issues proactively. The medical plan network discounts through United Healthcare (UHC) for in-network claims were 61.7% for the 12-month period ending March 30th 2025, which also contributes to controlling costs. In addition to these discounts, UHC offers wellness, health education and disease management programs for participants. CapMetro also has an on-site wellness and fitness program. Estimated employer costs related to two pension plans are included in this category.

### Professional Services

External services are needed for various operational and planning purposes in FY2026. These services include various planning studies, software and hardware contracts, security services, vehicle repair and maintenance, janitorial and landscaping services and building maintenance. In FY2026, budgeted costs will decrease by approximately \$8.7 million compared to the FY2025 Budget. This is primarily driven by a reduction in consultation and other professional fees, repair and maintenance, partially offset by an

increase in software contract expenses and advertising fees previously categorized as other operating expense.

### **Materials and Supplies**

The budget is forecasted to increase by \$4.8 million due to a full year of expenses under the new demand response maintenance service model that began in January 2025 and an underestimation of the materials and supplies budget for bus maintenance in FY2025. Prior to January 2025, these expenses for demand response were captured in purchased transportation expense.

### **Fluids**

The budget for fluids consists primarily of funding for diesel fuel, but also includes gasoline and engine and transmission fluids. It is estimated to increase by approximately \$338 thousand from the prior year, driven by engine and transmission fluids. Diesel fuel expense is expected to stay flat from the FY2025 budget thanks to approximately 67% of the FY2026 projected diesel consumption secured through a fuel hedging program with a projected average cost per gallon with taxes of \$2.30. During FY2025, CapMetro incurred average fuel prices closer to \$2.60 per gallon for diesel, including taxes.

### **Purchased Transportation**

Purchased transportation costs are expected to increase by approximately \$4.9 million. An increase of \$5.5 million is projected for bus services driven by a full year of Rapid service on the Pleasant Valley and Expo Center lines as well as a planned frequency increase from 20 to 10 minutes on those same lines starting in June 2026. CapMetro Access service is expected to stay flat to FY2025. CapMetro Rail decreases by \$1.1 million compared to the FY2025 budget due to a slight decrease in planned hours but keeping current service levels flat. Pickup has a slight increase of \$599 thousand mainly driven by a full year of expenses included in FY2026 for the Decker zone that launched in January 2025.

### **Other Operating Expense**

The FY2026 other operating expense budget comprised of utilities, insurance, interest and other miscellaneous expenses is projected to decrease by approximately \$2.4 million primarily due to lower utility expenses, advertising expenses re-categorized under professional services and a reduction in travel expenses.

### **Lease and Rent**

The lease and rent expense budget decreases by approximately \$2.1 million as CapMetro continues to gradually transition from a mix of leased and owned facilities, to primarily owned facilities. While CapMetro acquired property at several locations in recent years, staff will continue to occupy leased space until those facilities are renovated or constructed.

### **Interlocal Agreements**

CapMetro entered into an interlocal agreement with the city of Austin, which was amended in April 2010, to pay the city its pro-rata share of 25% of CapMetro's one-cent sales tax from 2001 to 2004 in consideration for the city to carry out transportation mobility projects approved by CapMetro. The amount is payable annually based on eligible expenditures incurred during the previous fiscal year. The Austin City Council approved an allocation for priority project funding under this interlocal agreement. Accordingly, \$500 thousand is budgeted in FY2026 for this mobility program compared to \$1 million in the FY2025 Budget. CapMetro has also set aside estimated funding in a separate reserve account so that funds will be available beyond FY2026 as the city continues to work on these project priorities. In addition, this category includes funding for the expanded Build Central Texas Program for transportation projects in suburban communities that support transit in the amount of \$2.9 million.

## Budget Summary

The table below summarizes CapMetro's structurally balanced budget for FY2026 and includes projected funding and expenses.

| Budget Summary                          |                      |
|-----------------------------------------|----------------------|
| Funding                                 | FY2026               |
| Sales Tax                               | \$398,989,672        |
| Passenger Revenue                       | 18,876,274           |
| Freight Railroad Revenue                | 6,932,445            |
| Miscellaneous Revenue                   | 18,151,169           |
| Operating Contributions and Grants      | 70,135,282           |
| Capital Grants - Federal                | 31,082,990           |
| Capital Grants - State                  | 530,278              |
| Other Capital Contributions             | 17,131,394           |
| Fund Balance                            | 63,379,108           |
| <b>Total Funding</b>                    | <b>\$625,208,612</b> |
|                                         |                      |
| Expenses                                | FY2026               |
| Operating Expenses                      | \$442,432,699        |
| Capital Project Expense                 | 155,016,177          |
| Austin Transit Partnership Contribution | 21,854,540           |
| Interlocal Agreements                   | 5,905,196            |
| <b>Total Expenses</b>                   | <b>\$625,208,612</b> |

## Debt Amortization

CapMetro paid off all outstanding debt in FY2018, accumulated no additional debt since then and has no borrowing projected in the FY2026 budget. As part of the planning effort for Project Connect funding sources, CapMetro obtained a credit rating in FY2019. S&P Global Ratings ("S&P"), a leading national rating agency, assigned an issuer credit rating of AA- to CapMetro with a stable outlook. In its report published January 28, 2019, S&P cited CapMetro's "very strong management and governance" bolstered by "prudent financial policies," "very strong liquidity position" and "extremely strong economic fundamentals" due to service area "population and employment growth" as key factors underpinning the strong credit rating.

In April 2020, S&P Global Ratings affirmed its AA- issuer credit rating on CapMetro with a negative outlook. In its report published April 29, 2020, S&P cited CapMetro's management's flexibility to adjust capital spending and operating expenses, "\$147 million in unrestricted reserves as of March 2020, equal to 218 days' cash on hand, that we expect will be bolstered by an additional \$102 million in federal stimulus aid received from the CARES ACT" and "no debt outstanding" as key factors for affirming its rating. S&P's negative outlook reflected an opinion that "the sudden drop in activity levels and sales tax revenues due to the COVID-19 pandemic will strain CapMetro's financial metrics over the next few months, followed by a potentially slow recovery as measures to control the outbreak become more effective and widespread, allowing for gradual improvements in overall mobility and consumer spending. In addition, a prolonged recession following the pandemic could also strain CapMetro's financial metrics over the longer term, depending on the severity of the recession."

In April 2021, S&P Global Ratings raised its issuer credit rating on CapMetro to AA from AA- with a stable outlook. In its report published April 1, 2021, S&P cited "the upgrade reflects our opinion of CapMetro's strong enterprise and financial risk profiles, as well as its significant tax support." and "the stable outlook reflects no current debt outstanding and our expectation for financial metrics to be maintained at levels consistent with the current rating" as key factors for the upgrade in its rating. The AA long-term rating with a stable outlook was reaffirmed by S&P in May 2025.

A credit rating is a measure of the risk associated with an agency's ability to repay its obligations. For transit agencies such as CapMetro, a credit rating is an independent assessment of overall financial performance and position, economic trends, ridership trends, management and governance and debt and pension liabilities. A high credit rating of AA will allow CapMetro to borrow at low interest rates.

A rating in the AA category puts CapMetro in the top tier of mass transit entities with credit ratings from S&P.

## Service Overview

### CapMetro Bus

CapMetro Bus service is a fixed-route service that includes the mainline service of CapMetro's transit system. CapMetro operates 54 CapMetro Bus routes, including local, feeder and cross-town routes. The transit authority operates approximately 13.96 million total bus miles over its CapMetro Bus system. The fleet of buses provided riders with an average of 63,235 weekday boardings in FY2024, an increase over FY2023. CapMetro's over 400 buses operate seven days a week, providing service to more than 1.3 million residents of the service area.

### CapMetro Express

CapMetro Express service is a limited-stop commuter service to and from the University of Texas, the Capitol Complex, downtown and Park & Rides. Five routes serve North and Northwest Austin as well as the cities of Leander and Manor. Average weekday boardings were 521 in FY2024, an increase compared to FY2023 as riders continue to return post-pandemic.

### CapMetro Rapid

CapMetro Rapid is a fixed-route service that runs along North Lamar/South Congress (Route 801) and Burnet/South Lamar (Route 803) and offers faster, more convenient service for the community. Some of the features include frequent service, limited stops, boarding from all doors, unique and upgraded stops with real-time arrival information and vehicles equipped with signal priority technology. The fleet of 55 buses carried 3.82 million riders in its eleventh year of operation. Average weekday boardings were 11,476 in FY2024, an increase compared to FY2023. In early calendar year 2025, CapMetro added two additional Rapid routes – the Expo Center Line and the Pleasant Valley Line, as part of the Project Connect investments. Construction of the new lines began in 2021 and service will include high-frequency bus service using an electric fleet.

### CapMetro Rail

The CapMetro Rail Red Line runs on 32 miles of tracks between downtown Austin and Leander. The Red Line provides convenient service for suburban and Central Austin residents. Service is typically provided six days per week with increased service levels for special events. Average weekday boardings were 1,640 in FY2024, an increase compared to FY2023.

### Pickup

Pickup by CapMetro is an on-demand microtransit service – introduced in June 2019 – that operates in several neighborhood zones in Austin, Leander, Lago Vista and Manor. This service takes multiple riders heading in the same direction and schedules them into a shared vehicle. There is no set route for the service, customers can be picked up and transported anywhere within a defined service zone and all vehicles are wheelchair accessible. Average weekday boardings were 1,822 in FY2024, an increase as ridership demand continued to grow in each of the 11 existing zones. In early calendar year 2025, CapMetro added one additional Pickup zone.

### University of Texas Shuttle

Fixed route bus service for students, staff and faculty is provided in partnership with the University of Texas. Eight routes provide connections between housing and the downtown campus. Routes move students between the greater UT campus area and areas with high-density student populations. Average daily ridership for full class days was 8,000 at the end of FY2024.

### CapMetro Vanpool

CapMetro Vanpool provides eligible groups of 4-12 people with a month-to-month lease agreement of a passenger van that includes insurance, maintenance, 24-hour roadside assistance, administrative support and an optional fleet card for fuel. The cost of a CapMetro vanpool varies based on van selection, commute distance and number of riders sharing the monthly fare, plus fuel and tolls. Average weekday boardings were 1,413 in FY2024, an increase over the previous year.

## CapMetro Access

The CapMetro Access paratransit program is for people who have a disability or medical condition that limits or prevents them from independently using accessible bus service some or all of the time as defined in the Americans with Disabilities Act. People certified by CapMetro under this program may ride CapMetro Access within three-quarters of a mile of CapMetro's non-commuter fixed-route bus service on the same days and during the same hours as the fixed-route service in their area. Average weekday boardings were 1,906 in FY2024.

## CapMetro Bikeshare

CapMetro Bikeshare is a dock-based bike sharing service operating in the downtown, central east and campus regions of Austin. CapMetro currently operates 73 stations, including 500 electric pedal assist bicycles. Since its inception in 2013, the program has serviced over 2.5M trips. The fleet of bicycles carried an average ridership of 760 trips per day in 2024. CapMetro's 500 bicycles operate seven days a week, providing service to more than 1.3 million residents in the service area.

## Regional Service

The CapMetro Service Expansion Policy provides a process for distributing federal transit funding in the region (Section 5307 and 5339 Funds). This provides CapMetro the opportunity to work with jurisdictions outside the service area but within the urbanized area, including the cities of Georgetown, Round Rock, Pflugerville, Hutto, Buda and Travis County. The jurisdiction allocates local funding along with Section 5307 Funds to pay for services, such as developing a Transit Development Plan (TDP), which plans and develops transit services. CapMetro may partner with these jurisdictions to operate transit service through interlocal agreements (ILAs) where the cities/counties reimburse CapMetro directly for the cost of operating service within their communities. CapMetro operates bus transit service in Round Rock and partners with Capital Area Rural Transportation System (CARTS) to operate a Limited Paratransit and Senior Service in Georgetown. Travis County receives fixed route and Pickup transit service from both CapMetro and CARTS in the urbanized, unincorporated portions of the county.

## Ridership

The table below reflects ridership projections by mode of service and shows the increase or decrease compared to the FY2025 budget.

| Mode of Service *   | FY2024 Actual     | FY2025 Budget     | FY2025 Forecast ** | FY2026 Budget     | Var FY2026 vs. FY2025 | Var % FY2026 vs. FY2025 |
|---------------------|-------------------|-------------------|--------------------|-------------------|-----------------------|-------------------------|
| CapMetro Bus(1)     | 19,451,629        | 18,940,355        | 19,881,971         | 20,642,494        | 1,702,139             | 9.0%                    |
| CapMetro Rapid(2)   | 3,817,210         | 5,207,361         | 4,687,712          | 5,731,438         | 524,077               | 10.1%                   |
| CapMetro Express(3) | 131,203           | 230,240           | 139,972            | 151,075           | (79,165)              | (34.4%)                 |
| CapMetro Access(4)  | 579,081           | 588,429           | 628,000            | 666,667           | 78,238                | 13.3%                   |
| UT Shuttle(5)       | 1,109,793         | 1,279,805         | 1,280,957          | 1,343,534         | 63,729                | 5.0%                    |
| CapMetro Vanpool(6) | 376,712           | 399,283           | 384,864            | 450,701           | 51,418                | 12.9%                   |
| CapMetro Rail(7)    | 542,095           | 610,327           | 676,233            | 781,001           | 170,674               | 28.0%                   |
| Pickup(8)           | 511,720           | 599,670           | 566,552            | 702,544           | 102,874               | 17.2%                   |
| Special Events(9)   | 7,162             | 2,926             | 6,662              | 7,279             | 4,353                 | 148.8%                  |
| <b>Total</b>        | <b>26,526,605</b> | <b>27,858,396</b> | <b>28,252,923</b>  | <b>30,476,733</b> | <b>2,618,337</b>      | <b>9.4%</b>             |

\* Some of the Express, Bus and Pickup service is provided by CARTS

\*\* FY2025 Forecast completed in May 2025

(1) - Minor increase due to added service hours. Service levels are designed to ensure consistency in delivery, ensure coverage to essential services and activity centers, and maintain on-time performance.

(2) - The majority of the increase is due to a full year of new Pleasant Valley and Expo Center Rapid lines plus added service frequency starting in June 2026.

(3) - Decrease due to overstatement of FY2025 budget. Anticipate an increase over actuals due to riders continuing to return post-pandemic as businesses are requiring more workers to return to the office, however at a slower pace than anticipated as service levels will remain at current levels.

(4) - Experiencing high ridership growth in FY2025. Higher demand for the service is expected to continue in FY2026.

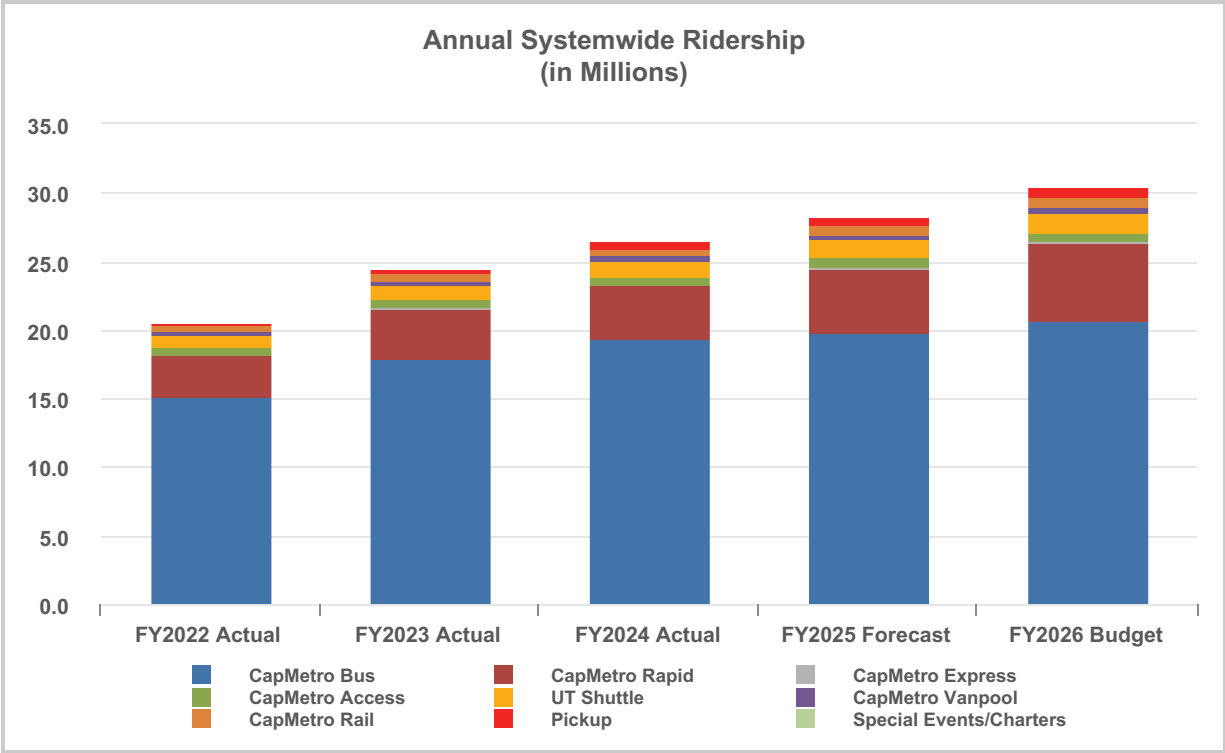
(5) - Increases due to route consolidations, with service better aligning with customer needs.

(6) - Steady growth in FY2025 with projections for increasing growth FY2026 during the Construction of I-35 Downtown corridor.

(7) - Anticipate an increase over actuals due to riders continuing to return to service and as businesses are requiring workers return to the office. Service levels remain relatively unchanged.

(8) - The new Decker zone in January 2025, following the launch of the Dove Springs zone in January 2024 have contributed to strong ridership growth. In FY2026, ridership is projected to continue growing at a robust pace.

(9) - Increase due to understatement of FY2025 budget.



## Vehicle Hours of Service

The table below reflects vehicle hours of service by mode and shows the increase or decrease compared to the FY 2025 budget.

| Mode of Service *   | FY2024 Actual    | FY2025 Budget    | FY2025 Forecast ** | FY2026 Budget    | Var FY2026 vs. FY2025 | Var % FY2026 vs. FY2025 |
|---------------------|------------------|------------------|--------------------|------------------|-----------------------|-------------------------|
| CapMetro Bus(1)     | 1,141,585        | 1,171,684        | 1,171,684          | 1,151,544        | (20,140)              | (1.7%)                  |
| CapMetro Rapid(2)   | 202,221          | 317,354          | 327,393            | 321,994          | 4,640                 | 1.5%                    |
| CapMetro Express(3) | 17,065           | 25,362           | 25,362             | 25,378           | 16                    | 0.1%                    |
| CapMetro Access(4)  | 410,345          | 494,000          | 442,846            | 475,616          | (18,384)              | (3.7%)                  |
| UT Shuttle(5)       | 88,248           | 85,584           | 85,584             | 86,121           | 538                   | 0.6%                    |
| CapMetro Vanpool(6) | 71,258           | 74,247           | 75,966             | 83,808           | 9,561                 | 12.9%                   |
| CapMetro Rail(7)    | 22,185           | 31,000           | 32,091             | 26,328           | (4,672)               | (15.1%)                 |
| Pickup(8)           | 138,171          | 155,640          | 157,898            | 159,956          | 4,316                 | 2.8%                    |
| Special Events(9)   | 922              | 778              | 5,366              | 936              | 158                   | 20.4%                   |
| <b>Total</b>        | <b>2,091,999</b> | <b>2,355,648</b> | <b>2,324,190</b>   | <b>2,331,682</b> | <b>(23,966)</b>       | <b>(1.0%)</b>           |

\* Some of the Express, Bus and Pickup service is provided by CARTS

\*\* FY2025 Forecast completed in May 2025

(1) - Slight decrease for FY2026 versus FY2025 due to identified areas of efficiencies and lower than anticipated resource availability. Service levels are designed to ensure consistency in delivery, ensure coverage to essential services and activity centers, and maintain on-time performance. Some of the Bus service included is provided by CARTS.

(2) - Increase based on planned and committed increases on Rapid Expo and Pleasant Valley services. FY2026 anticipates transitioning to full implementation with higher-frequency and electric charging at end-of-line facilities once infrastructure and resources are available. The forecast anticipates transitioning to electric and end-of-line charging in mid-2026 before additional frequency levels.

(3) - Negligible increase for FY2026 versus FY2025 to address on-time performance and traffic within the region. No major changes to service levels reflecting continued commuting patterns. Some of the Express service included is provided by CARTS.

(4) - FY 2025 CapMetro Access (Paratransit) projections of 494,000 hours was approximately 10% over-stated from final forecast. Going into FY 2025, CapMetro Access experiencing high ridership growth which requires Service Hours Increase.

(5) - Negligible increase. No major changes to service levels reflecting continued changes in student commuting patterns.

(6) - Projected growth anticipated due to the construction of I-35 downtown corridor.

(7) - FY2026 hours are aligned with current service levels.

(8) - FY 2025 CapMetro Pickup (MicroTransit) launched new Decker zone in January, tracking a little higher growth than expected. FY 2026, Pickup service hours to remain largely flat, with exception to additional hours for Decker and Manor.

(9) - Increase in FY2025 due to unbudgeted APTA Rodeo and Conference and additional Q2 stadium events.

## Vehicle Miles of Service

The table below reflects vehicle miles of service by mode and shows the increase or decrease compared to the FY 2025 budget.

| Mode of Service*    | FY2024 Actual     | FY2025 Budget     | FY2025 Forecast ** | FY2026 Budget     | Var FY2026 vs. FY2025 | Var % FY2026 vs. FY2025 |
|---------------------|-------------------|-------------------|--------------------|-------------------|-----------------------|-------------------------|
| CapMetro Bus(1)     | 13,060,096        | 13,147,727        | 13,147,727         | 12,898,479        | (249,249)             | (1.9%)                  |
| CapMetro Rapid(2)   | 2,617,444         | 3,936,800         | 3,946,839          | 4,118,332         | 181,532               | 4.6%                    |
| CapMetro Express(3) | 396,182           | 505,417           | 505,417            | 505,739           | 322                   | 0.1%                    |
| CapMetro Access(4)  | 5,983,079         | 5,534,653         | 6,272,329          | 6,575,807         | 1,041,154             | 18.8%                   |
| UT Shuttle(5)       | 890,001           | 867,212           | 870,233            | 860,017           | (7,195)               | (0.8%)                  |
| CapMetro Vanpool(6) | 3,653,691         | 3,194,261         | 3,885,939          | 3,605,606         | 411,346               | 12.9%                   |
| CapMetro Rail(7)    | 463,012           | 567,178           | 567,179            | 456,342           | (110,836)             | (19.5%)                 |
| Pickup(8)           | 1,469,679         | 1,162,469         | 1,527,594          | 1,558,769         | 396,300               | 34.1%                   |
| Special Events(9)   | 8,188             | 12,272            | 25,590             | 12,272            | —                     | —%                      |
| <b>Total</b>        | <b>28,541,373</b> | <b>28,927,989</b> | <b>30,748,847</b>  | <b>30,591,364</b> | <b>1,663,375</b>      | <b>5.8%</b>             |

\* Some of the Express, Bus and Pickup service is provided by CARTS

\*\* FY2025 Forecast completed in May 2025

(1) - Slight decrease for FY2026 versus FY2025 due to identified areas of efficiencies and lower than anticipated resource availability. Service levels are designed to ensure consistency in delivery, ensure coverage to essential services and activity centers, and maintain on-time performance. Some of the Bus service included is provided by CARTS.

(2) - Increase based on planned and committed increases on Rapid Expo and Pleasant Valley services. FY2026 anticipates transitioning to full implementation with higher-frequency and electric charging at end-of-line facilities once infrastructure and resources are available. The forecast anticipates transitioning to electric and end-of-line charging in mid-2026 before additional frequency levels.

(3) - Negligible increase for FY2026 versus FY2025 to address on-time performance and traffic within the region. No major changes to service levels reflecting continued commuting patterns. Some of the Express service included is provided by CARTS.

(4) - FY 2025 CapMetro Access (Paratransit) projections of 494,000 hours was approximately 10% overstated from final forecast. Going into FY 2025, CapMetro Access experiencing high ridership growth which requires Service Hours Increase. Additionally, total vehicle miles for FY 2025 were understated by approximately 13%. As a result of these factors, we will experience a relative increase to total vehicle miles.

(5) - Negligible increase. No major changes to service levels reflecting continued changes in student commuting patterns.

(6) - Projected growth anticipated due to the construction of I-35 downtown corridor.

(7) - FY2026 miles are aligned with current service levels.

(8) - FY 2025 CapMetro Pickup (MicroTransit) launched new Decker zone in January, tracking a little higher growth than expected. FY 2026, Pickup service hours to remain largely flat, with exception to additional hours for Decker and Manor. This will result in only a minor increase in total vehicle miles.

(9) - Increase in FY2025 due to unbudgeted APTA Rodeo and Conference and additional Q2 stadium events.

## Performance Measures

Key performance indicators are used by the board of directors to assess the agency and the Chief Executive Officer's annual performance as it relates to the main operating and financial performance measures.

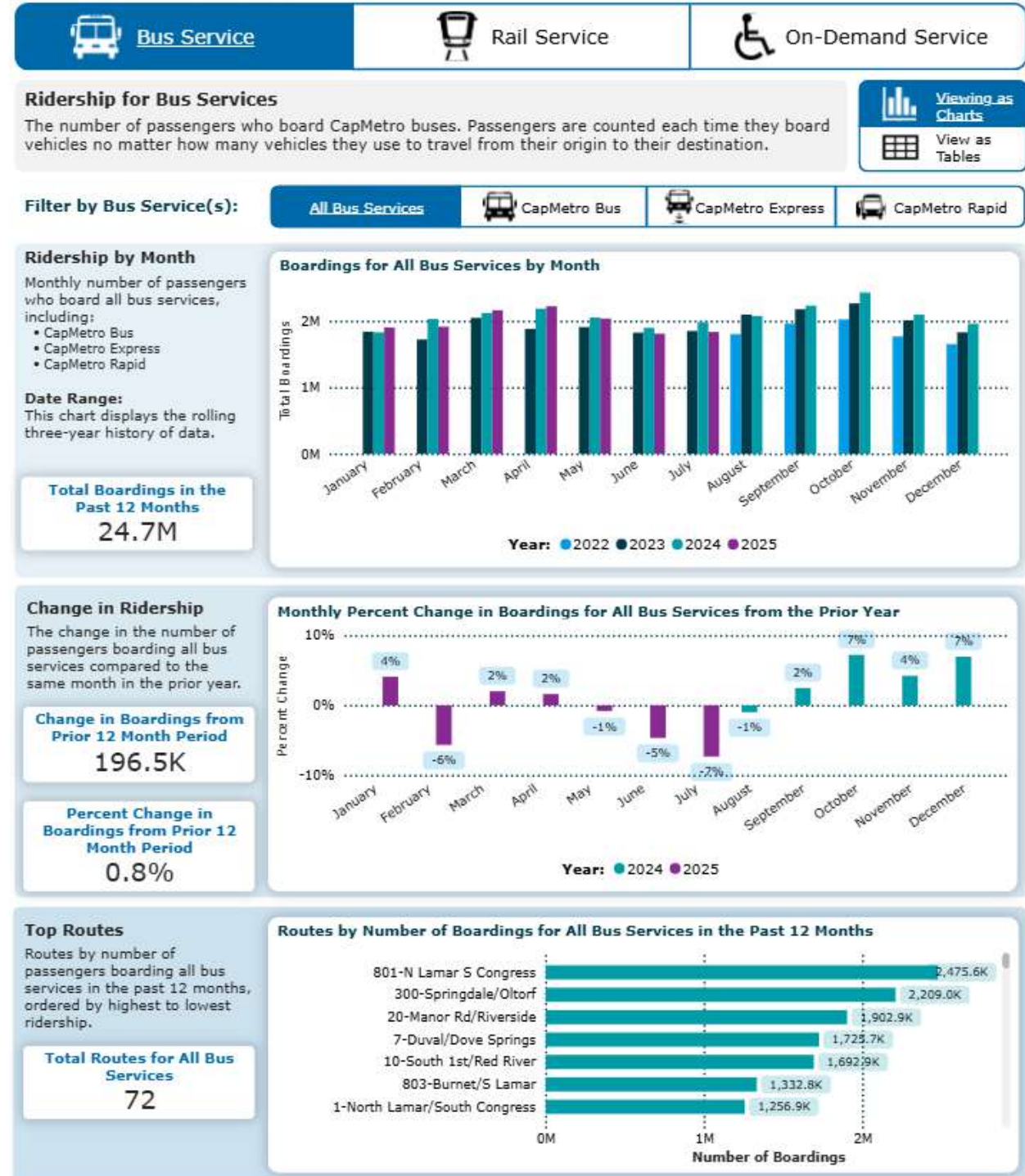
The Performance Scorecard reflects CapMetro's performance through Q3 FY2025.

| Performance Measure                                       | FY2024<br>FYTD                    | FY2025<br>FYTD | FY2025<br>FYTD<br>Target | % to Target | FYTD<br>YoY<br>Change | FY2025<br>Full Year<br>Target |
|-----------------------------------------------------------|-----------------------------------|----------------|--------------------------|-------------|-----------------------|-------------------------------|
| Ridership                                                 |                                   |                |                          |             |                       |                               |
| Total Ridership                                           | 19,421,408                        | 19,856,930     | 20,404,131               | 97%         | 2%                    | 27,459,113                    |
| CapMetro Bus, Rapid, and Express                          | 18,222,009                        | 18,530,429     | 19,077,532               | 97%         | 2%                    | 25,660,687                    |
| CapMetro Rail                                             | 404,189                           | 449,264        | 455,117                  | 99%         | 11%                   | 610,327                       |
| CapMetro Access                                           | 420,551                           | 455,699        | 432,326                  | 105%        | 8%                    | 588,429                       |
| Pickup                                                    | 374,659                           | 421,538        | 439,100                  | 96%         | 13%                   | 599,670                       |
| On-Time Performance                                       |                                   |                |                          |             |                       |                               |
| CapMetro Bus, Rapid, and Express                          | 78.9%                             | 78.3%          | 83%                      | 94%         | -1%                   | 83%                           |
| CapMetro Rail                                             | 94.0%                             | 90.7%          | 96%                      | 94%         | -4%                   | 96%                           |
| CapMetro Access                                           | 94.4%                             | 91.8%          | 92%                      | 99.8%       | -3%                   | 92%                           |
| Pickup*                                                   | 86.4%                             | 86.2%          | 83%                      | 104%        | -0.2%                 | 83%                           |
| Mean Distance Between Failures (in miles)                 |                                   |                |                          |             |                       |                               |
| CapMetro Bus, Rapid, and Express                          | 3,646                             | 4,426          | 5,500                    | 80%         | 21%                   | 5,500                         |
| CapMetro Rail                                             | 8,071                             | 4,584          | 15,000                   | 31%         | -43%                  | 15,000                        |
| CapMetro Access & Pickup                                  | 9,787                             | 11,978         | 20,000                   | 60%         | 22%                   | 20,000                        |
| Safety – Preventable Vehicle Collisions per 100,000 miles |                                   |                |                          |             |                       |                               |
| CapMetro Bus, Rapid, and Express                          | 3.60                              | 3.79           | 2.80                     | 74%         | 5%                    | 2.80                          |
| CapMetro Rail                                             | 0.57                              | 1.17           | 1.04                     | 89%         | 105%                  | 1.04                          |
| CapMetro Access & Pickup                                  | 1.87                              | 1.54           | 1.70                     | 110%        | -18%                  | 1.70                          |
| Safety – Passenger Injuries per 100,000 passengers        |                                   |                |                          |             |                       |                               |
| CapMetro Bus, Rapid, and Express                          | 0.37                              | 0.30           | 0.35                     | 117%        | -19%                  | 0.35                          |
| CapMetro Rail                                             | 0.00                              | 0.00           | 2.50                     | 100%        | 0%                    | 2.50                          |
| CapMetro Access & Pickup                                  | 0.68                              | 1.93           | 2.50                     | 130%        | 184%                  | 2.50                          |
| Lost Time (Bus)                                           | 4.9%                              | 4.0%           | 1.5%                     | 38%         | -18%                  | 1.5%                          |
| Customer Satisfaction Survey                              | This metric is assessed annually. |                |                          |             |                       | 85%                           |
| Employee Turnover (CapMetro Staff)                        | This metric is assessed annually. |                |                          |             |                       | 18%                           |
| Financial Performance                                     |                                   |                |                          |             |                       |                               |
| Operating Expenditures as % of Budget                     | 70.1%                             | 70.4%          | 75.6%                    | 93%         | 0.4%                  | 90%-100%                      |
| Capital Expenditures as % of Budget                       | 20.6%                             | 36.8%          | 74.7%                    | 49%         | 79%                   | 80%-100%                      |
| Disadvantaged Business Enterprise (DBE) Utilization       | This metric is assessed annually. |                |                          |             |                       | 22.5%                         |
| Small Business Enterprise (SBE) Commitments               | This metric is assessed annually. |                |                          |             |                       | 22.5%                         |

\*Pickup service On Time Performance numbers reflect a revised data collection process

CapMetro utilizes performance dashboards to provide transparency of quarterly summary activity reported to the board of directors and the public in a more efficient manner. The dashboards track on-time performance or reliability, safety incidents reported to the National Transit Database (NTD), financial revenue and expenses and ridership. Performance dashboards reside on the CapMetro website and are updated each month. They are available at [capmetro.org/dashboard/](https://capmetro.org/dashboard/).

## Ridership



Data available as of 07/31/2025

## Reliability



Bus Service



Rail Service



On-Demand Service

### Reliability for Bus Services

CapMetro recognizes that reliability is key to providing an excellent customer experience. Primary components of reliability include timeliness and the reduction of mechanical failures that can take our vehicles out of service. On-Time Performance (OTP) is a measure of the timeliness of our service, and Mean Distance Between Failure (MDBF) measures how often a mechanical failure interrupts a scheduled trip.



Viewing as  
Charts



View as  
Tables

### Filter by Bus Service(s):

All Bus Services



CapMetro Bus



CapMetro Express



CapMetro Rapid

### OTP by Month

OTP for all bus services by month, including:

- CapMetro Bus
- CapMetro Express
- CapMetro Rapid

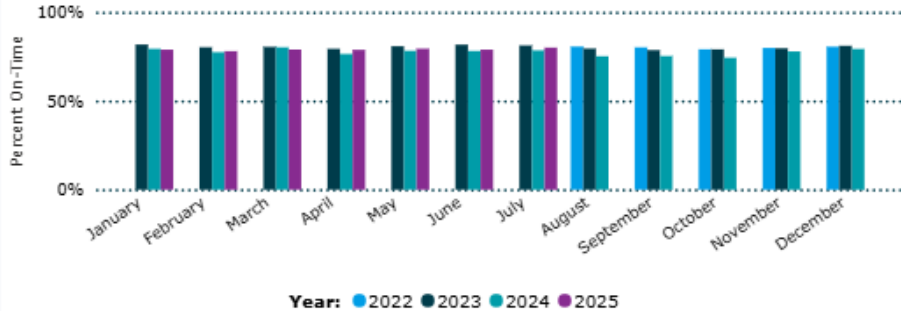
#### Date Range:

This chart displays the rolling three-year history of data.

### OTP in the Past 12 Months

73.0%

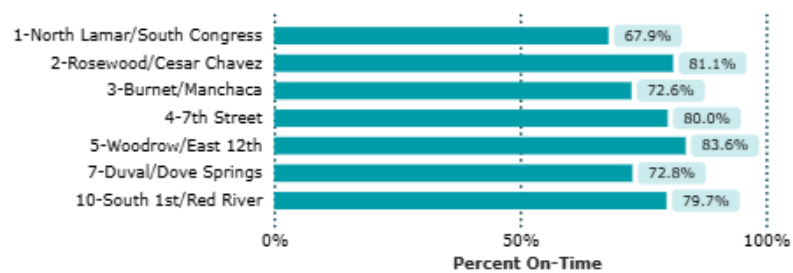
### OTP for All Bus Services by Month



### OTP by Route

OTP for all bus services by route in the past 12 months, ordered by route number.

### OTP by Route for All Bus Services in the Past 12 Months



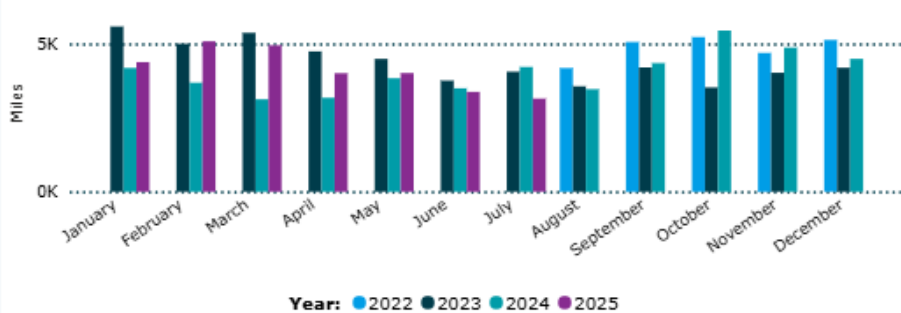
### Mean Distance Between Failure (MDBF) by Month

MDBF for all bus services by month. MDBF is a reliability metric that measures the mean number of miles traveled between the failure of a mechanical element that prevents the vehicle from completing a scheduled revenue trip or starting the next scheduled revenue trip.

#### Date Range:

This chart displays the rolling three-year history of data.

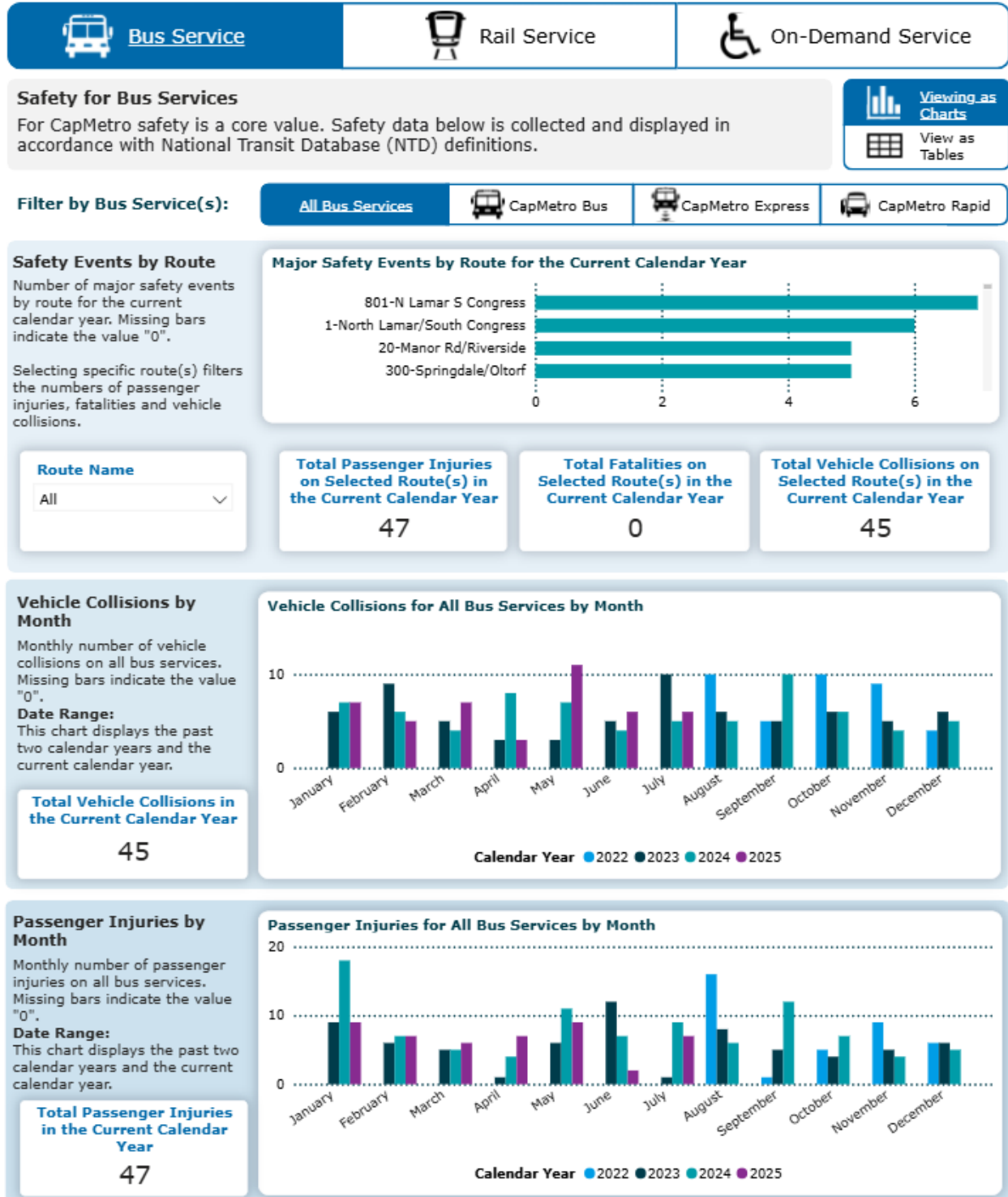
### Mean Distance Between Failure (MDBF) for All Bus Services by Month



Data available as of 07/31/2025

## Safety

Safety is not only a priority but a core value at Cap Metro. We collect and closely analyze safety-related data that assists us in maintenance, facility repair, training, communication, change management and hazard mitigation decisions so that we can provide our customers with the safest possible ride. Safety data is collected in accordance with Federal Transit Administration and Federal Railroad Administration regulations. The dashboards display CapMetro's service safety performance.

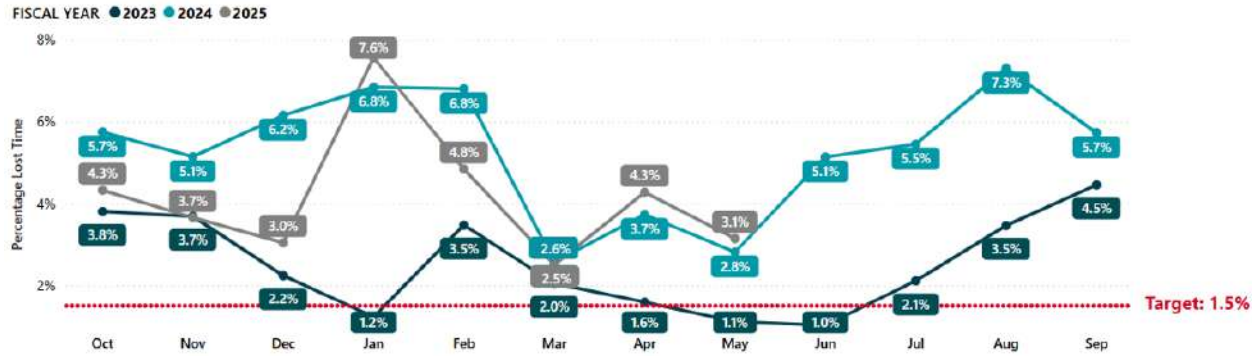


Data available as of 8/4/2025

## Lost Time

### Scheduled Revenue Hours Lost: Bus

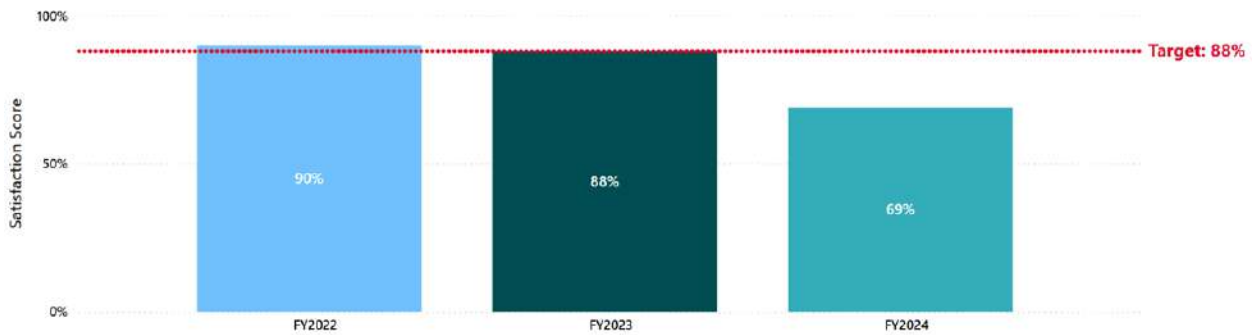
The percent of hours that CapMetro buses are scheduled to be in revenue service but are not in operation.



## Customer Satisfaction

### Overall Rider Satisfaction

Rider satisfaction tracks the percentage of CapMetro riders who reported they were satisfied with the agency's services. This measure is collected annually through a customer satisfaction survey.



## Workforce

### Turnover Rate

The turnover rate is the number of terminations over the average count of CapMetro employees in a fiscal year.



## Finance

### Revenue

Revenue received from sales tax and passenger revenues, contributions and grants, freight revenues and other revenues.

Viewing as  
Charts

View as  
Tables

CapMetro's fiscal year (FY) runs from October through September. The date range displayed begins in October; the date selector sets the end period for the fiscal year.

Select End Period:

July

Revenue

Operating Expense

Capital Expense

#### YTD revenue

Year-to-date (YTD) revenue compared to full year budgeted revenue.

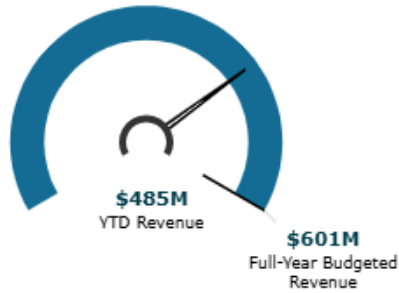
##### Date Range:

Chart displays financial data for respective fiscal years from October to July; budgets are for full Fiscal Year.

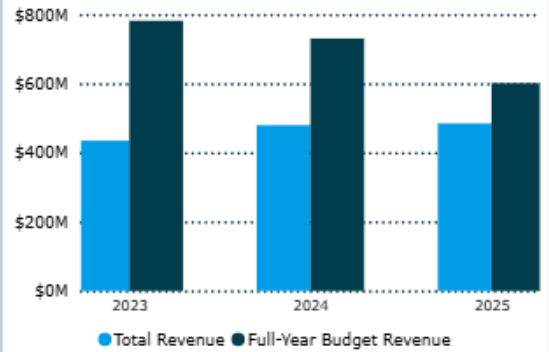
Collected vs. Budget  
in Fiscal Year

80.6%

#### YTD Revenue to Full-Year Budget of Current Fiscal Year



#### YTD Revenue to Full-Year Budget Trend



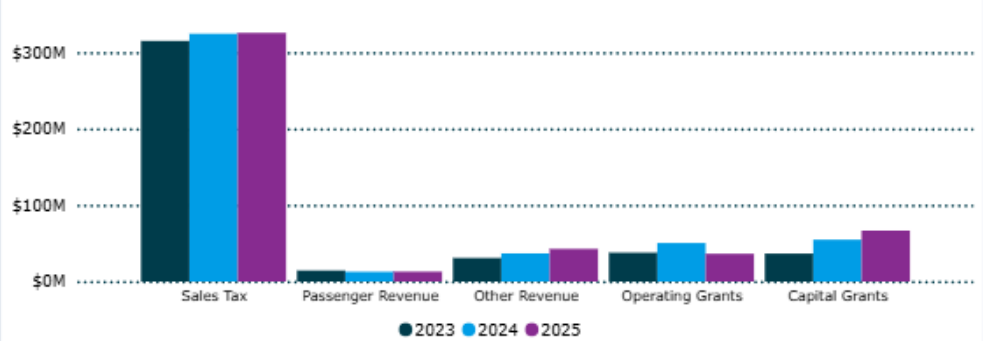
#### YTD Revenue by Category

YTD revenue trend segmented by account categories.

##### Date Range:

Chart displays financial data for respective fiscal years, October to July.

#### YTD Revenue Comparison by Category



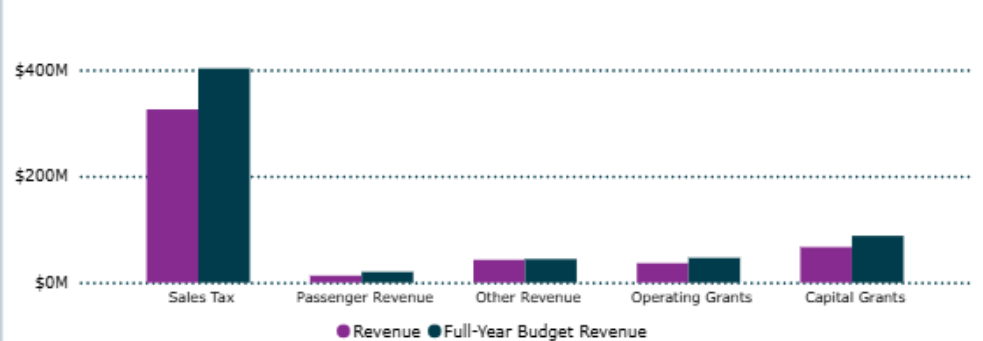
#### YTD Revenue to FY Budget

Total revenue segmented by categories.

##### Date Range:

Chart displays financial data for current fiscal year from October to July.

#### YTD Revenue to Full-Year Budget Comparison by Category



Data available as of 7/31/2025

## Operating Expense

Expenditures incurred from the day-to-day business operations of providing public transportation service.

Viewing as  
Charts  
View as  
Tables

CapMetro's fiscal year (FY) runs from October through September. The date range displayed begins in October; the date selector sets the end period for the fiscal year.

Select End Period:

July

Revenue

Operating Expense

Capital Expense

### YTD Operating Expense

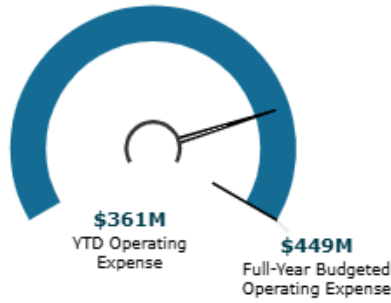
Year-to-date (YTD) operating expense compared to full year budgeted operating expense.

#### Date Range:

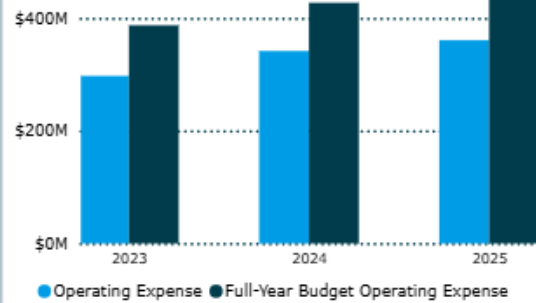
Chart displays financial data for respective fiscal years from October to July; budgets are for full Fiscal Year.

Budget Utilized in  
Fiscal Year  
80.5%

### YTD Operating Expense to Full-Year Budget of Current Fiscal Year



### YTD Operating Expense to Full-Year Budget Trend



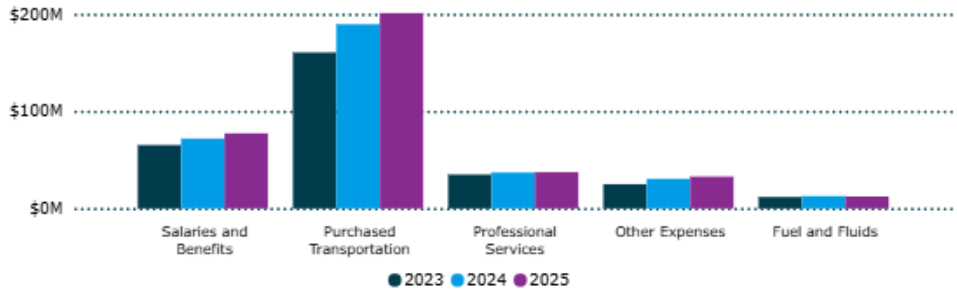
### YTD Operating Expense by Category

YTD operating expense trend segmented by account categories.

#### Date Range:

Chart displays financial data for respective fiscal years, October to July.

### YTD Operating Expense by Category



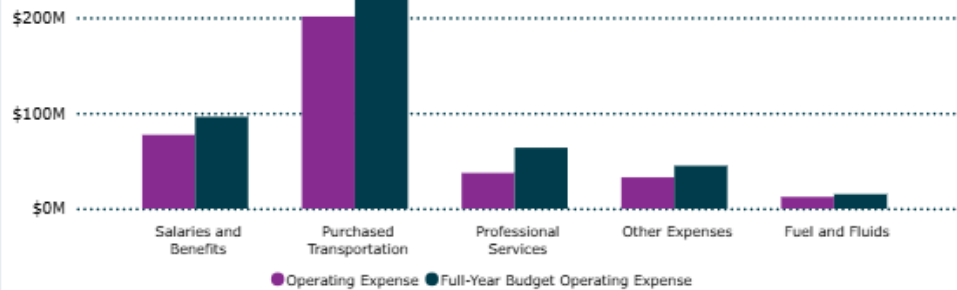
### YTD Operating Expense to FY Budget

Total operating expense segmented by categories.

#### Date Range:

Chart displays financial data for current fiscal year from October to July.

### YTD Operating Expense to Full-Year Budget Comparison by Category



Data available as of 7/31/2025

## Capital Expense

Expenses related to purchasing a capital asset or making an improvement to a capital asset that materially increases its value or useful life.

 Viewing as Charts

 View as Tables

CapMetro's fiscal year (FY) runs from October through September. The date range displayed begins in October; the date selector sets the end period for the fiscal year.

Select End Period:

July

Revenue

Operating Expense

Capital Expense

### YTD Capital Expense

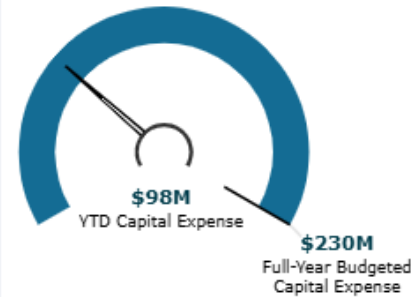
Year-to-date (YTD) capital expense compared to full year budgeted capital expense.

#### Date Range:

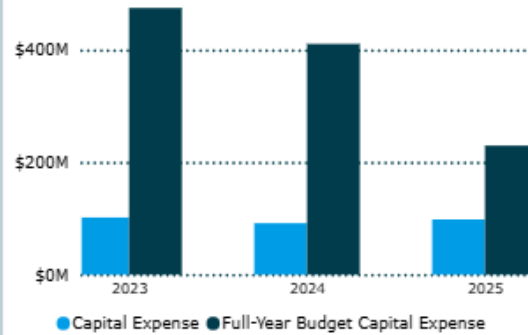
Chart displays financial data for respective fiscal years from October to July; budgets are for full Fiscal Year.

Budget Utilized in Fiscal Year  
**42.8%**

### YTD Capital Expense to Full-Year Budget of Current Fiscal Year



### YTD Capital Expense to Full-Year Budget Trend



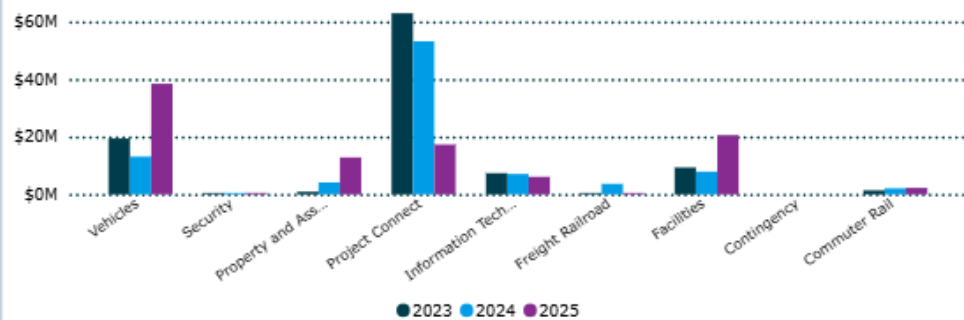
### YTD Capital Expense by Category

YTD capital expense trend segmented by account categories.

#### Date Range:

Chart displays financial data for respective fiscal years, October to July.

### YTD Capital Expense by Category



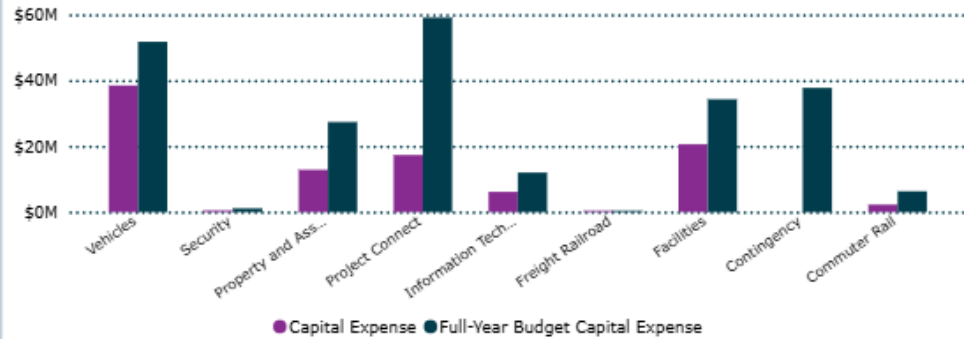
### YTD Capital Expense to FY Budget

Total capital expense segmented by categories.

#### Date Range:

Chart displays financial data for current fiscal year from October to July.

### YTD Capital Expense to Full-Year Budget Comparison by Category

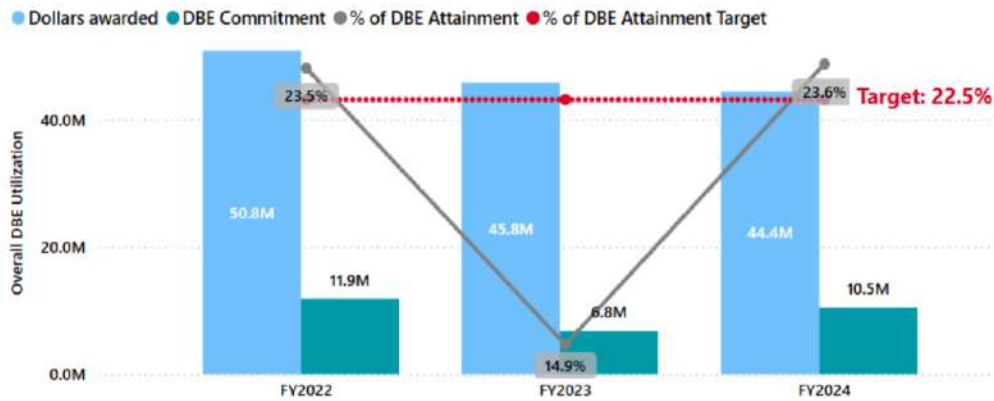


Data available as of 7/31/2025

## Disadvantaged and Small Business Participation

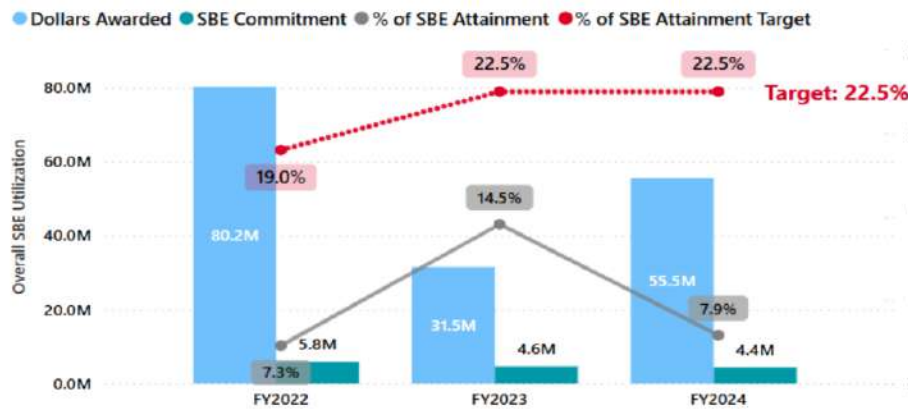
### Disadvantaged Business Enterprise Commitments

Total commitments to Disadvantaged Business Enterprise (DBE) for goods and services on contracts with FTA funding.



### Small Business Enterprise Commitments

Total commitments to Small Business Enterprises (SBE) for goods and services on contracts with FTA funding.



## Rider per hours

### Monthly Rider per Hour for All CapMetro Services

The average number of riders transported for each revenue hour for all services, including CapMetro Bus, Rapid, and Express, CapMetro Rail, CapMetro Access, and CapMetro Pickup. This chart displays the past two fiscal years and the current year-to-date.



## Operational Cost Efficiency

### Monthly Cost per Rider for CapMetro Services

It is an overall cost efficiency measure of ridership for all services, including CapMetro Bus, Rapid, and Express, CapMetro Rail, CapMetro Access, and CapMetro Pickup. This chart displays the past two fiscal years and the current year-to-date.



### Monthly Cost per Vehicle Hour for CapMetro Services

It is an hourly cost efficiency measure of vehicle service delivery, including CapMetro Bus, Rapid, and Express, CapMetro Rail, CapMetro Access, and CapMetro Pickup. This chart displays the past two fiscal years and the current year-to-date.



# 4

## Capital Budget



CapMetro

## Capital Budget

Consistent with Section 451.134 of the Transportation Code, CapMetro prepared a five-year Capital Improvement Plan (CIP) for capital projects that support its strategic goals. The CIP is updated annually and addresses replacement and expansionary requirements for public transportation service in Central Texas. The five-year CIP describes each planned project, including project type, estimated funding sources and anticipated impact on operational costs.

CapMetro's Capital Improvement Program guides funding decisions during the budget review process and subsequent reporting of progress. CapMetro's capital planning process typically covers a five-year period but extends longer into the future when a major service plan update is undertaken every five years. The Capital Improvement Program approach addresses several areas, including project financing, project monitoring and prioritization of projects.

Capital acquisitions represent the purchase of equipment and other assets of \$5,000 or more with a useful life greater than one year.

Capital projects typically include construction, fleet acquisition or technology projects that are developmental in nature and span more than one fiscal year. Capital projects often involve two or more components of cost, e.g., equipment, labor and professional services.

CapMetro anticipates federal and state grant funding of \$31.6 million in FY2026. Other capital contributions of \$17.1 million are also anticipated for reimbursements from the Austin Transit Partnership for Project Connect related projects.

The approved capital budget for FY2026 and the five-year CIP are included in Appendix A. Project summaries, funding sources, benefits and the applicable strategic goals and objectives for each capital project summary are provided. When a planned project summary will have an impact on operating costs, the estimated impact is identified.

## FY2026 Capital Projects

| Project Name                                                            | FY2026<br>Planned |
|-------------------------------------------------------------------------|-------------------|
| <b>Facilities and Real Estate</b>                                       |                   |
| Facility Enhancements                                                   | \$40,565,698      |
| Facility Enhancements Grants and Capital Contributions                  | (5,200,000)       |
| Facility State of Good Repair                                           | 3,368,722         |
| <b>Facilities and Real Estate Net Total</b>                             | <b>38,734,420</b> |
|                                                                         |                   |
| <b>Information Technology Systems and Infrastructure</b>                |                   |
| Information Technology - Enterprise Systems                             | 3,430,000         |
| Information Technology - Infrastructure                                 | 1,400,000         |
| Information Technology - Transit Systems                                | 10,821,815        |
| <b>Information Technology Systems and Infrastructure Net Total</b>      | <b>15,651,815</b> |
|                                                                         |                   |
| <b>Infrastructure Development</b>                                       |                   |
| Bus Stop Amenities and Enhancements                                     | 5,633,786         |
| Facility Enhancements                                                   | 4,200,000         |
| Infrastructure Enhancements                                             | 10,700,000        |
| Infrastructure Enhancements Grants and Capital Contributions            | (530,278)         |
| <b>Infrastructure Development Net Total</b>                             | <b>20,003,508</b> |
|                                                                         |                   |
| <b>Railroad Commuter</b>                                                |                   |
| Railroad Commuter Enhancements                                          | 20,017,931        |
| Railroad Commuter Enhancements Grants and Capital Contributions         | (1,304,310)       |
| Railroad Commuter State of Good Repair                                  | 1,321,470         |
| Railroad Commuter State of Good Repair Grants and Capital Contributions | (1,321,470)       |
| <b>Railroad Commuter Net Total</b>                                      | <b>18,713,621</b> |
|                                                                         |                   |
| <b>Railroad Freight</b>                                                 |                   |
| Railroad Freight Enhancements                                           | 1,300,000         |
| Railroad Freight State of Good Repair Grants and Capital Contributions  | (451,268)         |
| <b>Railroad Freight Net Total</b>                                       | <b>848,732</b>    |
|                                                                         |                   |
| <b>Public Safety and Emergency Management</b>                           |                   |
| Public Safety and Emergency Management Equipment and Enhancements       | 974,262           |
| <b>Public Safety and Emergency Management Net Total</b>                 | <b>974,262</b>    |

| Project Name                                                                | FY2026<br>Planned      |
|-----------------------------------------------------------------------------|------------------------|
| <b>Project Connect</b>                                                      |                        |
| Project Connect                                                             | 33,334,507             |
| Project Connect Grants and Capital Contributions                            | (33,334,507)           |
| <b>Project Connect Net Total</b>                                            | <b>—</b>               |
|                                                                             |                        |
| <b>Vehicles</b>                                                             |                        |
| Bus Fleet                                                                   | 835,946                |
| Bus Fleet Grants and Capital Contributions                                  | (835,946)              |
| Fleet System Enhancements                                                   | 4,932,040              |
| Non-Revenue Fleet                                                           | 1,880,000              |
| Paratransit Fleet                                                           | 300,000                |
| <b>Vehicles Net Total</b>                                                   | <b>7,112,040</b>       |
| Capital Project Contingency                                                 | 10,000,000             |
| <b>Grand Total Capital Spending</b>                                         | <b>\$ 155,016,177</b>  |
| <b>Grand Total Grants and Capital Contributions</b>                         | <b>\$ (42,977,779)</b> |
| <b>Grand Total Capital Spending Net of Grants and Capital Contributions</b> | <b>\$ 112,038,398</b>  |

# 5

## Long-Range Financial Plan



**CapMetro**

## Long-Range Financial Plan Fiscal Years 2026 to 2035

### Long-Range Financial Plan Overview

The Long-Range Financial Plan (LRFP) is a 10-year plan for the Capital Metropolitan Transportation Authority that forecasts the Authority's financial resources and projected expenditures based on planned levels of service and the strategic goals of CapMetro.

The LRFP primarily focuses on forecasting future revenue and the agency's operating and capital expenditures. The LRFP analyzes future expenditure trends with an emphasis on the agency's negotiated purchased transportation contracts, administrative wages and benefits, outside services, state of good repair needs, and capital priorities. CapMetro's Strategic Plan identifies the vision, mission and strategic priorities for the next five years. The LRFP was developed using the adopted strategic priorities as guidelines.

### Long-Range Financial Plan Modeling Tool

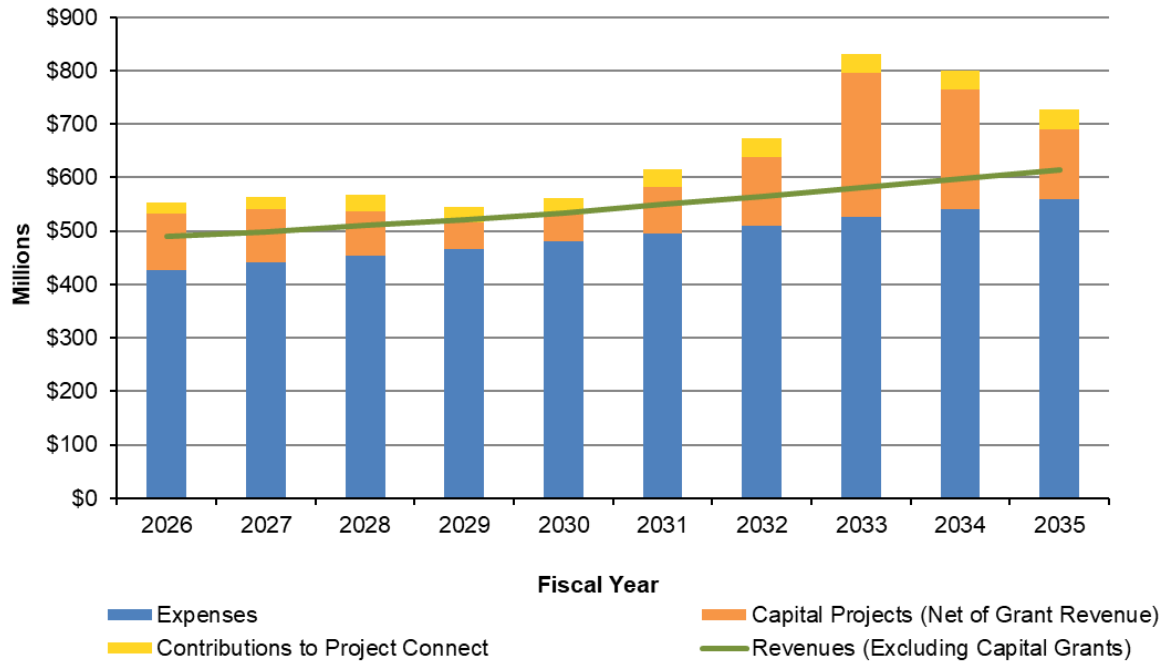
The agency has developed a 10-year flexible financial modeling tool, designed to simulate various financial and service level scenarios. Any major decision impacting the agency's budget can be modeled, showing the financial impact on the budget and the 10-year forecast. The Long-Range Financial Plan was modeled for two scenarios: the first scenario is the proposed plan based on current conditions and commitments and projects 2% annual growth in FY2026 sales tax revenue and 3% growth in the remaining nine years of the forecast period. The second scenario assumes slower economic growth for the region with flat sales tax revenue in FY2026, 2% growth in FY2027 and FY2028 and 3% through the remainder of the 10-year forecast period. Ten-year projections of revenue and expenditures are used to evaluate CapMetro's future financial condition and capacity to fund existing and future commitments. The plan's growth assumptions are based primarily on historical growth, projected inflation and existing contractual obligations.

The modeling tool has been beneficial for the agency as it has navigated through financial uncertainty of the COVID-19 pandemic and the recent flattening of sales tax revenue. The tool continues to be used and updated to understand various revenue and expense scenarios. The model has assisted in aligning CapMetro's financial capacity with long-term service objectives and identifying and analyzing risks to fiscal stability.

### Proposed Plan

The Proposed plan is a scenario that demonstrates a balanced budget over the next five years for financial sustainability by aligning cost growth with revenue growth. Debt financing will be necessary in year six of the proposed plan, as currently modeled. The scenario is based on current conditions along with agency commitments. The plan uses the agency's "Most Likely" sales tax scenario and assumes 2% annual growth in FY2026 sales tax revenue and 3% growth in the remaining nine years of the forecast period. After a slight reduction in budgeted service hours in FY2026, small increases are included in FY2027 and beyond. This scenario correlates operating and capital expenditures to sales tax growth and provides the ability to increase spending if higher sustained sales tax growth is obtained. The Proposed plan includes commitments to the Project Connect system plan as CapMetro looks forward to the future and opportunities in the region.

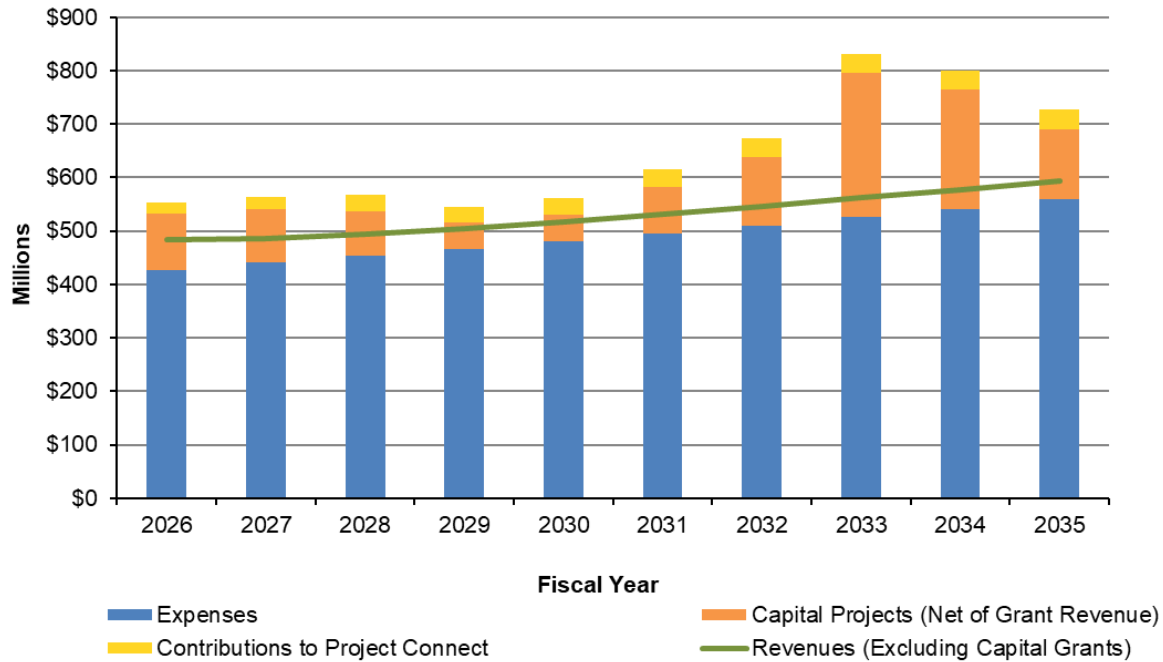
## Total Revenues and Total Expenses



### Slower Economic Growth Plan

CapMetro modeled a Slower Economic Growth plan that shows lower growth in sales tax for the region over the next ten years. Debt financing will be necessary in year four of the slower economic growth plan, as currently modeled. The scenario is based on current conditions along with agency commitments. The plan assumes flat sales tax revenue in FY2026, 2% growth FY2027 and FY2028 and 3% thereafter. Commitments to the Project Connect system plan are included in this scenario as CapMetro looks forward to the future and opportunities in the region.

## Total Revenues and Total Expenses



### Long-Range Financial Plan Risks

The purpose of the Long-Range Financial Plan is to provide a forecast of the Authority's financial resources and projected expenditures based on planned levels of service and the strategic goals of CapMetro. While the LRFP uses the most current estimates and data available, there are inherent risks to long-term projections. Significant risks to the plan include, but are not limited to:

- Decline in sales tax growth
- Changes to Federal grant funding programs
- Significant recession event
- Unforeseen regulatory or capital needs
- Future contracted rates with service providers
- Compensation and benefit plan increases
- Unforeseen technological changes

### Conclusions and Recommendations

The agency will proceed with caution and ensure that future spending is aligned with revenue growth for both the short-term and long-term. One-time, accumulated funding is available for current capital projects and, once these projects are completed, future capital spending will need to be funded by operating cash flow. The agency needs to maintain at least \$40 million in annual net cash flow to maintain assets in a state of good repair.

# 6

## Operating Detail by Department



CapMetro

## Summary of Department Expenses

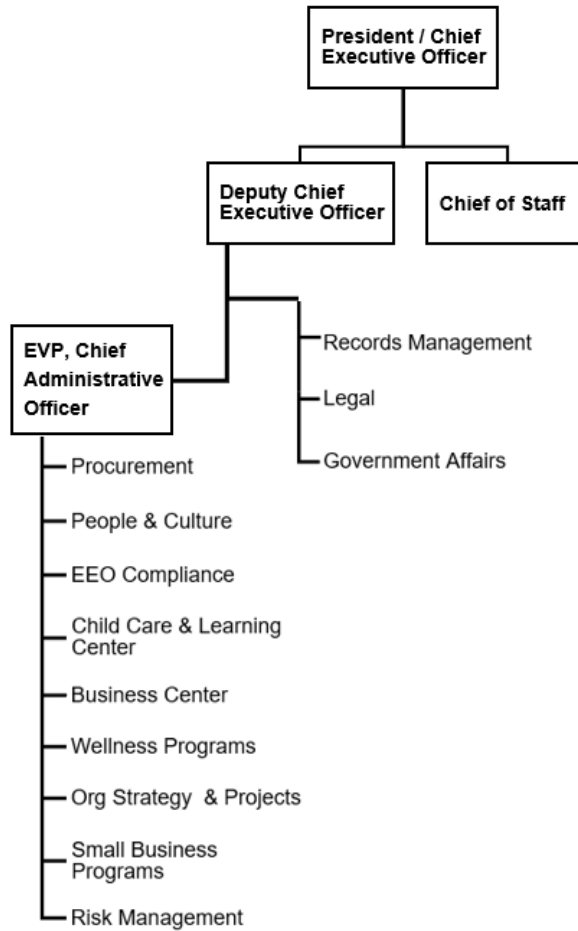
| Division / Department                                 | FY2024 ACTUAL | FY2025 BUDGET | FY2025 FORECAST | FY2026 BUDGET | FY2026 v.<br>FY2025 (\$) | FY2026 v.<br>FY2025 (%) |
|-------------------------------------------------------|---------------|---------------|-----------------|---------------|--------------------------|-------------------------|
| <b>Administration</b>                                 |               |               |                 |               |                          |                         |
| Board Relations                                       | \$184,488     | \$215,251     | \$192,601       | \$203,743     | \$(11,508)               | (5.3)%                  |
| Business Center                                       | 344,231       | 379,740       | 394,111         | 413,941       | 34,201                   | 9.0 %                   |
| Child Care and Learning Center                        | 849,547       | 576,172       | 334,858         | 323,370       | (252,802)                | (43.9)%                 |
| Executive Staff                                       | 1,473,655     | 1,828,901     | 1,665,124       | 1,833,934     | 5,033                    | 0.3 %                   |
| Government Affairs                                    | 1,045,687     | 1,184,134     | 1,128,291       | 960,058       | (224,076)                | (18.9)%                 |
| Legal                                                 | 1,416,672     | 1,679,551     | 1,666,201       | 1,617,712     | (61,839)                 | (3.7)%                  |
| Non-Allocated Benefits                                | 15,462,610    | 20,621,205    | 21,675,340      | 21,904,318    | 1,283,113                | 6.2 %                   |
| Organizational Strategy and Projects                  | 1,706,514     | 2,612,991     | 2,270,894       | 1,625,215     | (987,776)                | (37.8)%                 |
| People and Culture                                    | 5,319,871     | 6,518,172     | 5,729,262       | 5,052,169     | (1,466,003)              | (22.5)%                 |
| Procurement                                           | 2,640,894     | 2,699,517     | 2,648,559       | 2,707,115     | 7,598                    | 0.3 %                   |
| Small Business Programs and Compliance                | 935,800       | 1,042,501     | 996,338         | 562,150       | (480,351)                | (46.1)%                 |
| Wellness and Fitness Centers                          | 378,597       | 395,872       | 343,786         | 368,882       | (26,990)                 | (6.8)%                  |
| <b>Capital Construction, Engineering &amp; Design</b> |               |               |                 |               |                          |                         |
| Capital Construction and Facility Management          | —             | 1,210,970     | 1,120,863       | 1,126,569     | (84,401)                 | (7.0)%                  |
| Capital Construction, Engineering and Design          | 305,140       | 1,085,804     | 324,904         | 550,780       | (535,024)                | (49.3)%                 |
| Capital Design and Construction                       | 3,111,708     | 1,526,161     | 1,523,268       | 1,441,298     | (84,863)                 | (5.6)%                  |
| Facility Design and Construction                      | —             | 538,968       | 537,888         | 496,061       | (42,907)                 | (8.0)%                  |
| Facility Programming and Management                   | 3,073,819     | 8,365,363     | 6,277,099       | 4,552,002     | (3,813,361)              | (45.6)%                 |
| Power Systems and Sustainability                      | 536,336       | 2,121,951     | 1,135,908       | 679,197       | (1,442,754)              | (68.0)%                 |
| Real Estate                                           | 4,828,863     | 5,158,663     | 3,513,744       | 3,687,302     | (1,471,361)              | (28.5)%                 |
| Rolling Stock and Support Equipment                   | 525,334       | 704,311       | 704,311         | 694,585       | (9,726)                  | (1.4)%                  |
| Systems Engineering and Designs                       | 299,489       | 249,434       | 249,434         | 317,920       | 68,486                   | 27.5 %                  |
| <b>Experience &amp; Engagement</b>                    |               |               |                 |               |                          |                         |
| Community Engagement                                  | 1,523,063     | 1,750,708     | 1,293,529       | 1,557,297     | (193,411)                | (11.0)%                 |
| Customer Care                                         | 1,308,010     | 1,283,002     | 1,323,353       | 1,375,859     | 92,857                   | 7.2 %                   |
| Marketing and Communications                          | 5,926,315     | 6,919,460     | 6,095,110       | 6,414,455     | (505,005)                | (7.3)%                  |
| <b>Finance</b>                                        |               |               |                 |               |                          |                         |
| Finance                                               | 6,989,657     | 15,528,870    | 8,992,804       | 15,213,212    | (315,658)                | (2.0)%                  |
| Mobility Interlocal Agreements                        | 23,785,196    | 4,191,439     | 2,905,000       | 4,955,204     | 763,765                  | 18.2 %                  |
| <b>Information Technology</b>                         |               |               |                 |               |                          |                         |
| Information Technology                                | 23,785,196    | 27,580,359    | 27,657,780      | 27,702,617    | 122,258                  | 0.4 %                   |
| <b>Internal Audit</b>                                 |               |               |                 |               |                          |                         |
| Internal Audit                                        | 743,871       | 1,023,987     | 925,742         | 710,180       | (313,807)                | (30.6)%                 |

| Division / Department                            | FY2024 ACTUAL        | FY2025 BUDGET        | FY2025 FORECAST      | FY2026 BUDGET        | FY2026 v.<br>FY2025 (\$) | FY2026 v.<br>FY2025 (%) |
|--------------------------------------------------|----------------------|----------------------|----------------------|----------------------|--------------------------|-------------------------|
| <b>Operations</b>                                |                      |                      |                      |                      |                          |                         |
| Bikeshare                                        | 1,646,100            | 1,232,834            | 953,126              | 1,304,827            | 71,993                   | 5.8 %                   |
| Bus Operations and Maintenance                   | 207,408,320          | 195,180,682          | 195,060,980          | 186,099,423          | (9,081,259)              | (4.7)%                  |
| Demand Response Control and Call Center          | 2,682,531            | 2,688,480            | 2,866,137            | 2,975,850            | 287,370                  | 10.7 %                  |
| Demand Response Oversight                        | 44,420,137           | 48,849,943           | 48,240,045           | 52,807,752           | 3,957,809                | 8.1 %                   |
| Facilities Maintenance                           | 4,850,807            | 1,799,187            | 5,922,417            | 11,956,641           | 10,157,454               | 564.6 %                 |
| Microtransit                                     | 8,715,985            | 10,482,073           | 8,333,287            | 9,847,941            | (634,132)                | (6.0)%                  |
| Paratransit Eligibility                          | 1,314,993            | 1,532,325            | 1,360,227            | 1,630,584            | 98,259                   | 6.4 %                   |
| Project Connect                                  | 5,841,551            | 18,295,562           | 20,395,129           | 22,460,932           | 4,165,370                | 22.8 %                  |
| Rail Commuter Operations                         | 24,399,655           | 26,152,021           | 24,805,426           | 24,289,072           | (1,862,949)              | (7.1)%                  |
| Rail Freight Management                          | 2,360,102            | 1,873,300            | 1,914,111            | 1,466,399            | (406,901)                | (21.7)%                 |
| Vanpool                                          | 2,686,209            | 3,542,946            | 3,282,372            | 3,648,488            | 105,542                  | 3.0 %                   |
| <b>Safety and Systemwide Accessibility</b>       |                      |                      |                      |                      |                          |                         |
| Public Safety and Emergency Management           | 8,300,246            | 8,668,457            | 7,478,006            | 7,946,460            | (721,997)                | (8.3)%                  |
| Safety                                           | 2,194,535            | 2,247,257            | 2,163,028            | 1,986,681            | (260,576)                | (11.6)%                 |
| Systemwide Accessibility                         | 450,836              | 516,480              | 308,033              | 325,986              | (190,494)                | (36.9)%                 |
| Transit Police                                   | 801,235              | 2,898,050            | 2,427,990            | 3,696,452            | 798,402                  | 27.5 %                  |
| <b>Strategic Planning and Development</b>        |                      |                      |                      |                      |                          |                         |
| Strategic Planning and Development               | 5,846,051            | 8,764,741            | 6,580,361            | 6,847,262            | (1,917,479)              | (21.9)%                 |
| <b>Expense Sub-total</b>                         | <b>\$432,419,855</b> | <b>\$453,717,795</b> | <b>\$435,716,777</b> | <b>\$448,337,895</b> | <b>\$(5,379,900)</b>     | <b>(1.2)%</b>           |
| Contribution from Dedicated Project Connect Fund | (\$5,841,551)        | (\$18,295,562)       | (\$20,395,129)       | (\$22,460,932)       | (\$4,165,370)            | 22.8 %                  |
| <b>CapMetro Total</b>                            | <b>\$426,578,304</b> | <b>\$435,422,233</b> | <b>\$415,321,648</b> | <b>\$425,876,963</b> | <b>\$(9,545,270)</b>     | <b>(2.2)%</b>           |

## Administration Division

The Administration Division provides core legal, strategic, operational and employee support services that enable CapMetro to function efficiently and ethically. It oversees key departments including Legal, Procurement, Organizational Strategy, People and Culture, Board Relations and Government Affairs. The division ensures both internal operations and external engagement align with the agency's mission.

### Organization



## Full-Time Equivalent Staffing Chart

| Division / Department                  | FY2024 Actual | FY2025 Budget | FY2025 Staffing Changes | FY2026 Staffing Changes | FY2026 Budget |
|----------------------------------------|---------------|---------------|-------------------------|-------------------------|---------------|
| <b>Administration</b>                  |               |               |                         |                         |               |
| Board Relations                        | 1.0           | 1.0           |                         |                         | 1.0           |
| Business Center                        | —             | —             |                         |                         | —             |
| Child Care and Learning Center         | —             | —             |                         |                         | —             |
| Executive Staff                        | 8.0           | 8.0           |                         |                         | 8.0           |
| Government Affairs                     | 4.5           | 4.5           |                         |                         | 4.5           |
| Legal                                  | 6.5           | 7.5           |                         |                         | 7.5           |
| Non-Allocated Benefits                 | —             | —             |                         |                         | —             |
| Organizational Strategy and Projects   | 9.0           | 13.5          | (1.5)                   |                         | 12.0          |
| People and Culture                     | 29.5          | 35.0          | (3.5)                   |                         | 31.5          |
| Procurement                            | 22.0          | 22.0          | 1.0                     |                         | 23.0          |
| Small Business Programs and Compliance | 6.0           | 6.0           | (2.0)                   |                         | 4.0           |
| Wellness and Fitness Centers           | —             | —             |                         |                         | —             |
| <b>Total</b>                           | <b>86.5</b>   | <b>97.5</b>   | <b>(6.0)</b>            | <b>—</b>                | <b>91.5</b>   |

## Budget Changes

| Division / Department                  | FY2024 ACTUAL       | FY2025 BUDGET       | FY2025 FORECAST     | FY2026 BUDGET       | FY2026 v. FY2025 (\$) | FY2026 v. FY2025 (%) |
|----------------------------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|----------------------|
| <b>Administration</b>                  |                     |                     |                     |                     |                       |                      |
| Board Relations                        | \$184,488           | \$215,251           | \$192,601           | \$203,743           | (\$11,508)            | (5.3)%               |
| Business Center                        | 344,231             | 379,740             | 394,111             | 413,941             | 34,201                | 9.0 %                |
| Child Care and Learning Center         | 849,547             | 576,172             | 334,858             | 323,370             | (252,802)             | (43.9)%              |
| Executive Staff                        | 1,473,655           | 1,828,901           | 1,665,124           | 1,833,934           | 5,033                 | 0.3 %                |
| Government Affairs                     | 1,045,687           | 1,184,134           | 1,128,291           | 960,058             | (224,076)             | (18.9)%              |
| Legal                                  | 1,416,672           | 1,679,551           | 1,666,201           | 1,617,712           | (61,839)              | (3.7)%               |
| Non-Allocated Benefits                 | 15,462,610          | 20,621,205          | 21,675,340          | 21,904,318          | 1,283,113             | 6.2 %                |
| Organizational Strategy and Projects   | 1,706,514           | 2,612,991           | 2,270,894           | 1,625,215           | (987,776)             | (37.8)%              |
| People and Culture                     | 5,319,871           | 6,518,172           | 5,729,262           | 5,052,169           | (1,466,003)           | (22.5)%              |
| Procurement                            | 2,640,894           | 2,699,517           | 2,648,559           | 2,707,115           | 7,598                 | 0.3 %                |
| Small Business Programs and Compliance | 935,800             | 1,042,501           | 996,338             | 562,150             | (480,351)             | (46.1)%              |
| Wellness and Fitness Centers           | 378,597             | 395,872             | 343,786             | 368,882             | (26,990)              | (6.8)%               |
| <b>Total</b>                           | <b>\$31,758,566</b> | <b>\$39,754,007</b> | <b>\$39,045,365</b> | <b>\$37,572,607</b> | <b>(\$2,181,400)</b>  | <b>(5.5)%</b>        |

## Board Relations

### Formerly Board of Directors Support

## Functions and Responsibilities

The Board Relations Department supports the board of directors and the president and Chief Executive Officer in achieving the strategic mission and vision of CapMetro. The department coordinates monthly board and committee meetings and periodic work sessions on strategic issues. The department works with the Legal Department to ensure compliance with the Texas Transportation Code, Section 451 and the Texas Open Meetings Act requirements. The department also facilitates communication between the board of directors, CapMetro staff and members of the public.

### FY2025 Achievements

#### Community Goal

#### **Streamlined Access to Board Materials and Meeting Archives**

In partnership with CapMetro's web team, the Board Relations Department consolidated meeting schedules, backup materials and livestream links into a single, streamlined online portal. The site now includes a 15-year searchable archive of prior meetings, improving stakeholder access, reducing duplication and enhancing transparency through a more user-friendly experience.

#### **Enhancing Public Access Through Improved Meeting Streaming**

In FY2025, the Board Relations Department, in collaboration with the Information Technology team, introduced additional viewing options for streaming board meetings to minimize technical disruptions and improve accessibility. This enhancement increases the reliability of public access and ensures a broader range of stakeholders and customers can stay informed about CapMetro's agency activities.

### FY2026 Projects

#### Customer Goal

#### **Board Meeting Continuity During Relocation**

In FY2026, the Board Relations Department will lead the transition of board meetings to a new building and boardroom. This project will focus on ensuring seamless continuity of board operations, with no disruptions to the customer or stakeholder experience. Emphasis will be placed on maintaining full virtual and in-person accessibility, coordinating closely with IT, Facilities and Communications teams to support a smooth relocation and setup.

## Budget Changes

### Salaries and Benefits

Increase of \$4,448 due to the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Decrease of \$15,956 in Other Expenses related to travel.

|                                      | FY2024<br>ACTUAL | FY2025<br>BUDGET | FY2025<br>FORECAST | FY2026<br>BUDGET | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|------------------|------------------|--------------------|------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$151,929        | \$150,111        | \$150,111          | \$154,559        | \$4,448                     | 3.0 %                      |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>151,929</b>   | <b>150,111</b>   | <b>150,111</b>     | <b>154,559</b>   | <b>4,448</b>                | <b>3.0 %</b>               |
| Professional Services                | 12,529           | 19,550           | 19,550             | 19,550           | —                           | — %                        |
| Fuel and Fluids                      | —                | —                | —                  | —                | —                           | N/A                        |
| Materials and Supplies               | 91               | 2,840            | 2,700              | 2,840            | —                           | — %                        |
| Utilities                            | 482              | 480              | 480                | 480              | —                           | — %                        |
| Insurance                            | —                | —                | —                  | —                | —                           | N/A                        |
| Purchased Transportation             | —                | —                | —                  | —                | —                           | N/A                        |
| Other Expenses                       | 19,456           | 42,270           | 19,760             | 26,314           | (15,956)                    | (37.7)%                    |
| Interest Expense                     | —                | —                | —                  | —                | —                           | N/A                        |
| Lease/Rentals                        | —                | —                | —                  | —                | —                           | N/A                        |
| Interlocal Agreements                | —                | —                | —                  | —                | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>32,558</b>    | <b>65,140</b>    | <b>42,490</b>      | <b>49,184</b>    | <b>(15,956)</b>             | <b>(24.5)%</b>             |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$184,487</b> | <b>\$215,251</b> | <b>\$192,601</b>   | <b>\$203,743</b> | <b>\$(11,508)</b>           | <b>(5.3)%</b>              |

## Business Center

### Functions and Responsibilities

The Business Center Department provides support services to CapMetro, including printing, copying and delivery of lost and found items to the Transit Store and mail and delivery services through a contracted solution.

### FY2025 Achievements

#### Workforce Goals

#### Performance and Impact Review

In FY2025, the Business Center prioritized enhancing responsiveness and service delivery to meet CapMetro's evolving needs. We launched a customer survey to assess the Business Center performance, identifying both successful practices and areas for growth. Based on the findings, we implemented targeted action plans to strengthen internal customer support and service accountability.

The team ensured timely issue resolution and upheld escalation protocols, improving response consistency across departments. We also participated in weekly Capital Construction, Engineering and Design status meetings alongside the IT Department, supporting proactive planning for equipment relocation and setup for new and renovated facilities including the new Transit Store.

Through cost analysis and strategic resource management, the Business Center achieved a reduction in overall operating costs. Copier inventory was optimized by consolidating underused equipment and reallocating resources to high-demand areas. The team also played a critical role in coordinating equipment and service setups at two new facilities: 3100 E. 5th Street and the new Transit Store at 1705 Guadalupe and supporting the decommissioning of space at 700 Lavaca.

### FY2026 Projects

#### Organizational Effectiveness Goals

#### Looking Ahead

In FY2026, the Business Center will focus on the implementation of a new service contract. This includes the full transition to a modernized fleet of business machines. All staff will be trained to ensure high-quality support aligned with CapMetro's service expectations.

Another key project is the relocation and launch of the Business Center's new space at 3100 E. 5th Street. The transition from the 2910 E. 5th Street facility will be completed by Q3 and will include migrating all services, equipment and logistics without disruption to end users. Throughout the process, the Business Center will maintain current customer service levels and ensure continuity of support during the transition.

## Budget Changes

### Other Expenses

Increase of \$34,201 driven by \$45,143 increase in Professional Services, \$15,888 increase in Lease/Rentals offset by \$27,288 decrease in Materials and Supplies.

|                                      | FY2024<br>ACTUAL | FY2025<br>BUDGET | FY2025<br>FORECAST | FY2026<br>BUDGET | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|------------------|------------------|--------------------|------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$—              | \$—              | \$—                | \$—              | \$—                         | N/A                        |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>—</b>         | <b>—</b>         | <b>—</b>           | <b>—</b>         | <b>—</b>                    | <b>N/A</b>                 |
| Professional Services                | 233,764          | 222,456          | 228,617            | 267,599          | 45,143                      | 20.3 %                     |
| Fuel and Fluids                      | —                | —                | —                  | —                | —                           | N/A                        |
| Materials and Supplies               | 22,014           | 27,288           | 35,040             | —                | (27,288)                    | (100.0)%                   |
| Utilities                            | —                | —                | —                  | —                | —                           | N/A                        |
| Insurance                            | —                | —                | —                  | —                | —                           | N/A                        |
| Purchased Transportation             | —                | —                | —                  | —                | —                           | N/A                        |
| Other Expenses                       | 494              | —                | 458                | 458              | 458                         | N/A                        |
| Interest Expense                     | —                | —                | —                  | —                | —                           | N/A                        |
| Lease/Rentals                        | 87,960           | 129,996          | 129,996            | 145,884          | 15,888                      | 12.2 %                     |
| Interlocal Agreements                | —                | —                | —                  | —                | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>344,232</b>   | <b>379,740</b>   | <b>394,111</b>     | <b>413,941</b>   | <b>34,201</b>               | <b>9.0 %</b>               |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$344,232</b> | <b>\$379,740</b> | <b>\$394,111</b>   | <b>\$413,941</b> | <b>\$34,201</b>             | <b>9.0 %</b>               |

## Child Care and Learning Center

### Functions and Responsibilities

The Childcare program is comprised of two components: A dependent care stipend program that is available to both CapMetro and operations service partner employees; and CapMetro's Child Care and Learning Center that opened July 31, 2006 and is operated by Bright Horizons Family Solutions.

### FY2025 Achievements

#### Workforce and Organizational Effectiveness Goals

##### **Restructured Childcare Center Model to Reduce Costs and Maintain Community Access**

In response to the realization that the childcare center at 624 Pleasant Valley Road was not meeting the needs of the majority of CapMetro's workforce, the department led a Request for Proposals (RFP) process to restructure operations under a revised financial model. This model transitioned the majority of operating costs to the selected childcare contractor through a facility lease agreement. As a result, CapMetro reduced its subsidy by approximately \$319,000 in FY2025, with a planned reduction to zero by the fourth year of the contract.

This solution ensures the continued operation of the center, preserves priority enrollment for CapMetro and service partner employees who benefit from its location and maintains critical childcare services in a designated childcare desert. The value of this approach was affirmed by parents at the center, who shared, "We appreciate CapMetro's efforts to find a solution that maintains this high-quality center for the community while also supporting your employees."

##### **Established Income-Based Dependent Care Assistance for Employees**

In April 2025, CapMetro launched a new dependent care stipend program to support the childcare needs of our workforce. Eligible employees of CapMetro and its service partners in bus, rail and demand response operations can receive up to \$3,000 annually to offset dependent care expenses. Eligibility criteria were intentionally designed to prioritize support for employees with the greatest need, based on family size and household income, enhancing access to this benefit.

### FY2026 Projects

#### Organizational Effectiveness and Workforce Goals

##### **Sustain Quality and Cost Efficiency of Childcare Center Operations**

In FY2026, the department will collaborate with Bright Horizons Family Solutions to ensure the continued high quality of the CapMetro Childcare Center while maintaining alignment with the budget established in the revised contract model. By December 2025, we will evaluate Center operations and vendor performance no later than three months before the end of the initial contract year to determine whether to exercise the option for year one extension. The expected outcome is the sustained delivery of high-quality childcare services with continued reduced operational costs to CapMetro.

##### **Advance Workforce Support Through Full-Year Childcare Stipend Rollout**

In FY2026, CapMetro will implement the first full calendar year of the dependent care stipend program, administered through a childcare-dependent care flexible spending account contribution. A key focus will be robust communication of the program, particularly during annual benefits open enrollment in Q1 FY2026, to ensure employees are informed and able to participate. The objective is to increase awareness and participation among eligible employees, helping them better address their dependent care needs while reinforcing CapMetro's commitment to supporting its workforce.

## Budget Changes

### Salaries and Benefits

Net decrease of \$79,112 compared to the FY2025 budget, which was overstated, with an overall increase in participation rates in the childcare program compared to FY2025 forecast.

### Other Expenses

Decrease of \$0 primarily in Professional Services from moving to a fixed price contract with service provider that became fully effective in FY2026.

|                                      | FY2024<br>ACTUAL | FY2025<br>BUDGET | FY2025<br>FORECAST | FY2026<br>BUDGET | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|------------------|------------------|--------------------|------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$0              | \$302,480        | \$75,293           | \$223,368        | -\$79,112                   | (26.2)%                    |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>—</b>         | <b>302,480</b>   | <b>75,293</b>      | <b>223,368</b>   | <b>(79,112)</b>             | <b>(26.2)%</b>             |
| Professional Services                | 849,547          | 268,692          | 259,565            | 100,002          | (168,690)                   | (62.8)%                    |
| Fuel and Fluids                      | —                | —                | —                  | —                | —                           | N/A                        |
| Materials and Supplies               | —                | 5,000            | —                  | —                | (5,000)                     | (100.0)%                   |
| Utilities                            | —                | —                | —                  | —                | —                           | N/A                        |
| Insurance                            | —                | —                | —                  | —                | —                           | N/A                        |
| Purchased Transportation             | —                | —                | —                  | —                | —                           | N/A                        |
| Other Expenses                       | —                | —                | —                  | —                | —                           | N/A                        |
| Interest Expense                     | —                | —                | —                  | —                | —                           | N/A                        |
| Lease/Rentals                        | —                | —                | —                  | —                | —                           | N/A                        |
| Interlocal Agreements                | —                | —                | —                  | —                | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>849,547</b>   | <b>273,692</b>   | <b>259,565</b>     | <b>100,002</b>   | <b>(173,690)</b>            | <b>(63.5)%</b>             |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$849,547</b> | <b>\$576,172</b> | <b>\$334,858</b>   | <b>\$323,370</b> | <b>\$(252,802)</b>          | <b>(43.9)%</b>             |

## Executive Staff

### Functions and Responsibilities

The Executive Staff Department provides leadership and direction to ensure CapMetro meets its mission, goals and objectives. This includes efforts to ensure the highest standards for the organization and providing strategic direction and prioritization of projects, initiatives, resources and programs.

The department serves as the liaison to the Board of Directors on policy issues. Additionally, Executive Staff ensures members of the Senior Management Team have the resources they need to achieve their departmental goals.

Since the role of the Executive Staff Department is to ensure the success of the agency's employees, programs, initiatives and projects and the delivery of the CapMetro mission, the FY2025 Achievements and FY2026 Projects for this department reflect the shared successes and opportunities of all CapMetro departments.

### Budget Changes

#### Salaries and Benefits

Increase of \$56,653 due to the approved performance-based pay increase to become effective in January 2026.

#### Other Expenses

Decrease of \$51,620 in Other Expenses related to travel.

|                                      | FY2024<br>ACTUAL   | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET   | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$1,272,197        | \$1,610,846        | \$1,455,198        | \$1,667,499        | \$56,653                    | 3.5 %                      |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>1,272,197</b>   | <b>1,610,846</b>   | <b>1,455,198</b>   | <b>1,667,499</b>   | <b>56,653</b>               | <b>3.5 %</b>               |
| Professional Services                | 25,687             | —                  | —                  | —                  | —                           | N/A                        |
| Fuel and Fluids                      | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Materials and Supplies               | 240                | 2,400              | 2,400              | 2,400              | —                           | — %                        |
| Utilities                            | 1,850              | 2,880              | 2,880              | 2,880              | —                           | — %                        |
| Insurance                            | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Purchased Transportation             | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Other Expenses                       | 173,680            | 212,775            | 204,646            | 161,155            | (51,620)                    | (24.3)%                    |
| Interest Expense                     | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Lease/Rentals                        | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Interlocal Agreements                | —                  | —                  | —                  | —                  | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>201,457</b>     | <b>218,055</b>     | <b>209,926</b>     | <b>166,435</b>     | <b>(51,620)</b>             | <b>(23.7)%</b>             |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$1,473,654</b> | <b>\$1,828,901</b> | <b>\$1,665,124</b> | <b>\$1,833,934</b> | <b>\$5,033</b>              | <b>0.3 %</b>               |

## Government Affairs

### Functions and Responsibilities

The Government Affairs Department focuses attention on developing, strengthening and maintaining relationships on behalf of CapMetro with local, regional, state and federal elected/appointed officials and key intergovernmental and community leaders throughout Central Texas. Government Affairs provides research, analysis and strategic advice and acts as an internal and external partnership and relationship broker to the agency. The department's portfolio of work is operationalized by tactically discerning and triangulating sound data with actionable information to make informed recommendations. This work is reinforced by implementing strategies and initiatives related to legislative policies, priorities and activities in support of CapMetro's mission and role as a regional transportation provider.

### FY2025 Achievements

#### Community Goal

##### **Strengthened Regional Engagement and Strategic Coordination**

Strengthened CapMetro's regional partnerships and advanced strategic coordination with local jurisdictions to support the agency's growth and mobility priorities. Key accomplishments included increased regional coordination via quarterly meetings with suburban member city leadership to align on mobility priorities. This included a focus on the department's administration of the Build Central Texas program. The department supported land use and zoning changes to promote transit-supportive development and delivered strategic briefings and presentations to city councils and regional governing bodies to build public trust and transparency. These efforts included onboarding newly elected and appointed officials with focused orientations that highlighted CapMetro's mission, goals and current initiatives. The department also engaged with communities both within and beyond the service area to support economic development and expand regional transportation access. Additionally, the team led internal cross-departmental collaboration to develop a CapMetro Regional Framework, an initiative under the agency's strategic plan, to guide long-term growth. The framework included refined regional guiding principles, geographic definitions, a Strengths, Weaknesses, Opportunities, and Threat (SWOT) analysis, identified partnership opportunities and recommended actions to support future expansion. This work completed an initial administrative step outlined as a strategic priority item in FY2025.

##### **Advanced State Legislative Strategy and Advocacy**

Led and executed CapMetro's state legislative strategy for the 89th Texas Legislature. The team emphasized the value of public transportation in supporting Texas' economic development, community growth, safety and prosperity. Through regular briefings with key stakeholders and peer intergovernmental relations offices, the department ensured coordination around emerging policy issues and kept elected leaders and trade associations abreast of real-time developments. The department mitigated several legislative threats to CapMetro's ability to serve the region. This included proactive measures where CapMetro's interests were strategically represented and focused on maintaining the agency's ability to regionally plan for future mobility. These overall efforts also helped safeguard transit funding while protecting the broader economic and workforce benefits associated with transit investments. During the 89th Texas Legislature, there was no legislation that was passed that would significantly impact the operations of CapMetro.

##### **Federal Advocacy and Grant Support**

Advanced CapMetro's federal legislative agenda through strategic engagement with the 119th Congress and key federal agency staff. The department actively advocated for increased transit investment and robust federal funding in support of CapMetro's capital and operational priorities. Through partnerships with national and state-level trade organizations, the team supported efforts to shape a forward-looking surface transportation reauthorization bill. The department also played a critical role in supporting successful federal grant applications by coordinating outreach with congressional offices and federal agencies, reinforcing CapMetro's readiness and alignment with national transportation goals.

## FY2026 Projects

### Community Goal

#### **Enhancing Community Engagement and Transit-Supportive Development**

Build on the momentum from previous years by advancing CapMetro's strategic priorities across all levels of government. Building upon the established CapMetro Regional Framework, the team will proactively strengthen local and regional partnerships with suburban member cities through consistent engagement and collaborative efforts with city and county staff, supporting infrastructure projects via CapMetro's Build Central Texas Program and Transit Supportive Infrastructure Funds. Additionally, Government Affairs will play a key role in keeping stakeholders informed about the Transit Plan 2035 process and continue to align efforts with the City of Austin and Austin Transit Partnership in support of Project Connect.

#### **Advancing CapMetro's Interests Through State Policy**

At the state level, the department will complete post-session activities from the 89th Texas Legislature and begin preparations for the 90th Regular Session. This includes coordinating with stakeholders, especially suburban member city leadership, on shared legislative priorities, providing regular briefings to the Central Texas state delegation, and exploring improvements to the Texas Transportation Code related to transit authority governance and finance. These efforts are part of CapMetro's Strategic Plan item aimed at regionalism and are essential for positioning CapMetro as a leader in transit policy.

#### **Strategic Advocacy in the 119th Congress**

Federally, continue engagement with the 119th Congress, advocating for increased public transportation funding to meet rising demand and cost pressures. The team will support reauthorization of federal surface transportation legislation and collaborate with national and state-level partners to advance CapMetro's priorities. These include securing discretionary funding for bus and rail projects, promoting multimodal investments, and pursuing competitive grants to support systemwide improvements and infrastructure expansion.

## Budget Changes

### Salaries and Benefits

Decrease of \$134,075 due to a revised method in vacancy budgeting, which no longer includes provisions for vacant roles, partially offset by the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Decrease of \$90,001 due to a \$62,496 decrease in Professional Services for consultation fees for public relations and legislative contracts and a \$27,505 reduction in Other Expenses related to travel.

|                                      | FY2024<br>ACTUAL   | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|--------------------|--------------------|--------------------|------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$589,692          | \$617,810          | \$558,129          | \$483,735        | \$(134,075)                 | (21.7)%                    |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>589,692</b>     | <b>617,810</b>     | <b>558,129</b>     | <b>483,735</b>   | <b>(134,075)</b>            | <b>(21.7)%</b>             |
| Professional Services                | 343,893            | 429,996            | 430,000            | 367,500          | (62,496)                    | (14.5)%                    |
| Fuel and Fluids                      | —                  | —                  | —                  | —                | —                           | N/A                        |
| Materials and Supplies               | 696                | 2,000              | 2,000              | 2,000            | —                           | — %                        |
| Utilities                            | 1,346              | 1,920              | 1,000              | 1,920            | —                           | — %                        |
| Insurance                            | —                  | —                  | —                  | —                | —                           | N/A                        |
| Purchased Transportation             | —                  | —                  | —                  | —                | —                           | N/A                        |
| Other Expenses                       | 110,060            | 132,408            | 137,162            | 104,903          | (27,505)                    | (20.8)%                    |
| Interest Expense                     | —                  | —                  | —                  | —                | —                           | N/A                        |
| Lease/Rentals                        | —                  | —                  | —                  | —                | —                           | N/A                        |
| Interlocal Agreements                | —                  | —                  | —                  | —                | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>455,995</b>     | <b>566,324</b>     | <b>570,162</b>     | <b>476,323</b>   | <b>(90,001)</b>             | <b>(15.9)%</b>             |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$1,045,687</b> | <b>\$1,184,134</b> | <b>\$1,128,291</b> | <b>\$960,058</b> | <b>\$(224,076)</b>          | <b>(18.9)%</b>             |

## Legal

### Functions and Responsibilities

The Legal Department ensures that CapMetro conducts its activities ethically and consistent with federal and state laws, providing sound legal advice and reducing the risk of legal action. The department provides legal support on applicable federal, state and local laws; ensures compliance with the Texas Public Information Act, Open Meetings Act and Local Government Records Act; monitors and enhances CapMetro's ethics program to help ensure responsible stewardship of public funds; and manages outside legal services.

### FY2025 Achievements

#### Customer, Community and Organizational Effectiveness Goals

##### Implementation of GovQA Public Records Request System

Implemented GovQA, a centralized public records request management platform, to enhance compliance with the Texas Public Information Act (TPIA). This digital system replaced a manual, decentralized process, streamlining intake, tracking and fulfillment of public information requests. By automating workflows and standardizing responses, CapMetro improved efficiency, reduced response times, minimized errors and ensured legal compliance, all while enhancing transparency and customer service.

GovQA also improved the public's experience by providing an accessible, online portal to submit and monitor requests. This has led to fewer follow-up inquiries, reduced complaints and increased trust in CapMetro's responsiveness and commitment to openness.

From its launch on March 7, 2025 through June 30, 2025, a total of 106 public information requests have been submitted or entered into the system, with more than half successfully closed. The Legal Department manages all requests, with support from IT and serves as the system administrator. The average time to close a request is 8.54 days, well within the legal 10-day requirement, demonstrating increased efficiency, accountability and adherence to legal standards.

##### Legal Support for Transit Police Department Establishment

Played a central role in establishing CapMetro's Transit Police Department (TPD), working closely with internal stakeholders to build a legally compliant and operationally sound foundation. Legal staff conducted a comprehensive review of more than 150 TPD policies to ensure legal sufficiency, including criminal justice information services (CJIS) related content, and provided critical guidance on key issues including citation procedures, body camera footage compliance under the Texas Public Information Act and the development of a department-specific records control schedule. Legal also assessed the need for specialized legal counsel and confirmed that existing contracts would support TPD's launch. Throughout the year, the Legal Department held weekly meetings with TPD leadership, the Chief of Staff and the Executive Staff Program Manager to ensure alignment, collaboration and address emerging legal considerations. These efforts ensured a compliant, transparent and well-structured foundation for the department's formal launch in June 2025.

##### Legal Support for Strategic Capital Projects

Advanced two major transit infrastructure projects; the acquisition of the Goodnight Ranch Park & Ride property and the renegotiation of the North Burnet/Uptown Rail station (formerly Broadmoor Rail Station) development agreement. Led negotiations for the Goodnight Ranch Park & Ride, and facilitated the complex purchase of a tract in southeast Austin that will expand service through Project Connect to a historically underserved area. The project, part of the new Pleasant Valley Rapid line (Route 800), required coordination across departments, easement acquisitions and site plan corrections. CapMetro's purchase of the property closed in December 2024, allowing project implementation to proceed.

The department also provided essential legal guidance for the North Burnet/Uptown Rail Station, working with the developer to renegotiate terms of the original agreement in response to rising construction costs and market shifts. The amended agreement, approved by CapMetro's Board on May 21, 2025, ensures the project remains viable and construction ready. Collaborated with CapMetro staff and a neighboring landowner to secure key real estate agreements necessary for the station's development.

## **FY2026 Projects**

### **Community, Customer and Organizational Effectiveness Goals**

#### **Title VI Legal Compliance for Fare Policy Changes**

Provide ongoing support to ensure CapMetro's fare policy changes comply with Title VI of the Civil Rights Act, which prohibits discrimination in federally funded programs. This work is essential to ensure that there is no disproportionate impact to protected populations and aligns with CapMetro's strategic priorities of Community, Customer and Organizational Effectiveness. To achieve this, Legal will collaborate closely with internal departments, review any required equity analyses to ensure compliance with evolving federal civil rights requirements, confirm that public participation efforts meet legal and internal standards and assist in the development of clear, accessible public communications.

#### **Legal Analysis and Implementation of Legislative and Regulatory Changes**

Analyze new state legislation, federal regulations and guidance to assess their impact on CapMetro's operations, policies and programs. Based on this analysis, the department will advise internal stakeholders on required updates or changes to ensure continued legal compliance and alignment with agency goals.

The objective of this initiative is to implement, or support the implementation, of necessary updates to CapMetro policies, procedures, or activities in a timely manner, including meeting any regulatory deadlines. Legal will work proactively with departments to interpret new requirements and support smooth integration into operational practices.

This work will take place primarily in Q1 and Q2 of FY2026, with additional support provided on an ongoing basis as new developments arise. The expected outcome is continued compliance with applicable laws and regulations, enabling CapMetro to effectively fulfill its transit mission.

#### **Legal Support for Public Safety Efforts**

Provide legal guidance and support to TPD as it ramps up operations in FY2026. We will also prioritize supporting other public safety initiatives of CapMetro, for example, ensuring that CapMetro has a fair and legally defensible process for suspending service to those who endanger the safety and well-being of our customers. This work will further CapMetro's strategic priorities of Customer and Community by enhancing the safety and security of our system.

## Budget Changes

### Salaries and Benefits

Increase of \$16,054 due to the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Decrease of \$77,893 primarily in Professional Services for legal expertise in litigation matters and a \$4,203 reduction in Other Expenses related to travel.

|                                      | FY2024<br>ACTUAL   | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET   | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$937,784          | \$1,058,716        | \$1,033,107        | \$1,074,770        | \$16,054                    | 1.5 %                      |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>937,784</b>     | <b>1,058,716</b>   | <b>1,033,107</b>   | <b>1,074,770</b>   | <b>16,054</b>               | <b>1.5 %</b>               |
| Professional Services                | 456,742            | 592,512            | 598,512            | 518,000            | (74,512)                    | (12.6)%                    |
| Fuel and Fluids                      | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Materials and Supplies               | 168                | 996                | 750                | 750                | (246)                       | (24.7)%                    |
| Utilities                            | 664                | 1,812              | 2,880              | 2,880              | 1,068                       | 58.9 %                     |
| Insurance                            | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Purchased Transportation             | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Other Expenses                       | 21,313             | 25,515             | 30,952             | 21,312             | (4,203)                     | (16.5)%                    |
| Interest Expense                     | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Lease/Rentals                        | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Interlocal Agreements                | —                  | —                  | —                  | —                  | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>478,887</b>     | <b>620,835</b>     | <b>633,094</b>     | <b>542,942</b>     | <b>(77,893)</b>             | <b>(12.5)%</b>             |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$1,416,671</b> | <b>\$1,679,551</b> | <b>\$1,666,201</b> | <b>\$1,617,712</b> | <b>\$(61,839)</b>           | <b>(3.7)%</b>              |

## Non-Allocated Employee Benefits

### Functions and Responsibilities

The Non-Allocated Employee Benefits Department provides health and welfare benefits that are attractive, affordable, flexible and competitive. Our employee benefits package allows us to attract and retain talent and serves as a differentiation factor when deciding on whether or not the job is a good fit. This department captures costs of various employee benefits agencywide, such as health, dental and life insurance, as well as retirement plans.

### FY2025 Achievements

#### Workforce Goals

##### Expanding Employee Benefits to Support Well-Being and Financial Security

In response to employee feedback and evolving workforce needs, the Benefits team implemented several key enhancements to CapMetro's benefits offerings in FY2025. Four new voluntary benefits—Critical Illness Insurance, Hospital Indemnity, Pet Insurance and Credkin Credit Services—were introduced at no additional cost to the agency, expanding employee choice and flexibility.

To support informed financial planning, a new pension self-service calculator was launched on January 1, 2025, allowing employees to more easily view their current pension estimates and model future retirement scenarios. Additionally, CapMetro introduced a Dependent Care Stipend Program for eligible CapMetro and Service Partner employees. This program provides a monthly stipend to offset dependent care expenses and was designed to offer more flexible and inclusive support than the previous reduced tuition program through Bright Horizons, which ended on March 30, 2025.

These enhancements reflect CapMetro's continued commitment to supporting employee well-being and financial security while ensuring benefit offerings evolve with staff needs.

### FY2026 Projects

#### Workforce Goals

##### Strategic Review of Health Benefits and Cost Efficiency

In FY2026, the Benefits team will review existing health plan designs and wellness programs to identify opportunities to reduce healthcare costs while supporting positive health outcomes for employees and their families. This comprehensive evaluation will assess current program utilization, cost trends and employee needs to determine whether changes to plan designs are warranted and whether new or enhanced program offerings should be considered for the 2026 benefits cycle. The goal is to ensure CapMetro's health benefits remain cost-effective, equitable and responsive to the evolving needs of the workforce.

## Budget Changes

### Salaries and Benefits

Increase of \$1,127,556 primarily due to anticipated increase of \$1,308,967 in health and dental plan expenses, partially offset by \$336,000 reduction in retirement Medicare supplement payments.

### Other Expenses

Increase of \$155,557 due to transfer of Family and Medical Leave Act (FMLA) administration and brokerage service expenses from the People and Culture Department.

|                                      | FY2024<br>ACTUAL    | FY2025<br>BUDGET    | FY2025<br>FORECAST  | FY2026<br>BUDGET    | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$15,462,607        | \$20,621,205        | \$21,675,340        | \$21,748,761        | \$1,127,556                 | 5.5 %                      |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>15,462,607</b>   | <b>20,621,205</b>   | <b>21,675,340</b>   | <b>21,748,761</b>   | <b>1,127,556</b>            | <b>5.5 %</b>               |
| Professional Services                | —                   | —                   | —                   | 155,557             | 155,557                     | N/A                        |
| Fuel and Fluids                      | —                   | —                   | —                   | —                   | —                           | N/A                        |
| Materials and Supplies               | —                   | —                   | —                   | —                   | —                           | N/A                        |
| Utilities                            | —                   | —                   | —                   | —                   | —                           | N/A                        |
| Insurance                            | —                   | —                   | —                   | —                   | —                           | N/A                        |
| Purchased Transportation             | —                   | —                   | —                   | —                   | —                           | N/A                        |
| Other Expenses                       | —                   | —                   | —                   | —                   | —                           | N/A                        |
| Interest Expense                     | —                   | —                   | —                   | —                   | —                           | N/A                        |
| Lease/Rentals                        | —                   | —                   | —                   | —                   | —                           | N/A                        |
| Interlocal Agreements                | —                   | —                   | —                   | —                   | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>—</b>            | <b>—</b>            | <b>—</b>            | <b>155,557</b>      | <b>155,557</b>              | <b>N/A</b>                 |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$15,462,607</b> | <b>\$20,621,205</b> | <b>\$21,675,340</b> | <b>\$21,904,318</b> | <b>\$1,283,113</b>          | <b>6.2 %</b>               |

## Organizational Strategy and Projects

### Functions and Responsibilities

The Organizational Strategy and Projects Department is responsible for CapMetro's Strategic Plan 2030, which supports our mission, vision and values by aligning the Agency's resources with the achievement of critical results and progress toward key performance indicators. The team also directs the enterprise project portfolio management process. In FY2025, a new organizational optimization group was established to lead internal, cross-functional optimization initiatives in support of strategic objectives.

### FY2025 Achievements

Customer, Community, Organizational Effectiveness and Workforce Goals

#### Program Management for CapMetro Rapid Lines and Transit Police Stand-Up

Successfully led the coordinated implementation of the CapMetro Rapid 800 Pleasant Valley and 837 Expo introductory service programs and the stand-up of the Transit Police Department. The team ensured alignment and integration of all related capital and operating projects, with a focus on improving transit connectivity for communities east of I-35, enhancing system-wide safety and fostering public trust through effective cross-departmental collaboration and program governance.

#### Advancing Organizational Effectiveness through Strategy, Data and Governance

Advanced several initiatives aligned with organizational effectiveness, including business intelligence, enterprise project portfolio management and organizational optimization. In support of the FY2025 Strategic Plan, data-driven decision-making practices were strengthened through the creation of a cross-functional governance process, the launch of an internal Business Intelligence Forum and the development of a training path for staff. Transparency was further enhanced by implementing a public-facing Safety Dashboard that shares critical data on passenger and vehicle safety. Key performance indicator (KPI) accountability was reinforced through the introduction of a quarterly KPI scorecard update for the Board of Directors. Additionally, enhanced project lifecycle standards supported more effective project, program and portfolio management.

#### Shaping the Future: Strategic Visioning and Stakeholder Engagement

Led the development and implementation of CapMetro's long-range strategic vision. Through engagement with internal and external stakeholders, the team facilitated discussions around future opportunities, risks and regional needs. This collaborative process resulted in the creation of *Strategic Plan 2030: Capturing Opportunity for Central Texas*, which outlines the critical results and actions necessary to achieve CapMetro's mission, vision and strategic goals. The plan will serve as a foundational guide for agency priorities over the next five years, complementing *CapMetro's Transit Plan 2035*.

### FY2026 Projects

Customer, Community, Organizational Effectiveness and Workforce Goals

#### Strategic Plan 2030 Execution and Organizational Optimization Support

The Performance and Strategic Initiatives team will continue implementing *Strategic Plan 2030: Capturing Opportunity for Central Texas* by coordinating the timely completion of departmental action items tied to the plan's four critical results. The team will oversee progress tracking and reporting to ensure visibility and accountability across the agency. Concurrently, the Organizational Optimization team will provide targeted support for high-impact, cross-functional initiatives requiring process evaluation and improvement. These efforts aim to drive measurable outcomes in organizational effectiveness and ensure that CapMetro remains aligned with its long-term strategic vision.

## Capital Program Execution and Budget Alignment

The Enterprise Portfolio and Project Management team will apply enhanced rigor to capital project planning and execution by strengthening business cases, project charters and resource-loaded schedules. The team will lead enterprise-wide training, facilitate cross-functional project reviews and establish performance goals to improve overall delivery outcomes. These improvements aim to increase the Capital Budget Performance KPI, reflecting greater alignment between budgeted and delivered capital projects. The team will also support the development of the FY2027 capital budget to ensure it remains within historical and projected delivery capacity. Performance will be monitored through the Capital Budget Performance KPI as reported in CapMetro's Performance Scorecard.

## Budget Changes

### Salaries and Benefits

Decrease of \$277,056 due to a revised method in vacancy budgeting, which no longer includes provisions for vacant roles, partially offset by the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Decrease of \$710,720 driven by a \$666,000 decrease in Professional Services for consultation services from completed projects and a \$44,720 reduction in Other Expenses related to travel.

|                                      | FY2024<br>ACTUAL   | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET   | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$1,536,105        | \$1,847,391        | \$1,718,191        | \$1,570,335        | \$(277,056)                 | (15.0)%                    |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>1,536,105</b>   | <b>1,847,391</b>   | <b>1,718,191</b>   | <b>1,570,335</b>   | <b>(277,056)</b>            | <b>(15.0)%</b>             |
| Professional Services                | 90,580             | 676,000            | 505,000            | 10,000             | (666,000)                   | (98.5)%                    |
| Fuel and Fluids                      | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Materials and Supplies               | 1,297              | 600                | 600                | 600                | —                           | — %                        |
| Utilities                            | 1,546              | —                  | 370                | —                  | —                           | N/A                        |
| Insurance                            | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Purchased Transportation             | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Other Expenses                       | 76,989             | 89,000             | 46,733             | 44,280             | (44,720)                    | (50.2)%                    |
| Interest Expense                     | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Lease/Rentals                        | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Interlocal Agreements                | —                  | —                  | —                  | —                  | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>170,412</b>     | <b>765,600</b>     | <b>552,703</b>     | <b>54,880</b>      | <b>(710,720)</b>            | <b>(92.8)%</b>             |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$1,706,517</b> | <b>\$2,612,991</b> | <b>\$2,270,894</b> | <b>\$1,625,215</b> | <b>\$(987,776)</b>          | <b>(37.8)%</b>             |

## People and Culture

### Functions and Responsibilities

The mission of the People and Culture (P&C) Department is to cultivate a high-performing workforce by engaging in activities such as attracting, recruiting, developing, motivating, rewarding and retaining staff. People and Culture empowers the organization by providing essential tools and resources to enhance the capabilities of the workforce, resulting in better performance and successful outcomes. This is achieved through the design and implementation of training programs that improve staff skills and knowledge. The department also fosters professional growth and development within the organization, ensuring that staff can thrive and advance in their careers. People and Culture plays a vital role in supporting organizational design, culture transformation, positive employee experience and effectively managing the entire staff lifecycle to meet the needs of the agency.

### FY2025 Achievements

#### Workforce Goals

##### **Building a Foundation of Trust, Accountability and Preparedness**

In FY2025, the People and Culture Department advanced CapMetro's commitment to leadership development, compliance and organizational safety through a series of targeted and scalable learning initiatives. We launched the "Building a Culture of Trust and Accountability" workshop series, beginning with the Senior Executive Team and some People Leaders. The series received strong feedback, with 86.2% of participants expressing confidence in building trust and 90.2% in handling accountability issues. The overall learner satisfaction rate was 80.4%. Based on this success, the program is now being expanded agency-wide to all People Leaders, supported by a tailored eLearning course for individual contributors. This series serves as a cornerstone of our evolving leadership development strategy aimed at improving engagement, culture and retention.

In addition, we developed and launched a scalable Compliance Training Program framework to support future growth and risk mitigation. As part of this effort, we released one of our first internally developed eLearning modules, "Emergency Preparedness," aligned with the agency's core value of Safety. The course achieved an 88% learner satisfaction rate and demonstrated the growing capabilities of CapMetro's new Learning & Development team.

Finally, in alignment with our strategy to foster connection and growth, we began piloting a new Mentorship Program in Q4 2025 to promote professional development and knowledge sharing across the agency.

##### **Transforming Talent Strategy and Workforce Engagement**

In FY2025, the People and Culture Department advanced CapMetro's culture by embedding modern, people-centered practices aligned with the agency's values and strategic goals. We launched the Ways of Working Playbook to promote intentional collaboration, including updated Outlook defaults (25/50-minute meetings), best practice guidance for effective meetings and the rollout of productivity tools such as Microsoft Loop to enhance team accountability and performance.

To elevate HR support across the organization, we introduced the HR Business Partner (HRBP) model, shifting from transactional support to a more strategic approach. This model enables business leaders to better align people priorities with departmental and agency-wide objectives.

We also made significant progress in talent planning. A pilot succession planning program was launched with the Senior Executive Team, which included targeted development plans for identified successors and an assessment of critical role gaps. In parallel, we supported a career development pilot that reached 19 employees across five departments and conducted CapMetro's first-ever talent reviews, completing 21 team sessions across the organization. These efforts have strengthened internal talent pipelines, fostered

professional growth and embedded more strategic, elevated performance conversations at all levels of the organization.

### **Advancing Workforce Strategy Through Digital Tools and Data Governance**

In FY2025, the People & Culture team delivered a series of impactful technology enhancements that advanced strategic workforce priorities and improved the overall employee experience. The Offboarding Journey in Oracle was redesigned to provide clear, step-by-step guidance for managers, improving consistency, compliance and the employee exit process. A newly revised exit survey was also implemented to capture more meaningful feedback, supporting deeper analytics and more targeted retention strategies.

In partnership with Benefits and IT, the team supported the seamless rollout of employee-focused programs, including the Wellness Journey and Dependent Care FSA Stipend Program, ensuring proper system configuration, compliance and user experience. Participation in the Dependent Care FSA program increased from 2% in the previous year to 8% in FY2025 and the Wellness Journey achieved an 80% completion rate.

To further enable data-driven decision-making, the department developed a dynamic Data Governance framework and launched a new People & Culture metrics dashboard, providing actionable insights on workforce trends and strengthening alignment with CapMetro's long-term strategic goals.

## **FY2026 Projects**

### **Workforce Goals**

#### **Building a Future-Ready Workforce Through Development and Planning**

In FY2026, the People & Culture Department will lead initiatives to build a stronger, future-ready workforce by expanding learning and development opportunities. Key focus areas will include launching a new coaching program for key talent pools and leadership transitions by the end of Q1 and implementing an agency-wide mentorship program by Q2 to support leadership growth and peer learning. Additionally, the department will promote a broader understanding of CapMetro's compensation philosophy and progress leadership development initiatives across all levels.

To further align talent capabilities with organizational goals, People & Culture will develop and implement a comprehensive workforce planning strategy. This includes conducting a workforce gap analysis to compare current skills with future needs and establishing targeted action plans through recruitment, training and development. Collectively, these efforts will enhance employee development, strengthen leadership pipelines and ensure CapMetro is prepared to meet evolving operational and strategic demands.

#### **Defining and Delivering CapMetro's Employee Value Proposition**

To strengthen CapMetro's organizational culture and better attract and retain top talent, the People & Culture Department will refine the agency's Employee Value Proposition (EVP) and implement at least two targeted employee experience enhancements across the employment lifecycle. This effort will focus on clearly articulating what makes CapMetro a great place to work, improving how that message is experienced from onboarding through career progression.

These enhancements will be designed to measurably increase employee engagement and foster stronger connections between employees and managers. By reinforcing CapMetro's identity as an employer of choice, this project aims to improve first-year retention rates by ensuring more new hires are supported, engaged and motivated to grow within the organization. Key outcomes include increased participation in engagement activities, more positive feedback from staff, and a stronger, more connected employee experience across all levels of the agency.

#### **Modernizing People & Culture Systems for Efficiency and Insight**

In FY2026, the People & Culture Department will enhance its programs through targeted technology improvements designed to modernize the user experience, streamline internal workflows, and support strategic talent development. Key initiatives include the continued implementation of Redwood UI in

Oracle to improve system navigation and usability, the launch of new succession planning modules by the end of Q1 to strengthen leadership pipelines, and the rollout of an automated HR help desk in Oracle by Q3 to improve service delivery and response time.

These system enhancements will enable more efficient operations, support data-driven decision-making, and deliver an improved experience for both employees and P&C staff. Together, these tools will increase organizational readiness, improve access to talent insights and contribute to more scalable and responsive workforce solutions.

## Budget Changes

### Salaries and Benefits

Decrease of \$1,049,374 due to a revised method in vacancy budgeting, which no longer includes provisions for vacant roles, partially offset by the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Decrease of \$416,629 driven by \$539,284 reduction in Professional Services for direct hire staffing and recruitment marketing campaigns and transfer of \$155,557 related to FMLA administration and brokerage service expenses to the Non-Allocated Employee benefits Department, offset by \$120,985 increase in Other Expenses related to addition of team development training, compliance training and transfer of training related expenses from the Procurement Department.

|                                      | FY2024<br>ACTUAL   | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET   | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$4,071,144        | \$4,897,703        | \$4,301,433        | \$3,848,329        | \$(1,049,374)               | (21.4)%                    |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>4,071,144</b>   | <b>4,897,703</b>   | <b>4,301,433</b>   | <b>3,848,329</b>   | <b>(1,049,374)</b>          | <b>(21.4)%</b>             |
| Professional Services                | 1,093,583          | 1,260,844          | 974,602            | 721,560            | (539,284)                   | (42.8)%                    |
| Fuel and Fluids                      | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Materials and Supplies               | 5,653              | 8,200              | 10,500             | 8,100              | (100)                       | (1.2)%                     |
| Utilities                            | 482                | 1,440              | 1,000              | 960                | (480)                       | (33.3)%                    |
| Insurance                            | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Purchased Transportation             | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Other Expenses                       | 146,726            | 349,985            | 440,227            | 470,970            | 120,985                     | 34.6 %                     |
| Interest Expense                     | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Lease/Rentals                        | 2,285              | —                  | 1,500              | 2,250              | 2,250                       | N/A                        |
| Interlocal Agreements                | —                  | —                  | —                  | —                  | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>1,248,729</b>   | <b>1,620,469</b>   | <b>1,427,829</b>   | <b>1,203,840</b>   | <b>(416,629)</b>            | <b>(25.7)%</b>             |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$5,319,873</b> | <b>\$6,518,172</b> | <b>\$5,729,262</b> | <b>\$5,052,169</b> | <b>\$(1,466,003)</b>        | <b>(22.5)%</b>             |

## Procurement

### Functions and Responsibilities

The Procurement Department purchases all required goods and services in accordance with sound public contracting policies and procedures. The department aims to deliver effective, transparent and efficient procurement operations to support CapMetro's Vision of providing connectivity, fostering economic activity and ensuring safe, environmentally sustainable and equitable access to opportunity.

### FY2025 Achievements

#### Organizational Effectiveness Goals

##### Strengthening Operations Through High-Impact Procurement

In FY2025, the Procurement Department played a vital role in supporting CapMetro's operations and strategic initiatives by awarding contracts totaling over \$300 million. Major contract awards included those for Demand Response Pickup and Access Services, the expansion of the Rail Maintenance Facility and the Notice to Proceed for construction of the Goodnight Ranch Park & Ride—all the result of extensive cross-functional collaboration.

The department launched the CapMetro Supplier Portal, offering all new and existing suppliers secure access to invoices, purchase orders and agreements, along with the ability to update key business, tax and payment information. The portal also includes mandatory verification protocols and enhanced security features.

CapMetro resumed direct purchasing of Demand Response vehicle parts, a transition led by the Small Purchasing team with no service disruptions. More than 10,000 bus and vehicle parts for Fixed Route, Demand Response and Access services were procured, totaling over \$55 million. These procurements were essential to maintaining the revenue fleet and supporting on-time performance.

Other notable achievements included the approval of an updated acquisition policy in March, which raised the Board approval threshold to \$250,000 and successful participation in the FTA Triennial Review. In total, the department issued approximately 400 task orders, 300 contract modifications and over 9,000 purchase orders, reinforcing CapMetro's operational readiness and commitment to effective stewardship of public funds.

### FY2026 Projects

#### Organizational Effectiveness Goals

##### Enabling Organizational Growth Through Major Construction and Operations Contracts

In FY2026, the Procurement Department will support several high-impact capital and operational initiatives aligned with CapMetro's long-term infrastructure and service goals. Completion and occupancy of the new administration building at 3100 E. 5th St is scheduled by year-end. Procurement also plans to solicit and award contracts for the construction of a new Demand Response Operations Facility, which will replace outdated or leased facilities with a purpose-built solution to meet growing service demands.

Contracts will also be awarded for railroad infrastructure construction to support ongoing maintenance-of-way needs and uphold CapMetro's state of good repair standards.

The most significant procurement in FY2026 will be the resolicitation of the Commuter Rail Operations and Maintenance contract, a major undertaking that has been in planning for nearly a year and represents a critical investment in service quality and operational continuity.

## Budget Changes

### Salaries and Benefits

Increase of \$135,165 from the transfer of a temporary employee to FTE and the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Decrease of \$127,567 driven by \$76,000 in Professional Services for temporary help and \$51,567 in seminars, conferences, registration and travel.

|                                      | FY2024<br>ACTUAL   | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET   | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$2,449,587        | \$2,511,123        | \$2,511,123        | \$2,646,288        | \$135,165                   | 5.4 %                      |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>2,449,587</b>   | <b>2,511,123</b>   | <b>2,511,123</b>   | <b>2,646,288</b>   | <b>135,165</b>              | <b>5.4 %</b>               |
| Professional Services                | 100,039            | 95,000             | 43,042             | 19,000             | (76,000)                    | (80.0)%                    |
| Fuel and Fluids                      | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Materials and Supplies               | 3,542              | 7,320              | 7,320              | 7,320              | —                           | — %                        |
| Utilities                            | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Insurance                            | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Purchased Transportation             | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Other Expenses                       | 87,725             | 86,074             | 87,074             | 34,507             | (51,567)                    | (59.9)%                    |
| Interest Expense                     | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Lease/Rentals                        | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Interlocal Agreements                | —                  | —                  | —                  | —                  | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>191,306</b>     | <b>188,394</b>     | <b>137,436</b>     | <b>60,827</b>      | <b>(127,567)</b>            | <b>(67.7)%</b>             |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$2,640,893</b> | <b>\$2,699,517</b> | <b>\$2,648,559</b> | <b>\$2,707,115</b> | <b>\$7,598</b>              | <b>0.3 %</b>               |

## Small Business Programs and Compliance

### Functions and Responsibilities

The Small Business Programs and Compliance Department is responsible for managing programs to encourage and promote opportunities for small businesses to participate in CapMetro contracting opportunities and ensuring compliance with disadvantaged business enterprise (DBE) and small business enterprise (SBE) programs. In addition, the department coordinates and monitors CapMetro compliance with Title VI of the Civil Rights Act provisions to ensure the level and quality of public transportation service is provided in a nondiscriminatory manner.

### FY2025 Achievements

#### Organizational Effectiveness and Workforce Goal

##### Disadvantaged Business Enterprise (DBE) Program Plan Update

In FY2025, CapMetro submitted its updated Disadvantaged Business Enterprise (DBE) Program Plan to the Federal Transit Administration (FTA) by the March 1 deadline, in compliance with new federal rule changes and updated DBE guidelines under the Code of Federal Regulations. The revised plan includes updated DBE policies, procedures and standardized forms that enhance clarity, streamline operations and ensure consistency across contracts and procurement processes. These improvements are now reflected in TrAMS, the FTA's reporting and management system for DBE compliance. The updated forms offer clear guidance aligned with CapMetro's solicitation and contracting practices, reinforcing the agency's commitment to equity, accountability and federal compliance.

##### Small Business Outreach and Engagement

In FY2025, the Small Business Programs Compliance Department actively engaged in outreach efforts to strengthen small business participation in CapMetro's procurement opportunities and support progress toward the agency's annual Disadvantaged Business Enterprise (DBE) good faith effort goal, as required under 49 CFR Part 26. The team participated in more than 15 events, including networking sessions, vendor trainings and consortium meetings with peer agencies and institutions of higher education to develop strategies for expanding small business engagement.

CapMetro also hosted a Transit Industry Day to connect small businesses with upcoming procurement opportunities. Outreach efforts yielded tangible results, including over 40 one-on-one sessions with small businesses and more than 170 vendor responses to a survey aimed at identifying additional support needs. In recognition of its collaborative efforts to advance small business inclusion, CapMetro received a City of Austin Proclamation through its partnership with the IC<sup>2</sup> Institute.

##### Heritage Reflection Series: Promoting Cultural Awareness and Employee Engagement

The Small Business Programs Compliance Department launched a storytelling initiative to highlight the personal narratives of CapMetro employees during cultural heritage month observances. This program offered a platform for staff to share how their cultural backgrounds influence their daily lives, shape their perspectives and inform their work. It encouraged open dialogue around identity, heritage and lived experience within the organization.

Select employees were interviewed on video, with featured stories shared on CapMetro's Waypoint blog and across social media platforms. The initiative garnered meaningful engagement, including an average of 55 likes on LinkedIn, 35 likes and 716 views on Instagram. This effort supported a more connected workplace by fostering understanding, building community and amplifying individual voices.

## FY2026 Projects

### Customer, Community and Organizational Effectiveness Goals

#### Expanding Small Business Participation in Procurement

In FY2026, the Small Business Programs Compliance Department will continue its strategic outreach and training efforts to strengthen small business participation in CapMetro's contracts and procurements, supporting the agency's annual good faith effort goal under the Disadvantaged Business Enterprise (DBE) Program, as outlined in 49 CFR Part 26.

#### Key activities will include:

- Identifying and participating in targeted networking opportunities to connect with small businesses;
- Developing a training series tailored for vendors interested in doing business with CapMetro; and
- Leveraging partnerships with community-based organizations that support small business development and growth.

This aligns with CapMetro's long-term objective to cultivate a robust pipeline of qualified small businesses. Expected outcomes include an expanded vendor pool across various industries, greater awareness of CapMetro's procurement processes and increased small business participation in contracting opportunities.

## Budget Changes

### Salaries and Benefits

Decrease of \$263,341 due to a revised method in vacancy budgeting, which no longer includes provisions for vacant roles, partially offset by the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Decrease of \$217,010 driven by \$168,480 in Other Expenses related to reduction in registration for seminars and conferences and related travel, plus \$48,530 in Professional Services related to various consultation fees.

|                                      | FY2024<br>ACTUAL | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|------------------|--------------------|--------------------|------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$620,364        | \$644,656          | \$606,589          | \$381,315        | \$ (263,341)                | (40.8)%                    |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>620,364</b>   | <b>644,656</b>     | <b>606,589</b>     | <b>381,315</b>   | <b>(263,341)</b>            | <b>(40.8)%</b>             |
| Professional Services                | 128,892          | 213,600            | 218,600            | 165,070          | \$ (48,530)                 | (22.7)%                    |
| Fuel and Fluids                      | —                | —                  | —                  | —                | \$ —                        | N/A                        |
| Materials and Supplies               | 297              | —                  | —                  | —                | \$ —                        | N/A                        |
| Utilities                            | 482              | —                  | —                  | —                | \$ —                        | N/A                        |
| Insurance                            | —                | —                  | —                  | —                | \$ —                        | N/A                        |
| Purchased Transportation             | —                | —                  | —                  | —                | \$ —                        | N/A                        |
| Other Expenses                       | 185,765          | 184,245            | 171,149            | 15,765           | \$ (168,480)                | (91.4)%                    |
| Lease/Rentals                        | —                | —                  | —                  | —                | \$ —                        | N/A                        |
| Other Reconciling Items              | —                | —                  | —                  | —                | \$ —                        | N/A                        |
| <b>Interlocal Agreements</b>         | <b>315,436</b>   | <b>397,845</b>     | <b>389,749</b>     | <b>180,835</b>   | <b>(217,010)</b>            | <b>(54.5)%</b>             |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$935,800</b> | <b>\$1,042,501</b> | <b>\$996,338</b>   | <b>\$562,150</b> | <b>(\$480,351)</b>          | <b>(46.1)%</b>             |

## Wellness and Fitness Center

### Functions and Responsibilities

The Wellness and Fitness Center Department's mission is to partner with our employees and contractors to improve and maintain healthy long-term lifestyle habits and to create a healthier and safer workforce that fulfills CapMetro's mission. The department's primary responsibilities are to develop innovative health programs, create opportunities to change behaviors and develop healthy habits, reduce costs and improve morale, coordinate wellness initiatives and manage CapMetro's fitness centers.

### FY2025 Achievements

#### Workforce Goals

##### Expanding Employee Wellness Through Digital Engagement

In FY2025, CapMetro enhanced its employee wellness program with the implementation of the EXOS Wellness App in Q1, designed to extend the reach of wellness services beyond physical gym locations. The app introduced new communication channels, 1:1 mobile coaching capabilities and a broader library of educational content, practices and activities. These features complement and supplement existing gym facilities, creating a more accessible and holistic wellness experience for employees.

The app strengthened connections between employees and wellness coaches, contributing to a 36.9% average participation rate in Q2. During the same period, the Fitness Center's participation rate increased from 20.4% to 23.9%, reflecting a 17% improvement. The average participation rate in the app was 23.5% in Q3.

### FY2026 Projects

#### Workforce Goal

##### Employee Health Fairs

In FY2026, the Wellness Team will host an employee health fair to promote awareness of health and welfare benefits, provide biometric screenings and increase employee engagement. The event is designed to support employee well-being through direct access to preventive health services and educational resources, while fostering a culture of wellness across the organization.

## Budget Changes

### Other Expenses

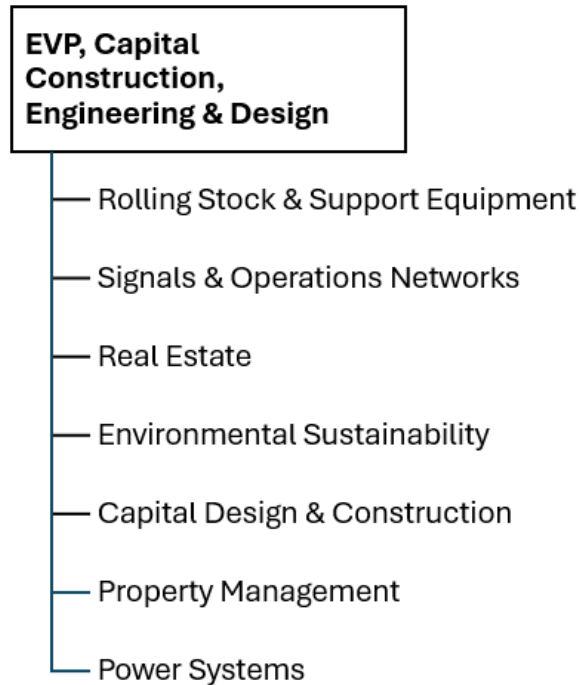
Decrease of \$26,990 driven by \$45,082 decrease in Professional Services for the health wellness consultant and pre-employment testing, slightly offset by \$15,000 increase in Other Expenses.

|                                      | FY2024<br>ACTUAL | FY2025<br>BUDGET | FY2025<br>FORECAST | FY2026<br>BUDGET | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|------------------|------------------|--------------------|------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$20,600         | \$—              | \$—                | \$—              | \$—                         | N/A                        |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>20,600</b>    | <b>—</b>         | <b>—</b>           | <b>—</b>         | <b>—</b>                    | <b>N/A</b>                 |
| Professional Services                | 350,149          | 391,464          | 339,378            | 346,382          | (45,082)                    | (11.5)%                    |
| Fuel and Fluids                      | —                | —                | —                  | —                | —                           | N/A                        |
| Materials and Supplies               | 1,653            | 4,008            | 4,008              | 7,100            | 3,092                       | 77.1 %                     |
| Utilities                            | —                | —                | —                  | —                | —                           | N/A                        |
| Insurance                            | —                | —                | —                  | —                | —                           | N/A                        |
| Purchased Transportation             | —                | —                | —                  | —                | —                           | N/A                        |
| Other Expenses                       | 6,195            | 400              | 400                | 15,400           | 15,000                      | 3750.0 %                   |
| Interest Expense                     | —                | —                | —                  | —                | —                           | N/A                        |
| Lease/Rentals                        | —                | —                | —                  | —                | —                           | N/A                        |
| Interlocal Agreements                | —                | —                | —                  | —                | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>357,997</b>   | <b>395,872</b>   | <b>343,786</b>     | <b>368,882</b>   | <b>(26,990)</b>             | <b>(6.8)%</b>              |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$378,597</b> | <b>\$395,872</b> | <b>\$343,786</b>   | <b>\$368,882</b> | <b>\$(26,990)</b>           | <b>(6.8)%</b>              |

## Capital Construction, Engineering & Design Division

The Capital Construction, Engineering & Design Division (CCED) leads the planning, design, engineering and construction of CapMetro's infrastructure projects, including bus, rail and facility systems. It oversees departments responsible for capital delivery, electrification, real estate, systems integration and sustainability. This division ensures projects are delivered safely, efficiently and in alignment with long-term transit goals.

### Organization



## Full-Time Equivalent Staffing Chart

| Division / Department                                 | FY2024 Actual | FY2025 Budget | FY2025 Staffing Changes | FY2026 Staffing Changes | FY2026 Budget |
|-------------------------------------------------------|---------------|---------------|-------------------------|-------------------------|---------------|
| <b>Capital Construction, Engineering &amp; Design</b> |               |               |                         |                         |               |
| Capital Construction and Facility Management          | 7.0           | 9.0           |                         |                         | 9.0           |
| Capital Construction, Engineering and Design          | 1.0           | 1.0           |                         |                         | 1.0           |
| Capital Design and Construction                       | 7.0           | 8.0           | 1.0                     |                         | 9.0           |
| Facility Design and Construction                      | 3.0           | 3.0           |                         |                         | 3.0           |
| Facility Programming and Management                   | 8.5           | 9.5           | 1.0                     |                         | 10.5          |
| Power Systems and Sustainability                      | 2.0           | 2.0           |                         |                         | 2.0           |
| Real Estate                                           | 5.0           | 5.0           |                         |                         | 5.0           |
| Rolling Stock and Support Equipment                   | 4.0           | 4.0           |                         |                         | 4.0           |
| Systems Engineering and Designs                       | 1.0           | 1.0           |                         |                         | 1.0           |
| <b>Total</b>                                          | <b>38.5</b>   | <b>42.5</b>   | <b>2.0</b>              | <b>—</b>                | <b>44.5</b>   |

## Budget Changes

| Division / Department                                 | FY2024 ACTUAL       | FY2025 BUDGET       | FY2025 FORECAST     | FY2026 BUDGET       | FY2026 v. FY2025 (\$) | FY2026 v. FY2025 (%) |
|-------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|----------------------|
| <b>Capital Construction, Engineering &amp; Design</b> |                     |                     |                     |                     |                       |                      |
| Capital Construction and Facility Management          | \$—                 | \$1,210,970         | \$1,120,863         | \$1,126,569         | (\$84,401)            | (7.0)%               |
| Capital Construction, Engineering and Design          | 305,140             | 1,085,804           | 324,904             | 550,780             | (535,024)             | (49.3)%              |
| Capital Design and Construction                       | 3,111,708           | 1,526,161           | 1,523,268           | 1,441,298           | (84,863)              | (5.6)%               |
| Facility Design and Construction                      | —                   | 538,968             | 537,888             | 496,061             | (42,907)              | (8.0)%               |
| Facility Programming and Management                   | 3,073,819           | 8,365,363           | 6,277,099           | 4,552,002           | (3,813,361)           | (45.6)%              |
| Power Systems and Sustainability                      | 536,336             | 2,121,951           | 1,135,908           | 679,197             | (1,442,754)           | (68.0)%              |
| Real Estate                                           | 4,828,863           | 5,158,663           | 3,513,744           | 3,687,302           | (1,471,361)           | (28.5)%              |
| Rolling Stock and Support Equipment                   | 525,334             | 704,311             | 704,311             | 694,585             | (9,726)               | (1.4)%               |
| Systems Engineering and Designs                       | 299,489             | 249,434             | 249,434             | 317,920             | 68,486                | 27.5 %               |
| <b>Total</b>                                          | <b>\$12,680,689</b> | <b>\$20,961,625</b> | <b>\$15,387,419</b> | <b>\$13,545,714</b> | <b>(\$7,415,911)</b>  | <b>(35.4)%</b>       |

## Capital Construction and Facility Management

### Functions and Responsibilities

Capital Construction and Facility Management provides project controls support for the scope, schedule, budget and change management activities related to the implementation of capital projects, including the federal requirements associated with federally funded grant projects. It also provides Transit Asset Management and executive staff support.

### FY2025 Achievements

#### Organizational Effectiveness Goal

##### **Automated Asset Intake Process Enhances Data Integrity and Lifecycle Management**

Implemented an automated asset intake workflow through the agency's project management tool. In partnership with the Capital Projects team, standardized asset data delivery requirements were embedded into all new vendor contracts, ensuring vendors provide validated asset information upon project completion. This effort eliminated data gaps, enabled faster onboarding into Hexagon EAM and improved asset data integrity, lifecycle management and accountability across capital projects.

##### **Facility Work Order Process Modernized for Greater Efficiency and Accountability**

Streamlined the work order submission process for all CapMetro facilities in Hexagon EAM, the agency's parts inventory tracking software, to enhance operational efficiency, user experience and responsiveness. Implemented in June 2025, the enhancements are expected to reduce processing delays, minimize manual errors and establish clearer communication and accountability across the agency.

##### **EV Charging Data Integration Enhances Energy Management and Planning**

Integrated electric vehicle (EV) charging infrastructure data into Hexagon EAM by leveraging application programming interface (API) connections to pull electric consumption data from primary sources. This integration enables accurate tracking of energy usage, charger performance and maintenance needs.

##### **Project Controls Support for Federally Funded Rapid Projects**

Provided project controls support for the Rapid Expo and Rapid Pleasant Valley Small Starts Capital Investment Grant projects. Support included tracking and reporting cost, schedule, risk assessments and other federally required documentation to ensure compliance with grant requirements.

##### **Support for FTA Triennial and Quadrennial Reviews**

Supported the agency's successful participation in the Federal Transit Administration's (FTA) Triennial Review, which evaluated project management, real estate and facility management practices for compliance with federal requirements and industry standards. Also supported the State-mandated Quadrennial Review process, ensuring documentation and procedures met oversight expectations.

##### **Enhanced Workplace Standards to Support Employee Retention and Performance**

Supported the development and implementation of workplace standards aimed at creating and maintaining a professional, safe and welcoming environment designed to attract, retain, and contribute to improved employee satisfaction and productivity across agency facilities.

### FY2026 Projects

#### Organizational Effectiveness Goal

##### **Transit Asset Management (TAM) Plan Update**

In accordance with FTA requirements, CapMetro must fully update its Transit Asset Management (TAM) Plan every four years, with the next update due by October 1, 2026. This update ensures continued compliance with federal regulations while aligning CapMetro's asset management practices with evolving operational needs, technologies and strategic goals. Since the last update in 2022, significant advancements, including Hexagon geographic information system (GIS) integration, electric vehicle infrastructure deployment and improved asset data systems, were incorporated. The revised TAM Plan

will enable CapMetro to reassess performance targets, investment priorities and risk mitigation strategies in alignment with current asset conditions, fleet electrification efforts and climate resilience goals.

### **Facility Condition Assessments (FCA) for Asset Management Compliance**

Conducting Facility Condition Assessments (FCA) of the Transit Asset Management and ensures ongoing compliance with FTA requirements. The assessments will provide current data on the physical condition and functionality of CapMetro's facilities, which will assist in prioritizing maintenance and repair needs. This process supports the long-term safety, functionality and reliability of facilities for staff, customers and the broader community.

### **Implementation of Capital Construction Document Management Plan**

Develop and implement a comprehensive Document Management Plan to improve the organization, storage and handling of construction-related documents. This initiative includes enhancing existing document management tools used by the Capital Construction Engineering and Design team and provide targeted staff training to ensure consistent and effective usage.

## Budget Changes

### Salaries and Benefits

Decrease of \$84,401 due to a revised method in vacancy budgeting, which no longer includes provisions for vacant roles, partially offset by the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

No significant differences.

|                                      | FY2024<br>ACTUAL | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET   | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|------------------|--------------------|--------------------|--------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$—              | \$1,189,528        | \$1,099,421        | \$1,105,127        | \$(84,401)                  | (7.1)%                     |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>—</b>         | <b>1,189,528</b>   | <b>1,099,421</b>   | <b>1,105,127</b>   | <b>\$(84,401)</b>           | <b>(7.1)%</b>              |
| Professional Services                | —                | 100                | 100                | —                  | (100)                       | (100.0)%                   |
| Fuel and Fluids                      | —                | —                  | —                  | —                  | —                           | N/A                        |
| Materials and Supplies               | —                | 1,356              | 1,356              | 500                | (856)                       | (63.1)%                    |
| Utilities                            | —                | 2,160              | 2,160              | 3,060              | 900                         | 41.7 %                     |
| Insurance                            | —                | —                  | —                  | —                  | —                           | N/A                        |
| Purchased Transportation             | —                | —                  | —                  | —                  | —                           | N/A                        |
| Other Expenses                       | —                | 17,826             | 17,826             | 17,882             | 56                          | 0.3 %                      |
| Interest Expense                     | —                | —                  | —                  | —                  | —                           | N/A                        |
| Lease/Rentals                        | —                | —                  | —                  | —                  | —                           | N/A                        |
| Interlocal Agreements                | —                | —                  | —                  | —                  | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>—</b>         | <b>21,442</b>      | <b>21,442</b>      | <b>21,442</b>      | <b>—</b>                    | <b>— %</b>                 |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$—</b>       | <b>\$1,210,970</b> | <b>\$1,120,863</b> | <b>\$1,126,569</b> | <b>\$(84,401)</b>           | <b>(7.0)%</b>              |

## Capital Construction, Engineering and Design

### Functions and Responsibilities

The Capital Construction, Engineering and Design (CCED) Department, led by the Executive Vice President of CCED, oversees all departments within the CCED Division and is responsible for delivering safe, sustainable and cost-effective capital projects and infrastructure improvements across the agency.

### FY2025 Achievements

Customer, Community and Organizational Effectiveness Goals

#### Regional Stakeholder Agreements to Support Infrastructure Coordination

Finalized regional agreements with key stakeholders, including Pedernales Electric Cooperative and the City of Pflugerville. These partnerships supported infrastructure improvements aligned with each entity's capital investments while also delivering parallel benefits to CapMetro projects.

#### Deliver Electrification Assets for Rapid Service

Successfully navigated disruptions, despite challenges related to vendors and suppliers, to ensure electrification assets were brought online in support of Rapid service. These efforts enabled the timely deployment of battery electric bus infrastructure critical to the launch of CapMetro's Rapid Introductory Service.

#### Launched Internal SharePoint Sites to Enhance Cross-Departmental Access to CCED Resources

In partnership with the Marketing and Communications Departments, began developing internal SharePoint sites tailored to each division. These sites are designed to be accessible to all CapMetro staff, providing centralized access to project updates, asset information and key reference materials.

### FY2026 Projects

Customer, Community and Organizational Effectiveness Goals

#### Completion and Revenue Service Launch of Rapid Expo and Pleasant Valley Corridors

Complete the construction and implementation of the Rapid Expo and Pleasant Valley Projects and transition both corridors into full revenue service in FY2026. This milestone marks the culmination of multi-year efforts to expand high-capacity transit and improve mobility options along two key corridors, enhancing service reliability, frequency and customer experience.

#### Ongoing Support for Project Connect Light Rail Program Implementation

Continue comprehensive support of Project Connect Light Rail.

#### Enhancing Capital Project Delivery and Asset Sustainability

Improve capital project delivery by strengthening processes, tools and oversight with a focus on addressing asset obsolescence, meeting regulatory requirements and prioritizing state-of-good-repair initiatives.

## Budget Changes

### Salaries and Benefits

Increase of \$9,086 due to the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Decrease of \$544,110 driven by lower Professional Services related to software controls for electrification offsetting Other Expenses related to travel.

|                                      | FY2024<br>ACTUAL | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|------------------|--------------------|--------------------|------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$304,530        | \$299,664          | \$299,664          | \$308,750        | \$9,086                     | 3.0 %                      |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>304,530</b>   | <b>299,664</b>     | <b>299,664</b>     | <b>308,750</b>   | <b>9,086</b>                | <b>3.0 %</b>               |
| Professional Services                | 362              | 770,640            | 8,000              | 220,640          | (550,000)                   | (71.4)%                    |
| Fuel and Fluids                      | —                | —                  | —                  | —                | —                           | N/A                        |
| Materials and Supplies               | —                | —                  | —                  | —                | —                           | N/A                        |
| Utilities                            | —                | —                  | —                  | —                | —                           | N/A                        |
| Insurance                            | —                | —                  | —                  | —                | —                           | N/A                        |
| Purchased Transportation             | —                | —                  | —                  | —                | —                           | N/A                        |
| Other Expenses                       | 250              | 15,500             | 17,240             | 21,390           | 5,890                       | 38.0 %                     |
| Interest Expense                     | —                | —                  | —                  | —                | —                           | N/A                        |
| Lease/Rentals                        | —                | —                  | —                  | —                | —                           | N/A                        |
| Interlocal Agreements                | —                | —                  | —                  | —                | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>612</b>       | <b>786,140</b>     | <b>25,240</b>      | <b>242,030</b>   | <b>(544,110)</b>            | <b>(69.2)%</b>             |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$305,142</b> | <b>\$1,085,804</b> | <b>\$324,904</b>   | <b>\$550,780</b> | <b>\$(535,024)</b>          | <b>(49.3)%</b>             |

## Capital Design and Construction

### Functions and Responsibilities

The Capital Design and Construction Department is responsible for Program/Project Management, engineering design and construction of all Capital Projects pertaining to the bus and rail transit infrastructure. This includes bus stops, amenities, accessibility, CapMetro Bikeshare, CapMetro Rapid Program, battery electric bus (BEB) charging infrastructure, rail track infrastructure, wayside signalization and Positive Train Control modifications, Rail Stations, Right of Way drainage improvements and Railroad Bridges. Including monitoring scope, schedule, budget, risks and change management and coordination with Federal Transit Administration, Federal Railroad Administration and TxDOT.

### FY2025 Achievements

#### Customer and Community Goals

#### Infrastructure Enhancements and Accessibility Improvements

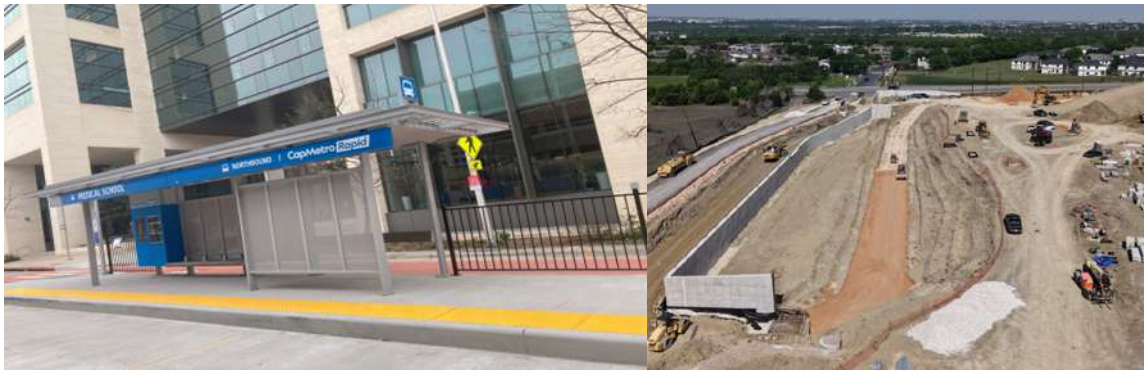
Completed 51 bus stop improvements in partnership with the City of Austin and installed 81 bus shelters with associated amenities. Solar lighting was added at 17 bus stop locations to enhance safety and accessibility. As part of the ADA Accessibility Program, 10 sites were completed and two CapMetro bikeshare stations were constructed through the Indefinite Delivery Indefinite Quantity (IDIQ) contract. Additional accomplishments include the successful completion of the South Congress Pavement Rehabilitation Project and pavement repairs at Leander, Lakeline and Howard Park & Ride locations in September 2025. The team also replaced 17 monument signs, 21 directional signs and 41 TxDOT green highway signs to improve wayfinding and system visibility.



***Pavement Rehabilitation and Bus Shelters***

#### CapMetro Rapid Corridor Construction Milestones

Supported the launch of the 800-Pleasant Valley and 837-Expo Center MetroRapid lines by completing construction at 67 sites across both corridors. These improvements included platform and in-street pad installations, new shelters and dedicated bike lanes to enhance multimodal access and customer experience.



***Rapid Station and Rapid End of Line***

### **Electric Bus Infrastructure Delivery and Microgrid Project Launch**

Completion of the Battery Electric Bus Charging Infrastructure at the South Operations and Maintenance Facility. The fully operational facility supports the electric bus fleet for CapMetro's Rapid Program. Additionally, completed construction and commissioning of the Flex 360 Training Charger at the North Operations facility. The team also initiated the Microgrid project, which will store energy generated from the facility's 267,000 square feet of solar panels and enable optimized energy use or redistribution through Austin Energy.



***Charging Infrastructure at the South Operations and Maintenance Facility***

### **Pedestrian Safety, Bridge Replacement and Rail Corridor Design Progress**

Completed several critical infrastructure and safety improvements. These included the Pedestrian Crossing and Signal Preemption project at 4th Street and I-35 Frontage Roads and the new Railroad Pedestrian Crossing at Sabine and 4th Street—both enhancing pedestrian safety and multimodal access. Replaced the Walnut Creek Bridge using funding from a CRISI Grant awarded by the Federal Railroad Administration, and completed design work for the Plaza Saltillo Station and the associated double track and bike trail improvements from Onion Street to the Austin Wye.



***Rendering of Plaza Saltillo Station Platforms, Double Track and Bike Lane from Onion to Austin Wye.***

## FY2026 Projects

### Organizational Effectiveness Goals

#### **Bus Stop and Shelter Enhancements Supporting Accessibility and Safety**

Implement a series of infrastructure improvements to enhance the customer experience and accessibility of CapMetro's bus network. The project includes the construction of 85 bus stop sites, installation of 50 new shelters with accompanying benches and amenities, completion of 10 sites under the ADA Accessibility Program and deployment of 30 standalone solar lighting units.

#### **Expo and Pleasant Valley Rapid Lines Revenue Launch and Charging Infrastructure Completion**

Complete the full build out of the Expo and Pleasant Valley Rapid lines and begin full revenue service. The project also includes finalizing End-of-Line (EOL) charging infrastructure and Park & Ride facilities at the Expo Center and Goodnight Ranch to support electric bus fleet operations. These efforts represent a critical milestone in expanding high-capacity, sustainable transit service in the region.

#### **Advancement of Regional Rail and Infrastructure Projects**

Advance multiple high-impact rail and infrastructure projects. Key initiatives include completing the permitting process for the Plaza Saltillo Station platforms, double tracking and bike lane between Onion Street and Austin Wye. The department will initiate work under the Indefinite Delivery/Indefinite Quantity (IDIQ) Rail Contract to support the federally funded State of Good Repair program for commuter and freight rail. Construction will begin on the Broadmoor Rail Station and double tracking project as part of a Public-Private Partnership (P3) with the developer, improving rail operations efficiency. Additional efforts include continued coordination with TxDOT on the Railroad Bridge at 4th & I-35 and T-Ramp construction at Tech Ridge and I-35, as well as with the City of Austin on the Convention Center project, which includes relocating CapMetro's signal and communications infrastructures.

## Budget Changes

### Salaries and Benefits

Decrease of \$8,367 due to staffing transitions partially offset by the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Decrease of \$76,496 in Professional Services of \$70,753 for consultations and \$13,433 in Other Expenses related to travel.

|                                      | FY2024<br>ACTUAL   | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET   | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$2,292,572        | \$1,299,385        | \$1,296,132        | \$1,291,018        | \$(8,367)                   | (0.6)%                     |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>2,292,572</b>   | <b>1,299,385</b>   | <b>1,296,132</b>   | <b>1,291,018</b>   | <b>(8,367)</b>              | <b>(0.6)%</b>              |
| Professional Services                | 788,682            | 129,153            | 129,153            | 58,400             | (70,753)                    | (54.8)%                    |
| Fuel and Fluids                      | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Materials and Supplies               | 1,821              | 69,600             | 69,600             | 76,810             | 7,210                       | 10.4 %                     |
| Utilities                            | 2,328              | 2,400              | 2,400              | 2,880              | 480                         | 20.0 %                     |
| Insurance                            | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Purchased Transportation             | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Other Expenses                       | 26,304             | 25,623             | 25,983             | 12,190             | (13,433)                    | (52.4)%                    |
| Interest Expense                     | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Lease/Rentals                        | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Interlocal Agreements                | (1,323,554)        | —                  | —                  | —                  | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>(504,419)</b>   | <b>226,776</b>     | <b>227,136</b>     | <b>150,280</b>     | <b>(76,496)</b>             | <b>(33.7)%</b>             |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$1,788,153</b> | <b>\$1,526,161</b> | <b>\$1,523,268</b> | <b>\$1,441,298</b> | <b>\$(84,863)</b>           | <b>(5.6)%</b>              |

## Facility Design and Construction

### Functions and Responsibilities

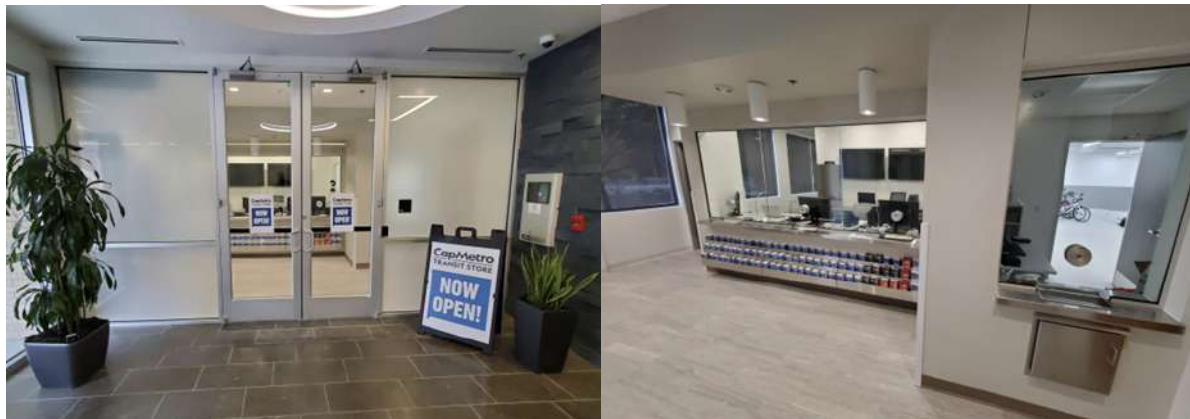
The Facility Design & Construction Department is responsible for the design, engineering, permitting and construction of facility capital projects which include remodels and improvements to existing facilities and new ground-up construction projects.

### FY2025 Achievements

#### Customer and Organizational Effectiveness Goals

##### Improved Customer and Community Access Through New Transit Store Build-Out

Completed the construction of 6,000 square feet of office space at 1705 Guadalupe Street. The new facility includes a customer service counter for transit pass sales, a dedicated area for lost and found services and a Community Engagement room designed to host outreach meetings and public interactions. This space enhances CapMetro's accessibility and supports improved customer experience and community involvement.



*Transit Store*

##### Completion of Third Floor Office Space for Administrative Staff

Completed the design, permitting and construction of 24,000 square feet of administrative office space on the third floor, enabling CapMetro staff to occupy and utilize the facility. The project also included ADA upgrades, general facility repairs and the installation of new safety and security features to ensure a modern, accessible and secure working environment.

##### First and Second Floor Construction Begins with Public-Facing Enhancements

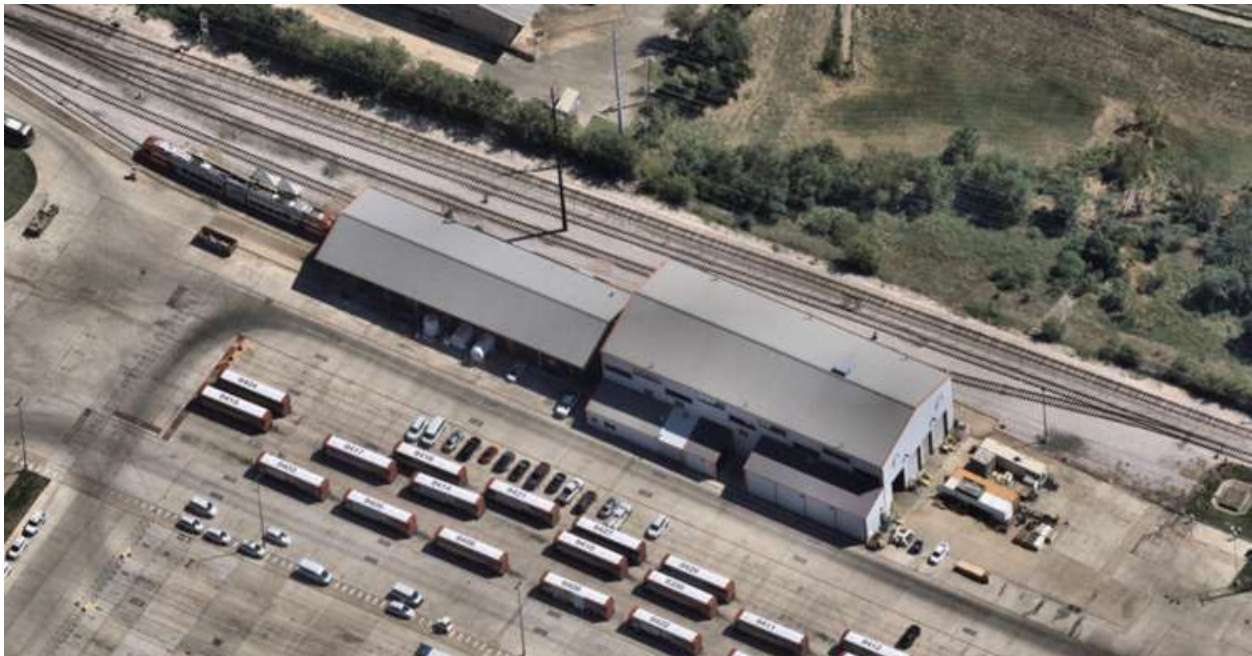
Began construction of 65,000 square feet of office space on the first and second floors, which will house CapMetro's new Board Room and a publicly accessible Community Room. The project also includes exterior site improvements to enhance the facility's overall functionality, accessibility and appearance.



***Administration Building***

## **Facility Upgrades to Support Enhanced DMU Maintenance Operations**

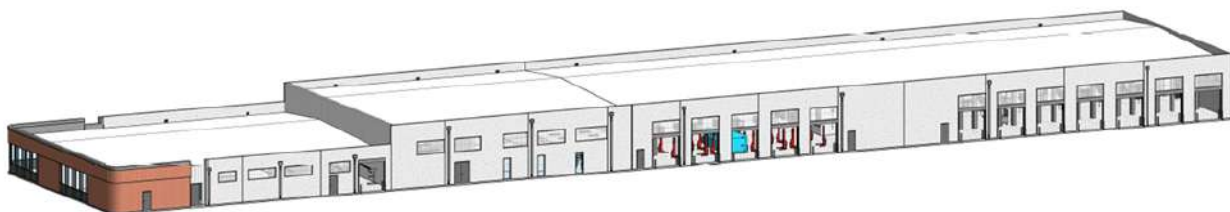
Completed design, permitting, bidding and initiated construction of a 2,400-square-foot warehouse addition, trackwork extension and backup generator installation to support ongoing maintenance needs for the Diesel Multiple Unit (DMU) fleet.



***Proposed Rendering North Operations Facility***

## **North Base Demand Response Facility**

Finalized design, permitting and initiated the bidding process for site excavation and new offsite utilities which will support future service expansion and include a community room for public use.



***North Base Demand Response Facility***

## New Eligibility Center to Replace Leased Facility

Initiated final design for a new Customer Eligibility Center located on the first floor of 624 N. Pleasant Valley. The project includes a 7,000-square-foot remodel and ADA enhancements to improve public accessibility. Once completed, this facility will enable CapMetro to exit its current leased space.

## FY2026 Projects

Community, Workforce and Organizational Effectiveness Goals

### Delivering Office Space to Enable Organizational Growth and Public Access

Complete construction of office space on the first and second floors of the Administration Building at 3100 E. 5th St. to include a new Board Room and a publicly accessible Community Room.



***Proposed Rendering Administration Building Level 1***

### Expanded Maintenance Facilities for Red Line DMU Fleet

Complete warehouse addition, trackwork extension and backup generator to enhance maintenance operations for the DMU fleet supporting Red Line service.



***Proposed Rendering North Operations Facility***

## Infrastructure Advancement for Demand Response Operations

Complete site excavation and installation of new offsite utilities as Phase 1 for a new operations and maintenance facility. Begin Phase 2 construction activities, including site development and building erection. This facility will accommodate the agency's planned growth in Paratransit and Pickup services and feature a publicly accessible Community Room.



*Site of North Base Demand Response Facility*

## 624 N. Pleasant Valley: Public-Facing Facility Enhancement

Complete design, permitting and begin construction of the new Customer Eligibility Center on the first floor of 624 N. Pleasant Valley. The project includes remodel, mechanical and electrical system upgrades and ADA enhancements to improve service delivery to the public.

## Budget Changes

### Salaries and Benefits

Decrease of \$15,659 due to staffing transitions partially offset by the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Decrease of \$27,248 driven by lower Professional Services supporting studies and \$5,052 in Other Expenses related to travel.

|                                      | FY2024<br>ACTUAL | FY2025<br>BUDGET | FY2025<br>FORECAST | FY2026<br>BUDGET | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|------------------|------------------|--------------------|------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$—              | \$501,520        | \$501,520          | \$485,861        | \$(15,659)                  | (3.1)%                     |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>—</b>         | <b>501,520</b>   | <b>501,520</b>     | <b>485,861</b>   | <b>(15,659)</b>             | <b>(3.1)%</b>              |
| Professional Services                | —                | 18,600           | 18,600             | 600              | (18,000)                    | (96.8)%                    |
| Fuel and Fluids                      | —                | —                | —                  | —                | —                           | N/A                        |
| Materials and Supplies               | —                | 1,896            | 1,896              | 1,300            | (596)                       | (31.4)%                    |
| Utilities                            | —                | 3,600            | 1,920              | —                | (3,600)                     | (100.0)%                   |
| Insurance                            | —                | —                | —                  | —                | —                           | N/A                        |
| Purchased Transportation             | —                | —                | —                  | —                | —                           | N/A                        |
| Other Expenses                       | —                | 13,352           | 13,952             | 8,300            | (5,052)                     | (37.8)%                    |
| Interest Expense                     | —                | —                | —                  | —                | —                           | N/A                        |
| Lease/Rentals                        | —                | —                | —                  | —                | —                           | N/A                        |
| Interlocal Agreements                | —                | —                | —                  | —                | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>—</b>         | <b>37,448</b>    | <b>36,368</b>      | <b>10,200</b>    | <b>(27,248)</b>             | <b>(72.8)%</b>             |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$—</b>       | <b>\$538,968</b> | <b>\$537,888</b>   | <b>\$496,061</b> | <b>\$(42,907)</b>           | <b>(8.0)%</b>              |

## Facility Programming and Management

### Functions and Responsibilities

The Facilities Programming and Management Department is responsible for facility planning and programming; developing and maintaining facility strategies, workplace standards and design guidelines; updating the Facility Master Plan as a living document; managing the design and execution of the State of Good Repair program; serving as the liaison with property landlords and lessors; providing quality assurance for leased facility management and facilities design; and overseeing staff relocations, including furniture coordination, space use and move management.

### FY2025 Achievements

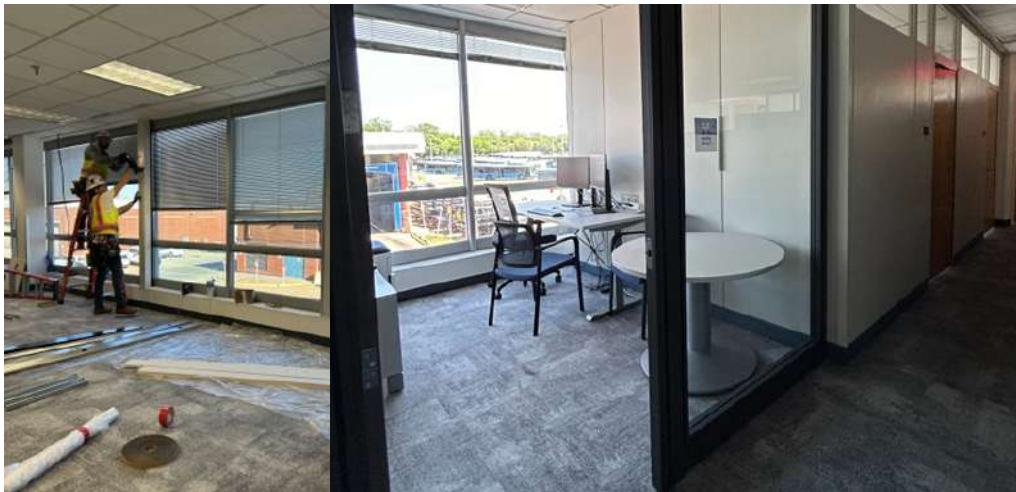
#### Community and Workforce Goals

#### Reduction of Lease Costs Through Facility Consolidation

Prioritized exiting the 700 Lavaca property to avoid extending the lease. The team supported the transition by building out space and/or providing furniture at CapMetro-owned facilities, including 624 North Pleasant Valley, 1705 Guadalupe Street, 2910 East 5th Street, 3100 East 5th Street and 5315 East Ben White. This initiative reduced lease expenses and optimized use of agency-owned facilities by strategically temporarily relocating staff.

#### Facility Enhancements Following Lease Termination

Led a collaborative effort to enhance CapMetro-owned spaces in support of an 80-person stationary workforce for approximately six months, followed by a transition to a more mobile and flexible work model. Improvements across five facilities included the creation of over 18 shared offices, 30 new touchdown workstations and upgrades to existing meeting spaces, improving space functionality and enabling a hybrid workforce model.



***2910 East 5th Street Upgrades***

#### Renovation and Occupancy of 3100 East 5th Street

Completed design quality assurance (QA) and supported the selection of general contractors. Oversaw furniture procurement, installation, and successfully relocated personnel into the renovated Level 3 West space. In parallel, completed key facility maintenance projects and continued providing support to third-party tenants continuing to strengthen collaborative relationships while ensuring facility functionality.



***3100 East 5th Street Renovations***

### **Furniture Kit-of-Parts and Finish Standards for Sustainable Workspaces**

Updated CapMetro's administrative workplace standards to improve cost efficiency, functionality, workforce collaboration, resiliency and employee retention. This effort introduced professionally refined finishes and a modular furniture system developed with input from key departments. The result is a flexible, sustainable design approach that aligns with CapMetro's Core Values and Sustainability Vision.

### **Supporting Department Expansion with Facility Improvements at Pleasant Valley**

Completed renovations to Level 2 to accommodate the growth of the Demand Response administrative team. The project created a functional workspace intended to meet the team's needs until the North Demand Response Facility becomes operational in future years. Enhancements included the addition of over 15 new workstations, private offices, touchdown spaces for mobile staff, and additional seating for stationary employees. Concurrently, the space plan for Level 1 was finalized to support the launch of a public-facing Paratransit Eligibility Center in FY2026.



***Facility Improvements Level 2 Demand Response***

## **Enhancing Safety and Sustainability at Park & Ride Facilities**

Developed a new parking lot lighting and control design guideline, initially implemented at the Howard, Leander and Manor Park & Ride sites to improve energy efficiency and safety. Additional infrastructure improvements included re-roofing, replaced traffic lights and upgraded lighting to enhance public safety at multiple park and rides.

## **FY2026 Projects**

### **Workforce and Community Goals**

#### **Strategic Assessment for 2910 E. 5th Street Facility Utilization and Longevity**

Finalize an assessment to determine how to best extend the useful life of the 2910 East 5th Street South Operations and Maintenance Facility. The assessment will also evaluate optimal utilization of the facility in support of agency operations following the occupancy of Levels 1, 2 and 3 at 3100 East 5th Street.

#### **Phase 1 Renovation of Administrative Space at 2910 E. 5th Street to Support Operations Teams**

Complete Phase 1 renovations of Levels 1 and 2 administrative spaces at 2910 East 5th Street to support the operational teams currently housed in the Vehicle Maintenance Building. In partnership with the Bus Operations and Maintenance Department this project is designed to align workplace investments with long-term operational needs.

#### **Renovation of Operations and Maintenance Spaces at 9315 Old McNeil Road**

Renovate the operations and maintenance spaces at 9315 Old McNeil Road, which have exceeded their service life. In partnership with the Operations, Maintenance and Oversight Departments, the renovation will enhance daily operations and help meet projected service demands. The improvements will also introduce transit workplace standards to complement the administrative standards updated in FY2025, reinforcing consistency, functionality and workforce support across facilities.

#### **Facility Enhancements to Support Interim Operations at Howard Lane and Ben White**

Complete strategic improvements at 817 West Howard Lane to support ongoing maintenance of revenue vehicles until the North Base Demand Response Facility becomes operational. Upgrade 5315 East Ben White to convert the south building and adjacent space into an interim operations and maintenance facility for the Bikeshare program. These enhancements will enable the agency to exit the 4811 East 7th Street property, aligning with operational goals and supporting more efficient use of CapMetro-owned facilities.

## Budget Changes

### Salaries and Benefits

Decrease of \$8,957 due to staffing transitions partially offset by the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Decrease of \$3,804,404 primarily in Professional Services of \$3,703,246 for repair and maintenance, electrical, custodial services and service contracts transferred to the Facilities Maintenance Department. Materials and Supplies decreased by \$167,526 from lower anticipated non capital equipment and furniture needs.

|                                      | FY2024<br>ACTUAL   | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET   | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$1,158,916        | \$992,177          | \$952,514          | \$983,220          | \$(8,957)                   | (0.9)%                     |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>1,158,916</b>   | <b>992,177</b>     | <b>952,514</b>     | <b>983,220</b>     | <b>(8,957)</b>              | <b>(0.9)%</b>              |
| Professional Services                | 1,227,043          | 4,405,742          | 2,092,186          | 702,496            | (3,703,246)                 | (84.1)%                    |
| Fuel and Fluids                      | 7                  | —                  | —                  | —                  | —                           | N/A                        |
| Materials and Supplies               | 663,145            | 249,792            | 468,032            | 82,266             | (167,526)                   | (67.1)%                    |
| Utilities                            | 13,544             | 2,710,707          | 2,757,422          | 2,783,017          | 72,310                      | 2.7 %                      |
| Insurance                            | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Purchased Transportation             | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Other Expenses                       | 11,166             | 6,945              | 6,945              | 1,003              | (5,942)                     | (85.6)%                    |
| Interest Expense                     | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Lease/Rentals                        | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Interlocal Agreements                | —                  | —                  | —                  | —                  | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>1,914,905</b>   | <b>7,373,186</b>   | <b>5,324,585</b>   | <b>3,568,782</b>   | <b>(3,804,404)</b>          | <b>(51.6)%</b>             |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$3,073,821</b> | <b>\$8,365,363</b> | <b>\$6,277,099</b> | <b>\$4,552,002</b> | <b>\$(3,813,361)</b>        | <b>(45.6)%</b>             |

## Power Systems & Sustainability

### Functions and Responsibilities

The Power Systems & Sustainability Department supports and implements the CapMetro Sustainability Vision Plan and the Sustainability Action Plan. This department leads CapMetro's clean energy and carbon-neutral initiatives, oversees environmental regulatory compliance and environmental management system implementation. The department is responsible for electrification needs ranging from facilities, charging infrastructure, rolling stock, solar investments and working closely with utility providers in the central Texas region.

### FY2025 Achievements

#### Community, Workforce and Organizational Effectiveness Goals

##### Environmental Compliance Program Development

Assumed responsibility for operational environmental compliance and regulatory activities previously embedded within service provider contracts. This shift enables CapMetro to build a more consistent, protective and proactive environmental compliance program aligned with both operational excellence and environmental stewardship. Priority areas included stormwater management, pollution prevention, waste handling and storage, material safety and staff training. Installation of twelve new, easily accessible spill management cabinets and drums at key operational facilities, delivery of eight one-hour spill prevention training sessions to over 150 maintenance and front line staff. Launched the Site Assistance Visit (SAV) and Site Environmental Observation (SEO) programs to strengthen on-site environmental management practices.

##### Utility Data Integration and Management System Modernization

Modernized CapMetro's utility data management from a legacy Access database to an enterprise platform. This system now integrates electricity, water, wastewater, waste and natural gas data, significantly improving accessibility, security and analytical capabilities. Previously, maintaining the standalone database consumed over 50% of one data analyst's time and posed a high risk of data loss. The department collaborated closely with internal teams, including IT and Capital Construction and Engineering Design (CCED), and external utility providers such as Austin Energy to streamline and automate data processes. A key achievement was the successful pilot integration of Austin Energy's internal-facing energy management dashboard (MyData) into CapMetro's system, establishing pathways for broader utility data integration. As a result, data input time has been reduced by 50%, while improvements have been realized in data security, Hexagon system connectivity and sustainability reporting, strengthening CapMetro's operational efficiency and environmental accountability.

##### Expansion of Renewable Energy Portfolio

Expanded CapMetro's renewable electricity portfolio by partnering with electric utilities to secure cost-effective, zero-emission energy sources for the facilities. This initiative resulted in a reduction in air pollution and carbon emissions while supporting a more resilient and diversified regional energy grid. Notably, for both FY2024 and FY2025, CapMetro's participation in Austin Energy's GreenChoice® renewable energy program resulted in lower electricity costs compared to conventional energy procurement.

### FY2026 Projects

#### Customer, Community and Organizational Effectiveness Goals

##### Sustainability Vision Plan Revision and Implementation

Update CapMetro's Sustainability Vision Plan to reflect sustainability goals, action items and performance metrics aligned with agency-wide and community priorities. The objective is to develop a refreshed Sustainability Vision Plan, including supporting action plans and metrics.

Planning efforts began in late FY2025, with a draft process scheduled for adoption in Q1 FY2026. Plan development and stakeholder engagement will take place in Q2 and Q3, culminating in final adoption by Q4 FY2026. The expected outcome is an actionable, metric driven plan grounded in sustainability return on investment (S-ROI) principles, creating a clear business case for measurable environmental improvements and long-term organizational impact. The plan will also align with the APTA Sustainability Scorecard process to support transparent reporting and accountability.

### **Zero Waste Management Plan and Policy Implementation**

Implement an agency-wide pollution prevention, waste management and recycling initiative. This project will establish a Zero Waste Management Plan and Policy designed to increase the capture of recyclables and organics, reduce overall waste generation and integrate best practices across CapMetro's operations. These efforts directly support the goals of the Sustainability Vision Plan and are expected to reduce the agency's environmental footprint while potentially lowering operational costs.

The expected outcome is to adopt the Zero Waste Management Plan, along with an internal communication strategy and necessary infrastructure improvements wit

### **Environmental and Sustainability Management System (ESMS) Implementation**

Advance environmental performance by developing and implementing an agency-wide Environmental and Sustainability Management System (ESMS) to integrate environmental management stakeholder engagement and plan development.

## Budget Changes

### Salaries and Benefits

Increase of \$6,553 due to the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Decrease of \$1,449,307 driven by \$1,510,436 in Professional Services for consultation fees and \$200,000 in Materials and Supplies from a realignment of programs to meet shifting priorities, which offset the Utility increase for waste management contracts transferred from the Facility Programming and Management Department. Other Expense decreased by \$19,600 for travel related items.

|                                      | FY2024<br>ACTUAL | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|------------------|--------------------|--------------------|------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$371,652        | \$222,365          | \$218,908          | \$228,918        | \$6,553                     | 2.9 %                      |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>371,652</b>   | <b>222,365</b>     | <b>218,908</b>     | <b>228,918</b>   | <b>6,553</b>                | <b>2.9 %</b>               |
| Professional Services                | 159,378          | 1,641,936          | 675,000            | 131,500          | (1,510,436)                 | (92.0)%                    |
| Fuel and Fluids                      | —                | —                  | —                  | —                | —                           | N/A                        |
| Materials and Supplies               | —                | 200,000            | 200,000            | —                | (200,000)                   | (100.0)%                   |
| Utilities                            | 382              | —                  | —                  | 280,729          | 280,729                     | N/A                        |
| Insurance                            | —                | —                  | —                  | —                | —                           | N/A                        |
| Purchased Transportation             | —                | —                  | —                  | —                | —                           | N/A                        |
| Other Expenses                       | 4,923            | 57,650             | 42,000             | 38,050           | (19,600)                    | (34.0)%                    |
| Interest Expense                     | —                | —                  | —                  | —                | —                           | N/A                        |
| Lease/Rentals                        | —                | —                  | —                  | —                | —                           | N/A                        |
| Interlocal Agreements                | —                | —                  | —                  | —                | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>164,683</b>   | <b>1,899,586</b>   | <b>917,000</b>     | <b>450,279</b>   | <b>(1,449,307)</b>          | <b>(76.3)%</b>             |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$536,335</b> | <b>\$2,121,951</b> | <b>\$1,135,908</b> | <b>\$679,197</b> | <b>\$(1,442,754)</b>        | <b>(68.0)%</b>             |

## Real Estate

### Formerly Real Estate and Facility Planning

## Functions and Responsibilities

The Real Estate Department manages 162 miles of commuter and freight railroad right-of-way and manages over 1,300 right-of-way licenses, acquires real property, leases, and easements to support the operational and administrative needs of CapMetro.

### FY2025 Achievements

#### Customer, Community and Organizational Effectiveness Goals

#### Real Estate Acquisitions Supporting Transit Expansion and Operations

Completed two critical acquisitions that directly support CapMetro's strategic goals related to service expansion, operational readiness and customer service improvements:

First, CapMetro acquired a key property located at East Slaughter Lane, along with associated easements, to enable the development of the Goodnight Ranch Park & Ride facility. The team also facilitated the acquisition of additional easements necessary for site plan permitting. These efforts support the expansion of CapMetro's Rapid service and align with the broader Project Connect objectives to increase ridership and improve mobility in underserved areas.

Secondly, the team secured additional leased space at 817 West Howard Lane to meet operational and maintenance needs for CapMetro's Demand Response Services. This acquisition enhances support for expanding service capacity and improves operational efficiency for critical transit programs.

These achievements reflect the department's continued commitment to enabling infrastructure development and ensuring the timely delivery of transit-supportive real estate assets.

#### Deed Research Project – West Subdivision of the Giddings-Llano Line

Advanced to Phase 3 of 4 in the Deed Research Project to confirm CapMetro's legal ownership of approximately 66.68 miles along the West Subdivision of the Giddings-Llano Line. This phase involves compiling a comprehensive legal and technical summary tracing ownership back to the original acquisitions by the predecessor railroad in the 1800s. The initiative is critical in affirming CapMetro's rights and refuting external ownership claims.

The project also supports the resolution of multiple encroachments, including residential structures, commercial businesses, utility installations and abandoned property, by documenting and enforcing CapMetro's property boundaries. The outcome will be a legal record of ownership that preserves the integrity of the right of way for future commuter rail expansion, freight revenue opportunities and potential transit-oriented development along the corridor.

#### Survey Project – Establishing Legal Boundaries Along the Giddings-Llano Line

Initiated Phase 1 of 3 of the Survey Project to define legal right-of-way boundaries along approximately 66.68 miles of the West Subdivision of the Giddings-Llano Line. This effort complements the ongoing Deed Research Project, with both initiatives working in tandem to confirm CapMetro's ownership and establish precise right of way lines.

The survey will support efforts to address and resolve encroachments, such as residential and commercial structures, utilities and abandoned materials, and secondary legal claims. Upon completion, CapMetro will possess a legally documented boundary survey critical to preserving the corridor for future commuter rail expansion, freight revenue opportunities and transit-oriented development.

#### TxDOT Partnership on Regional Infrastructure Projects

Established a successful partnership with the Texas Department of Transportation (TxDOT) to ensure CapMetro's active involvement in the design and planning of major regional and statewide infrastructure

initiatives. This includes coordination on the expansion of Interstate Highway 35 and U.S. Highway 183. The collaboration enables CapMetro to advocate for transit infrastructure needs early in project development, ensuring alignment with future mobility and right of way preservation goals.

### **Support for Regional Shared Use Pathways**

Collaborated with internal stakeholders and external partners, including state, county and local governments, to advance the development of regional shared use paths such as the Mogan Hike & Bike Trail. These efforts support CapMetro's strategic goals by expanding multimodal transportation options, enhancing connectivity to transit services and improving regional mobility and accessibility for all users.

### **Enhancing Financial Policies and Revenue Strategy**

Collaborated with CapMetro's Internal Audit team to strengthen financial policies and procedures. This partnership supports enhanced fiscal accountability and transparency, while also identifying strategic opportunities to sustain and grow future revenue streams through improved asset management and real estate initiatives.

### **Advancing Real Estate and Right of Way Management Technology**

Partnered with CapMetro's Information Technology and Procurement teams to initiate the upgrade of the agency's real estate and railroad right-of-way management software. The current system, which manages over 1,300 license agreements, permits, flagging services, and real property inventory, has reached the end of its lifecycle and contractual term limits. This effort aims to transition to a modern, integrated platform that will improve operational efficiency, enhance customer-facing services and strengthen the department's ability to manage growing real estate demands.

## **FY2026 Projects**

### **Community and Organizational Effectiveness Goals**

#### **Establishing Right-of-Way Ownership and Boundaries Along the Giddings-Llano Line**

Continue multiyear initiative to confirm and document CapMetro's legal ownership and boundary lines along the Giddings-Llano Line. This effort includes the Deed Research Project for the West Subdivision (approximately 66.68 miles) and the Survey Project along the East Subdivision. Together, these projects aim to solidify CapMetro's ownership and establish legally defensible right of way boundaries critical for future commuter and freight rail expansion.

The deed research will produce a comprehensive legal history to refute competing claims and address existing encroachments, such as residential and commercial structures, fences, utilities and debris. Concurrently, the survey work will deliver precise boundary data to support enforcement, planning and preservation of the corridor.

These initiatives are essential to maintain authority over the rail corridor, promote potential transit-oriented development, support freight revenue opportunities and ensure CapMetro's long-term ability to expand regional mobility infrastructure.

#### **Digital Property Catalog Redevelopment**

Continue redevelopment of CapMetro's real estate property catalog into a fully digital, centralized format. This project aims to modernize and streamline property management processes by creating a comprehensive, accurate and easily accessible digital database.

#### **Real Estate System Modernization**

Implement a comprehensive upgrade of its real estate and railroad right of way asset management system to fully address the recommendations outlined in Internal Audit's "24-8 CLS Order System Report ROW Revenue Audit 2025." This modernization effort will enhance data accuracy, customer experience and operational efficiency by improving the inventory management of real estate assets, agreements and railroad right-of-way licenses.

The upgraded platform will integrate with CapMetro's existing systems to enable greater automation, cross-departmental collaboration and real-time data access. These enhancements will streamline internal

processes, improve external stakeholder communications and support the transition from manual tracking to a strategic, technology enabled property management approach. Ultimately, this initiative will increase accountability, improve revenue tracking and support more informed agencywide decision making.

## Budget Changes

### Salaries and Benefits

Increase of \$10,563 due to the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Decrease of \$1,481,924 driven by \$1,248,822 in Lease/Rentals for parking facilities, yard storage for amenities replacement, and the administrative office space on the third floor nears completion. Professional Services decrease of \$322,317 driven by reduced need for survey and appraisal services. Interest Expense increase of \$103,012 for passenger parking facilities due to a new GASB 87 pronouncement for long-term leases.

|                                      | FY2024<br>ACTUAL   | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET   | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$691,530          | \$688,296          | \$685,055          | \$698,859          | \$10,563                    | 1.5 %                      |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>691,530</b>     | <b>688,296</b>     | <b>685,055</b>     | <b>698,859</b>     | <b>10,563</b>               | <b>1.5 %</b>               |
| Professional Services                | 81,558             | 412,342            | 132,375            | 90,025             | (322,317)                   | (78.2)%                    |
| Fuel and Fluids                      | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Materials and Supplies               | 583                | 6,500              | 6,500              | 1,500              | (5,000)                     | (76.9)%                    |
| Utilities                            | 482                | —                  | 500                | 480                | 480                         | N/A                        |
| Insurance                            | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Purchased Transportation             | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Other Expenses                       | 71,853             | 104,554            | 104,354            | 95,277             | (9,277)                     | (8.9)%                     |
| Interest Expense                     | —                  | —                  | 136,342            | 103,012            | 103,012                     | N/A                        |
| Lease/Rentals                        | 3,982,859          | 3,946,971          | 2,448,618          | 2,698,149          | (1,248,822)                 | (31.6)%                    |
| Interlocal Agreements                | —                  | —                  | —                  | —                  | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>4,137,335</b>   | <b>4,470,367</b>   | <b>2,828,689</b>   | <b>2,988,443</b>   | <b>(1,481,924)</b>          | <b>(33.1)%</b>             |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$4,828,865</b> | <b>\$5,158,663</b> | <b>\$3,513,744</b> | <b>\$3,687,302</b> | <b>\$(1,471,361)</b>        | <b>(28.5)%</b>             |

## Rolling Stock and Support Equipment

### Functions and Responsibilities

The Rolling Stock and Support Equipment (RSSE) department delivers and maintains assets for fixed route, Demand Response, rail, non-revenue and police operations by managing the design, procurement, delivery and warranty of rolling stock and support assets including the charging infrastructure. RSSE focuses on resolving vehicle engineering and obsolescence issues to improve vehicle availability and reduce downtime, and actively collaborates with community leaders to shape the design and development of the public's interests in the transportation system.

### FY2025 Achievements

#### Customer, Community and Organizational Effectiveness Goals

##### **YARD Phase I – Autonomous Bus Yard Operations Demonstration**

CapMetro successfully completed Phase I of the Yard Automation and Readiness Demonstration (YARD) project becoming the first U.S. transit agency to demonstrate Level 4 autonomous vehicle operation in an active transit yard. The pilot featured a 40-foot battery electric New Flyer bus performing fully driverless maneuvers, including navigating the yard, precision docking under an overhead charger, entering a wash bay and executing parking and recall movements without a safety driver on board.

This phase evaluated the feasibility of integrating autonomous battery electric buses (BEBs) into routine yard operations. It addressed technical challenges, assessed cost and benefit trade offs and identified workforce and operational impacts. These efforts were conducted in alignment with the FTA's Strategic Transit Automation Research (STAR) Plan.

Key objectives of the YARD project include:

- Evaluating the operational, financial and technical implications of autonomous BEB technology in CapMetro yards.
- Collaborating with internal staff to assess workforce impacts and define future roles.
- Sharing findings with national stakeholders to advance industry knowledge.
- Informing long-term planning for fleet-wide automation at current and future CapMetro depots.

Building on this success, YARD Phase II will introduce a Yard Management System (YMS) to oversee three autonomous BEBs as they complete overnight operations, including precision charging to a target state of charge. This next phase will also explore system integration with third-party platforms and develop strategies to manage mixed-fleet environments and on-site personnel. Together, these efforts directly support CapMetro's strategic priority of Organizational Effectiveness and reinforce the agency's core values of safety and innovation.



***Yard Automation and Readiness Demonstration (YARD)***

### **Battery Electric Bus (BEB) Charging Infrastructure Deployment**

The Battery Electric Bus (BEB) program advanced significantly with the successful deployment of essential charging infrastructure to support fleet electrification. A total of 48 plug-in chargers were installed with minimal disruption to operations, reflecting a carefully executed engineering approach that emphasized electrical load management, technology integration and long-term system reliability.

Completed the deployment of an overhead high-speed charging system at the 9315 training facility. This charger supports workforce training and serves as a proof-of-concept for potential end of line applications across the transit network. Key lessons learned from this initiative will inform future deployments, with a focus on reducing project schedules and optimizing implementation tasks.



***2910 Charging Infrastructure***



**9315 Overhead Charging System**

## Austin Light Rail System Collaboration

The Rolling Stock and Support Equipment (RSSE) Department actively collaborated with the Austin Transit Partnership (ATP) to guide the design and development of the Austin Light Rail System, ensuring the Project Connect program reflects the community's vision and serves the public interest. Provided critical input on light rail vehicle design, signaling systems and planning for future operations and maintenance facilities and supported broader programs including environmental compliance, procurement strategy and phasing.

Finalized the light rail technical specifications and advanced coordination on system power requirements and implementation phasing. These efforts emphasize long-term sustainability and system resilience, with a strategic focus on minimizing obsolescence and future-proofing key infrastructure.

## FY2026 Projects

### Organizational Effectiveness Goals

#### End of Line Charging Infrastructure for Battery Electric Buses

Lead the implementation of overhead charging infrastructure to support the deployment of battery electric buses (BEBs) on CapMetro's enhanced Rapid service. This multi-faceted project is being executed in close collaboration with Operations and the Capital Construction Group to ensure seamless integration of service, infrastructure and technology.

The project involves the selection and installation of eight end of line (EoL) overhead chargers based on engineering analysis, route lengths, dwell times and vehicle charging requirements. The team will coordinate with Austin Energy to assess electrical infrastructure needs, specifying appropriate capacity for switchgear, transformers and distribution networks, to ensure grid readiness and reliability.

Commissioning efforts will include thorough testing of each charger to validate performance, safety inspections and compliance with all applicable local, state and federal regulations.

## Budget Changes

### Salaries and Benefits

Increase of \$23,009 due to the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Decrease of \$32,735 driven by Other Expenses related to travel offsetting \$10,000 increase in Materials and Supplies for high voltage safety PPEs, precision instrumentation and Standards for projects.

|                                      | FY2024<br>ACTUAL | FY2025<br>BUDGET | FY2025<br>FORECAST | FY2026<br>BUDGET | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|------------------|------------------|--------------------|------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$522,157        | \$634,306        | \$634,306          | \$657,315        | \$23,009                    | 3.6 %                      |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>522,157</b>   | <b>634,306</b>   | <b>634,306</b>     | <b>657,315</b>   | <b>23,009</b>               | <b>3.6 %</b>               |
| Professional Services                | —                | 222              | 222                | —                | (222)                       | (100.0)%                   |
| Fuel and Fluids                      | —                | —                | —                  | —                | —                           | N/A                        |
| Materials and Supplies               | —                | —                | —                  | 10,000           | 10,000                      | N/A                        |
| Utilities                            | —                | —                | —                  | —                | —                           | N/A                        |
| Insurance                            | —                | —                | —                  | —                | —                           | N/A                        |
| Purchased Transportation             | —                | —                | —                  | —                | —                           | N/A                        |
| Other Expenses                       | 3,177            | 69,783           | 69,783             | 27,270           | (42,513)                    | (60.9)%                    |
| Interest Expense                     | —                | —                | —                  | —                | —                           | N/A                        |
| Lease/Rentals                        | —                | —                | —                  | —                | —                           | N/A                        |
| Interlocal Agreements                | —                | —                | —                  | —                | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>3,177</b>     | <b>70,005</b>    | <b>70,005</b>      | <b>37,270</b>    | <b>(32,735)</b>             | <b>(46.8)%</b>             |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$525,334</b> | <b>\$704,311</b> | <b>\$704,311</b>   | <b>\$694,585</b> | <b>\$(9,726)</b>            | <b>(1.4)%</b>              |

## Systems Engineering and Design

### Functions and Responsibilities

The Systems Engineering and Design Department is responsible for engineering and design of major systems and technical disciplines that support rolling stock and interface with various signaling systems including traffic signals and communication networks. This includes specialized systems such as Communications-Based Train Control (CBTC), power systems, track design, and communications infrastructure. The department plays a critical role in supporting capital projects.

### FY2025 Achievements

#### Customer, Community and Organizational Effectiveness Goals

#### Technical Review and Recommendations for Project Connect Design Documents

Completed comprehensive technical reviews and delivered key recommendations to ensure light rail systems meet long-term operations and maintenance requirements. Areas of focus included Communications-Based Train Control (CBTC), communications, power and track systems. The team evaluated critical documents such as the Draft Environmental Impact Statement, Light Rail Vehicle

specifications, Operational and Maintenance Facility Draft Preliminary Design Submission and Train Control Technology Recommendations. As part of this effort, the department also developed a CBTC Draft Engineering Report to guide future systems integration. The department maintained strong support for additional Project Connect components, including CapMetro Rapid and the Green Line Commuter Rail, reinforcing the agency's commitment to advancing reliable, sustainable and transformative transit solutions for the region.

### **Transit Signal Priority (TSP) ILA and Operational Reporting**

Developed an Interlocal agreement (ILA) with the City of Austin's Transportation and Public Works Department to support Transit Signal Priority (TSP) for Bus Rapid Transit Routes 801, 803, 800 (Pleasant Valley), 837 (Expo) and the Red Line Commuter Rail. This ILA included a comprehensive list of signal locations supporting TSP integration.

Completed an operational TSP report using actual trip time data from Routes 801 and 803, supported by the implementation of geofencing technology. The report served as a key performance tool to evaluate TSP effectiveness and was supplemented by quarterly TSP grant submissions and trip ID data sharing from the City of Austin. These efforts strengthened system performance validation and informed future improvements.

Developed and began tracking a Geofence implementation schedule for the new lines, a requirement under the Federal Transit Administration (FTA) grant provisions and identified future intersections for potential TSP deployment along non-provisioned alignments, further supporting CapMetro's broader goal of optimizing bus network efficiency and on-time performance.

### **Cost-Saving Infrastructure Recommendation for North Operations Charging Facility**

Completed a review of the North Operations Charging Infrastructure project. Recommended the installation of fiber optic cable in place of the originally proposed cellular service to support monitoring and operation of each individual pantograph. This recommendation is projected to save CapMetro thousands of dollars over the life of the project, while also providing a more reliable and scalable solution for long-term electric bus infrastructure needs.

## FY2026 Projects

### Customer, Community and Organizational Effectiveness Goals

#### Ongoing Systems Engineering Support for Project Connect and CapMetro Infrastructure Projects

Provide multidisciplinary support across several high-priority transit expansion initiatives aligned with CapMetro's long-range vision and the Project Connect program. These efforts are essential to ensuring technical integration, operational readiness and long-term system reliability. The department's work spans planning, design review and engineering coordination across the following major projects:

- Support for Transit Expansion: Ongoing systems engineering support for CapMetro Rapid, Light Rail and Commuter Rail infrastructure as part of Project Connect implementation.
- Onion Street to East Timbes Double Tracking & Multimodal Enhancements: Continued design and engineering support for double tracking, platform improvements at Plaza Saltillo and the associated shared-use path and bike trail, promoting both rail efficiency and active transportation.
- North Base Demand Response Facility: Technical support for all systems engineering disciplines related to the design and construction of the North Base facility, supporting Demand Response services.
- North Burnet/Uptown Station (formerly Broadmoor Station) Project: Continued support for the double tracking and infrastructure development around the new station, ensuring system reliability and capacity improvements.
- Convention Center Station & I-35 Projects: Ongoing systems engineering engagement in the design and implementation of station and corridor improvements to support future connectivity and multimodal integration.

The combined efforts ensure consistency in systems integration, safety standards and infrastructure performance, supporting CapMetro's mission to deliver a safe, reliable and future-ready transit network.

## Budget Changes

### Salaries and Benefits

Increase of \$7,346 due to the approved performance-based pay increases to become effective in January 2026.

### Other Expenses

Increase of 61,140 driven by \$60,000 Professional Services for the traffic signal priority project.

|                                      | FY2024<br>ACTUAL | FY2025<br>BUDGET | FY2025<br>FORECAST | FY2026<br>BUDGET | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|------------------|------------------|--------------------|------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$260,475        | \$241,584        | \$241,584          | \$248,930        | \$7,346                     | 3.0 %                      |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>260,475</b>   | <b>241,584</b>   | <b>241,584</b>     | <b>248,930</b>   | <b>7,346</b>                | <b>3.0 %</b>               |
| Professional Services                | 38,700           | —                | —                  | 60,000           | 60,000                      | N/A                        |
| Fuel and Fluids                      | —                | —                | —                  | —                | —                           | N/A                        |
| Materials and Supplies               | —                | —                | —                  | —                | —                           | N/A                        |
| Utilities                            | —                | —                | —                  | —                | —                           | N/A                        |
| Insurance                            | —                | —                | —                  | —                | —                           | N/A                        |
| Purchased Transportation             | —                | —                | —                  | —                | —                           | N/A                        |
| Other Expenses                       | 314              | 7,850            | 7,850              | 8,990            | 1,140                       | 14.5 %                     |
| Interest Expense                     | —                | —                | —                  | —                | —                           | N/A                        |
| Lease/Rentals                        | —                | —                | —                  | —                | —                           | N/A                        |
| Interlocal Agreements                | —                | —                | —                  | —                | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>39,014</b>    | <b>7,850</b>     | <b>7,850</b>       | <b>68,990</b>    | <b>61,140</b>               | <b>778.9 %</b>             |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$299,489</b> | <b>\$249,434</b> | <b>\$249,434</b>   | <b>\$317,920</b> | <b>\$68,486</b>             | <b>27.5 %</b>              |

## Experience and Engagement Division

The Experience & Engagement Division strengthens CapMetro's connection with riders and the public through marketing, communications, community outreach and customer care. It promotes services, manages public information channels and handles feedback to improve rider experience. The division plays a key role in building trust and increasing transit use.

### Organization



### Full-Time Equivalent Staffing Chart

| Division / Department              | FY2024 Actual | FY2025 Budget | FY2025 Staffing Changes | FY2026 Staffing Changes | FY2026 Budget |
|------------------------------------|---------------|---------------|-------------------------|-------------------------|---------------|
| <b>Experience &amp; Engagement</b> |               |               |                         |                         |               |
| Community Engagement               | 5.5           | 6.5           |                         |                         | 6.5           |
| Customer Care                      | 17.5          | 17.5          |                         | 1.0                     | 18.5          |
| Marketing and Communications       | 25.0          | 26.0          |                         |                         | 26.0          |
| <b>Total</b>                       | <b>48.0</b>   | <b>50.0</b>   | <b>—</b>                | <b>1.0</b>              | <b>51.0</b>   |

## Budget Changes

| Division / Department              | FY2024<br>ACTUAL   | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET   | FY2026 v.<br>FY2025 (\$) | FY2026 v.<br>FY2025 (%) |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------------|-------------------------|
| <b>Experience &amp; Engagement</b> |                    |                    |                    |                    |                          |                         |
| Community Engagement               | \$1,523,063        | \$1,750,708        | \$1,293,529        | \$1,557,297        | (\$193,411)              | (11.0)%                 |
| Customer Care                      | 1,308,010          | 1,283,002          | 1,323,353          | 1,375,859          | 92,857                   | 7.2 %                   |
| Marketing and Communications       | 5,926,315          | 6,919,460          | 6,095,110          | 6,414,455          | (505,005)                | (7.3)%                  |
| <b>Total</b>                       | <b>\$8,757,388</b> | <b>\$9,953,170</b> | <b>\$8,711,992</b> | <b>\$9,347,611</b> | <b>(\$605,559)</b>       | <b>(6.1)%</b>           |

## Community Engagement

### Functions and Responsibilities

The Community Engagement Department builds trust through meaningful involvement of the community in decision-making, acts as CapMetro's main liaison with community groups and organizations and oversees programs that foster public engagement and goodwill.

### FY2025 Achievements

Community, Customer and Organizational Effectiveness Goals

#### Delivering Inclusive Mobility Through Strategic Outreach

In FY2025, CapMetro expanded access and strengthened trust with historically underserved communities through two major service launches shaped by community input: the Pickup Decker Zone and the Rapid 800 Pleasant Valley and 837 Expo Center lines.

Launched on January 13, 2025, the Pickup Decker Zone brought enhanced mobility to East Austin. This service was developed through a four-phase engagement process that centered community voices, with key input from partners such as the Colony Park Neighborhood Association. Engagement activities included six in-person demos with Equidad ATX and AISD reaching 470 participants, over 12,000 postcards distributed, 330+ hours of field outreach and a celebratory launch event at the East Communities YMCA, where residents and community leaders toured key zone locations including Central Health, Turner Roberts Recreation Center and University Hills Public Library.

For the February 19, 2025 launch of the Rapid 800 and 837 lines, CapMetro implemented a three-phase engagement strategy to ensure transparency, promote equity and foster long-term sustainability. Outreach efforts spanned from early stakeholder engagement in 2021–2022 to intensive public outreach in 2024 and early 2025. Highlights include over 10,000 community engagements across channels such as open houses, virtual meetings, block walking and operator outreach. Engagement culminated in 330+ hours of public interaction and a community ride-along with Avance and Thinkery during Día de los Niños, symbolizing the importance of family-centered access to transit.

These efforts reflect CapMetro's ongoing commitment to inclusive engagement practices that elevate community priorities and deliver services aligned with regional equity goals.

#### Engaging the Region in the Vision for Transit Plan 2035

From September 16 to October 27, 2024, CapMetro launched the first phase of public engagement for Transit Plan 2035, a long-range planning effort to shape the future of transit across the region. This community-driven process was designed to ensure the final plan reflects local values and priorities while advancing equitable and sustainable mobility.

The outreach campaign engaged the public through a variety of in-person and digital channels, resulting in 8,100 completed surveys, 19 focus groups with 240 participants and a combined 300 attendees at an open house and virtual webinar. CapMetro also conducted 41 pop-up events, reaching over 5,100 community members, along with at-stop outreach at 14 locations, engaging an additional 1,000 riders. Digital efforts, including emails, alerts and web content, generated over 64,000 impressions and staff delivered 29 presentations to community organizations and stakeholders.

This first round of engagement laid the foundation for a more inclusive and responsive Transit Plan 2035, reinforcing CapMetro's commitment to public involvement in shaping the region's mobility future.



## Engaging the Region in the Vision for Transit Plan 2035

### Facilitating an Inclusive Rollout of CapMetro's Umo Fare Platform

To support the rollout of CapMetro's new Umo fare payment system, the Community Engagement team led a two-phase in-person outreach campaign that provided riders with direct, personalized assistance. The initiative helped ease the transition to digital fare options, increased adoption and reinforced CapMetro's commitment to accessible, customer-focused innovation.

In collaboration with the Transit Empowerment Fund (TEF), Homeless Management Information System (HMIS) partners and CapMetro's Discounted Pass Program partners, the team helped transition vulnerable and cost-sensitive riders into the new system, ensuring equitable access to modernized fare tools.

This campaign included:

- 1,750+ outreach hours delivered by 28 Brand Besties
- Over 7,100 one-on-one rider conversations
- More than 19,000 total in-person interactions
- 10,000 flyers distributed to promote awareness
- Assistance with 1,588 Umo app downloads and 1,100+ Transit app downloads
- Engagement with over 30 Pass Program partners

These efforts helped build confidence in the new system and supported CapMetro's broader goal of creating an inclusive and intuitive rider experience.

### Advancing Public Safety Through Inclusive Policy Development

In FY2025, CapMetro established a new Public Safety Department grounded in community partnership and transparent policy development. The structure and direction of the department were shaped by ongoing engagement with the Public Safety Advisory Committee (PSAC)—a community-led body formed to ensure that public input remains central to CapMetro's safety practices and priorities.

PSAC includes two active subcommittees—Program Strategies & Policies and Operations & Personnel—that help guide key decisions on structure, staffing and policy implementation. Through regular monthly

meetings, the committee and subcommittees reviewed 123 draft safety-related policies, providing input that directly informed revisions. In addition, CapMetro maintained a commitment to transparency by publicly sharing updates that reflected community-driven changes.

This inclusive and collaborative process reinforces CapMetro's dedication to equity, accountability and public trust in the development of its safety framework.

### **Building Community Trust Through Targeted Partnerships and Support**

In FY2025, CapMetro deepened community engagement by strengthening and expanding its partnerships, growing from 46 active collaborations to a projected 69 by the end of the fiscal year. These partnerships have supported major initiatives including the launch of the Pickup Decker service zone, the Rapid 800 and 837 lines and Transit Plan 2035.

Through the consolidation of sponsorship budgets and expanded use of in-kind support, employee volunteering and initiatives like CapMetro Cares, the agency reduced its sponsorship expenditures to \$220,000 while maintaining high visibility and local impact. Notable outcomes included direct support to AISD families during school relocations, multiple speaking engagements for CapMetro leadership and targeted community outreach through key advisory bodies such as the Community Stakeholder Advisory Committee (CSAC), Access Advisory Committee and Public Safety Advisory Committee (PSAC).

These efforts have helped build trust, expand outreach and ensure community voices are embedded across CapMetro's programs and planning processes.

### **Building Youth Connections to Transit Through Creative Education**

Now in its sixth year, CapMetro's Art on the Bus program continues to build community connection and transit awareness through creative youth engagement. Each year, the program engages 400 students from Title I schools across four school districts—Austin ISD, Del Valle ISD, Manor ISD and Leander ISD—through lessons that connect art, sustainability and public transportation.

The program culminates with the unveiling of four CapMetro vehicles wrapped in student-designed artwork, transforming buses into moving canvases that reflect community pride and environmental themes. In FY2025, CapMetro hosted its unveiling event at Leander Station for the first time. Attended by district superintendents, civic leaders and more than 100 community members. Students and their families were also invited to take a train ride, many experiencing public transit for the first time.

Art on the Bus not only fosters creativity but also builds early transit literacy and fosters meaningful partnerships between CapMetro and local school communities across the region.

## **FY2026 Projects**

### **Community, Customer and Organizational Effectiveness Goals**

#### **Developing a Community-Informed Regional Transit Plan**

By Fall 2025, CapMetro will develop a recommended transit plan that reflects inclusive community input and supports sustainable regional growth. The process will include at least three phases of engagement to ensure broad public participation and representation. The resulting plan will guide service planning over the next 5–10 years while establishing a framework for ongoing public dialogue to continuously improve regional mobility. The expected outcome is a community-informed transit plan that aligns with CapMetro's long-term goals.

#### **Collaborating on a Rider-Centered Fare Study and Farebox Strategy**

In FY2026, the Community Engagement team will collaborate with the Finance Department on both farebox upgrades and a comprehensive fare study to better understand how proposed changes may affect riders. This partnership will prioritize gathering meaningful community input to ensure that affordability, accessibility and simplicity remain central to CapMetro's fare system. The expected outcome is a fare structure that is easy to use for all riders.

## Agency-Wide Sponsorship Program Oversight

In FY2026, the Community Engagement team will continue to lead CapMetro's agency-wide sponsorship program, advancing efforts to strengthen community partnerships, encourage ridership and align all departments under a unified, transparent process. This initiative supports strategic goals by reducing overall agency spending, enhancing accountability and maximizing the impact of community engagement through consistent and effective sponsorship practices.

## Public Art Installation at Affordable Housing Mobility Hub

In FY2026, the Community Engagement team will lead a CapMetro Art program initiative to install a mural at a new affordable housing development designed as a mobility hub. In collaboration with external partners, this project will celebrate East Austin's cultural identity and historical significance while promoting the vision of sustainable, affordable communities. The project is expected to strengthen community partnerships, enhance public spaces and encourage ridership.

## Budget Changes

### Salaries and Benefits

Decrease of \$5,713 due to staffing transitions partially offset by the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Decrease of \$187,698 driven by a decrease in Professional Services of \$288,016 due to a reduction in temporary help and a reclassification of sponsorships and partnerships to Other Expenses and \$45,996 in Materials and Supplies due to a reduction in passes and tickets. Offset by an increase of \$145,858 in Other Expenses primarily caused by the reclassification listed above.

|                                      | FY2024<br>ACTUAL   | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET   | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$637,550          | \$670,909          | \$629,039          | \$665,196          | -\$5,713                    | (0.9)%                     |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>637,550</b>     | <b>670,909</b>     | <b>629,039</b>     | <b>665,196</b>     | <b>(5,713)</b>              | <b>(0.9)%</b>              |
| Professional Services                | 766,173            | 875,940            | 549,992            | 587,924            | (288,016)                   | (32.9)%                    |
| Fuel and Fluids                      | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Materials and Supplies               | 58,242             | 57,992             | 12,160             | 11,996             | (45,996)                    | (79.3)%                    |
| Utilities                            | 802                | 5,280              | 1,000              | 5,280              | —                           | — %                        |
| Insurance                            | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Purchased Transportation             | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Other Expenses                       | 53,391             | 138,307            | 98,602             | 284,165            | 145,858                     | 105.5 %                    |
| Interest Expense                     | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Lease/Rentals                        | 6,908              | 2,280              | 2,736              | 2,736              | 456                         | 20.0 %                     |
| Interlocal Agreements                | —                  | —                  | —                  | —                  | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>885,516</b>     | <b>1,079,799</b>   | <b>664,490</b>     | <b>892,101</b>     | <b>(187,698)</b>            | <b>(17.4)%</b>             |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$1,523,066</b> | <b>\$1,750,708</b> | <b>\$1,293,529</b> | <b>\$1,557,297</b> | <b>\$(193,411)</b>          | <b>(11.0)%</b>             |

## Customer Care

### Functions and Responsibilities

The Customer Care Department's goal is to enhance the customers' experience by assisting with trip planning, fares, riding rules, lost-and-found, mobile app concerns and answering general questions; along with responding to comments, complaints, compliments and requests. Representatives are available seven days a week by telephone, email, social media and web-based correspondence. The department also works closely with transit operations departments to quickly address service issues.

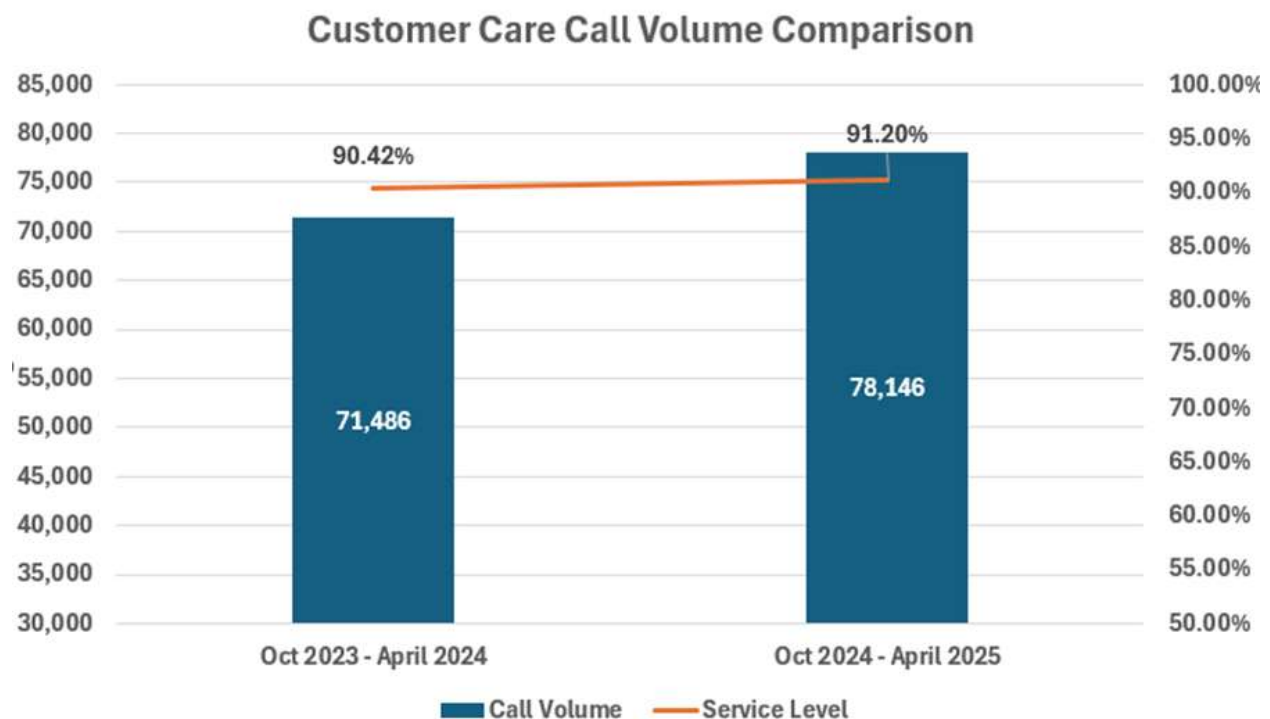
### FY2025 Achievements

#### Customer Goal

#### Adapting to Increased Demand While Exceeding Service Goals

From October 2024 through April 2025, the Customer Care team experienced a 9% increase in overall call volume compared to the same period the previous year. This rise was driven by the team's expanded role in supporting new call types, including inquiries related to Bikeshare, the Umo app transition and CapMetro's updated fare programs.

Despite the increased volume, the team improved its Service Level performance, answering 91.2% of calls within 60 seconds, which is well above the agency's goal of 80%. This reflects the team's ability to maintain high-quality customer service while adapting to new responsibilities and supporting agency-wide initiatives.

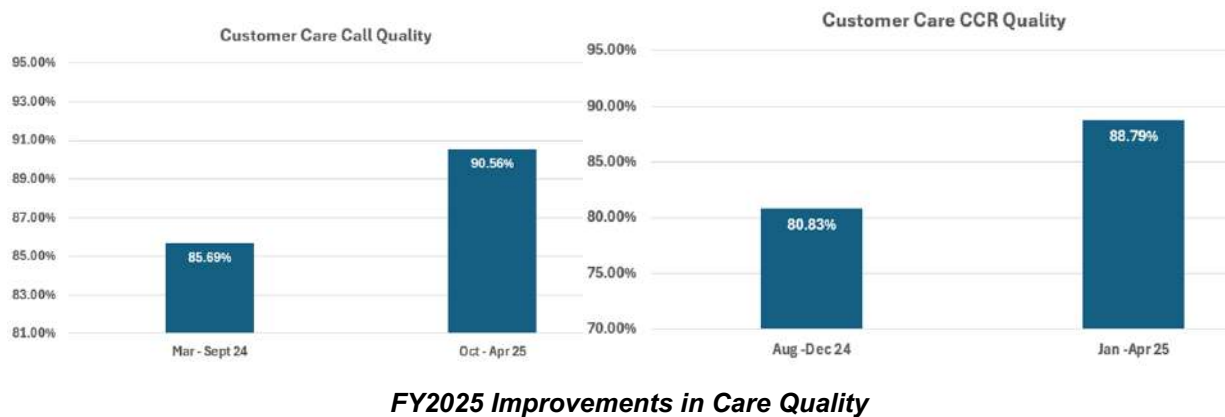


**Customer Care Call Volume FY2024 vs FY2025**

#### Driving Service Improvements Through Data-Informed Coaching

In FY2025, the Customer Care team achieved measurable improvements in service quality following the implementation of two new quality scorecards focused on phone interactions and written customer responses (Customer Comment Report, or CCRs). These tools enabled more targeted coaching by identifying specific areas for improvement.

Call quality scores improved by nearly 5% in the first seven months of FY2025 compared to the last seven months of FY2024. Additionally, CCR quality scores increased by nearly 8% when comparing January–April 2025 to the first five months (August–December 2024) following the scorecard’s launch. These gains demonstrate the effectiveness of data-informed coaching in driving performance improvements and strengthening consistency across customer service channels.



## FY2026 Projects

### Organizational Effectiveness and Workforce Goals

#### Transitioning Customer Care Email to Salesforce for Improved Performance Tracking

In FY2026, the Customer Care Department will streamline customer service operations by transitioning its primary email communication channel from Outlook to Salesforce. This change will consolidate tools used by representatives, reduce manual processes and support a more centralized and efficient customer support system.

The transition will enable significantly improved reporting on email volume, response times, resolution rates and team productivity. Currently, Outlook does not offer the robust data extraction or performance tracking capabilities needed to support continuous service improvement. This project will strengthen internal accountability, provide actionable insights and enhance the overall customer experience.

#### Developing a Formal Training Curriculum for Customer Care

In FY2026, the Customer Care Department will develop and implement a formal new hire training curriculum to ensure consistency in both content delivery and training methods. This structured approach will streamline onboarding, improve training quality and promote a more uniform understanding of processes and service expectations among new team members.

The goal is to complete training within the department’s established six-week timeframe, while improving knowledge retention and reducing time to proficiency. This initiative is expected to enhance the overall employee onboarding experience.

## Budget Changes

### Salaries and Benefits

Increase of \$92,597 due to the addition of 1 FTE and the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

No significant differences.

|                                      | FY2024<br>ACTUAL   | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET   | Var \$ FY2026<br>vs. FY2025 | Var %<br>FY2026<br>vs. FY2025 |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------------------|-------------------------------|
| Salaries and Benefits                | \$1,293,083        | \$1,266,002        | \$1,266,002        | \$1,358,599        | \$92,597                    | 7.3 %                         |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>1,293,083</b>   | <b>1,266,002</b>   | <b>1,266,002</b>   | <b>1,358,599</b>   | <b>92,597</b>               | <b>7.3 %</b>                  |
| Professional Services                | 4,181              | 6,800              | 41,800             | 8,020              | 1,220                       | 17.9 %                        |
| Fuel and Fluids                      | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Materials and Supplies               | 1,054              | 3,000              | 3,009              | 1,200              | (1,800)                     | (60.0)%                       |
| Utilities                            | 1,446              | 1,920              | 1,920              | 1,920              | —                           | — %                           |
| Insurance                            | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Purchased Transportation             | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Other Expenses                       | 8,246              | 5,280              | 10,622             | 6,120              | 840                         | 15.9 %                        |
| Interest Expense                     | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Lease/Rentals                        | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Interlocal Agreements                | —                  | —                  | —                  | —                  | —                           | N/A                           |
| <b>TOTAL OTHER EXPENSES</b>          | <b>14,927</b>      | <b>17,000</b>      | <b>57,351</b>      | <b>17,260</b>      | <b>260</b>                  | <b>1.5 %</b>                  |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$1,308,010</b> | <b>\$1,283,002</b> | <b>\$1,323,353</b> | <b>\$1,375,859</b> | <b>\$92,857</b>             | <b>7.2 %</b>                  |

## Marketing and Communications

### Functions and Responsibilities

The Marketing and Communication Department furthers CapMetro's mission through promoting transit use and value; developing and distributing all service-related materials, maps and wayfinding; public relations; business development; and internal communications. The department generates revenue through advertising sales on transit vehicles and through the development of programs designed to increase ridership in a collaborative effort with private and public entities. Major responsibilities include the promotion of routes and services, internal marketing, schedule and signage design, website management, brand development and fleet graphics. The department conducts market research to measure awareness and customer satisfaction levels. The department serves as the primary contact point for the news media. It provides communications strategy and creative support to other departments and the Board of Directors, allowing CapMetro to drive positive messages and enhance its position in the community. The department establishes and implements CapMetro's social media platforms by presenting user-friendly information through multiple channels for customers, stakeholders and employees.

### FY2025 Achievements

#### Community and Customer Goals

##### Driving Adoption of the Umo App Through Targeted Education

To support the transition to CapMetro's new Umo fare payment app, the Marketing and Communications team collaborated with internal departments and external contractors to develop and implement a targeted educational campaign. The goal was to convert at least 70% of users from the previous fare app to Umo, using a mix of strategies including at-stop outreach, social media and other educational channels to reach current users and expand awareness among potential riders.

As a result of the campaign, unique Umo app users exceeded the active user base of the previous app by 30%, reflecting strong adoption and successful engagement with the campaign's messaging and outreach tactics.

##### Delivering a High-Impact National Transit Event Through Strategic Coordination

The Communications and Events teams, in close collaboration with the Operations team, successfully led and managed the 2025 APTA International Rodeo and Mobility Conference, which brought more than 2,220 attendees to the Austin region. To ensure smooth execution, the team coordinated extensive logistics, including six staff orientation sessions, a committee lead meeting and multiple planning calls with key event personnel.

More than 220 CapMetro staff members were mobilized to support the event, reflecting strong cross-departmental coordination and agency-wide engagement. In addition to overseeing staff support, the Communications and Events team managed the full event budget with a high degree of fiscal responsibility, spending only 25% of what the previous year's host agency expended, while delivering a well-executed, nationally recognized event.

This achievement highlights CapMetro's ability to lead large-scale industry events with efficiency and professionalism.

##### Supporting Rapid 800 and 837 Service with Targeted Marketing and Outreach

To support the launch of Rapid Routes 800 and 837, the Marketing and Communications team developed and implemented a targeted campaign to build awareness and drive early ridership. This included the creation of maps, schedules, signage and the "Rapid Goes Eastside" marketing campaign, which focused on engaging customers within a geo-fenced quarter-mile radius of the new lines and through targeted social media outreach.

The campaign generated more than 6 million impressions, with strong engagement in Spanish-language media, reinforcing CapMetro's commitment to inclusive outreach. Within the first full month of service, Route 800 carried over 25,000 customers and Route 837 served more than 17,000, demonstrating a successful launch supported by effective communications.



### ***"Rapid Goes Eastside" Marketing Campaign results***

#### **Stabilizing Advertising Revenue and Planning for Future Growth**

In FY2025 (October through March), CapMetro's transit advertising contract has generated \$982,590 in revenue and is projected to bring in approximately \$2 million by year-end. While this represents a 28% decrease year-over-year, it aligns with revenue levels seen in FY2022 and FY2023.

The Marketing and Communications team is currently managing the procurement of a new transit advertising contract to take effect in FY2026.

#### **Advancing Customer Experience Modernization Through Research and Planning**

In FY2025, CapMetro advanced its Customer Experience Modernization initiative by conducting follow-up customer surveys and frontline employee focus groups to deepen understanding of the 2024 Customer Satisfaction Survey results. This work led to the creation of a quadrant chart identifying key customer pain points affecting the rider experience.

Based on this analysis, senior leadership prioritized four key focus areas for improvement: frequency of service, reliability, enforcement of rules and fares and the CapMetro app. Cross-functional teams—including Marketing, Operations and external consultants—collaborated to develop targeted corrective action plans addressing these issues. These plans are scheduled to be shared publicly in October 2025.

Additional customer satisfaction research is planned for fall 2025 to measure progress and inform the next phase of customer experience enhancements.

## **FY2026 Projects**

### **Workforce and Customer Goals**

#### **Reintroducing Rapid 800 and 837 to Support Service Completion**

In FY2026, the Marketing team will lead a comprehensive outreach campaign to support the full launch of Rapid Routes 800 and 837 upon completion. The campaign will focus on reintroducing the lines to the public with an emphasis on enhanced frequency, improved connections to park-and-ride facilities and new stations.

Targeted messaging will promote the benefits of 10–15 minute service intervals and position the lines as a convenient, high-frequency option for commuters accessing the city. In partnership with Community

Engagement, Planning and an external marketing contractor, the campaign aims to increase ridership on the new Rapid lines by 20% within the first six months of full implementation.

### **Monitoring Pain Points and Service Enhancements Through Survey Analysis**

In FY2026, CapMetro's Marketing and Communications team will lead the ongoing effort to improve customer experience by analyzing data from the Fall 2025 Customer Satisfaction Survey to identify any shifts in satisfaction and update the quadrant chart of customer-identified pain points. The effectiveness of corrective actions implemented in FY2025 will be evaluated and results will inform the Spring 2026 follow-up survey.

Based on these insights, the Customer Experience Plan will be updated in Fall 2026, with progress reported on previous pain points and emerging concerns. This continuous improvement process will be carried out in close partnership with Operations, Safety and Security, IT and an external research contractor. The expected outcome is a measurable improvement in customer satisfaction.

### **Launching New Tools to Streamline Internal Staff Communication**

In FY2026, the Strategic Communications team will partner with IT to modernize internal communications through the launch of a new communications app and an administrative SharePoint site. The mobile app—currently in its pilot phase—is designed to streamline real-time updates and increase engagement among CapMetro's frontline workforce. Following pilot feedback, the full rollout will target over 1,000 frontline staff, with a goal of achieving at least 70% user adoption by the end of the fiscal year.

In parallel, Strategic Communications is also developing a SharePoint site for administrative staff to improve access to timely facility updates and internal resources. The site is scheduled to launch at the end of Q4 FY2026.

These tools are expected to enhance organization-wide information sharing, improve alignment across staff levels and support more responsive, transparent communication across the agency.

### **Implementing a Customer-Centric Marketing Cloud Platform**

In FY2026, the Marketing and Communications team, in partnership with IT, will implement a customer-centric marketing cloud software system to improve how CapMetro engages with its riders and stakeholders.

The system will support the development of more strategic email, social media and paid media campaigns, allowing the team to deliver targeted, relevant information that improves the overall customer experience.

## Budget Changes

### Salaries and Benefits

Decrease of \$90,900 due to a revised method in vacancy budgeting, which no longer includes provisions for vacant roles, partially offset by the approved performance-based pay increase to become effective in January 2026

### Other Expenses

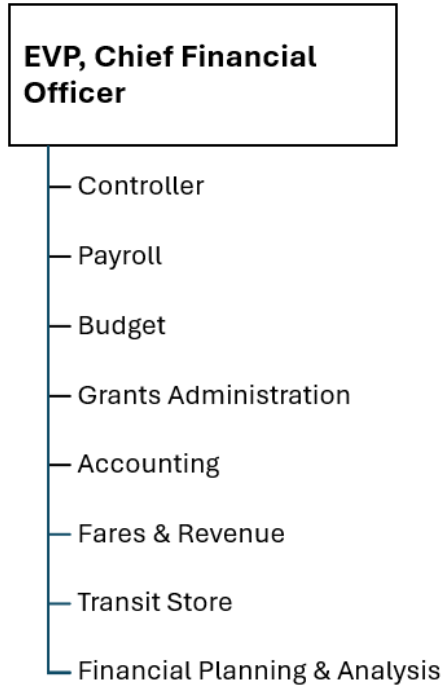
Decrease of \$414,105 due to a \$690,720 reduction in Other Expenses for fall and spring, fare collection and special event projects. This is also a result of the reallocation of advertising fees to Professional Services, which is reflected in the \$338,407 increase.

|                                      | FY2024<br>ACTUAL   | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET   | Var \$ FY2026<br>vs. FY2025 | Var %<br>FY2026<br>vs. FY2025 |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------------------|-------------------------------|
| Salaries and Benefits                | \$2,784,590        | \$2,865,555        | \$2,814,337        | \$2,774,655        | \$(90,900)                  | (3.2)%                        |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>2,784,590</b>   | <b>2,865,555</b>   | <b>2,814,337</b>   | <b>2,774,655</b>   | <b>(90,900)</b>             | <b>(3.2)%</b>                 |
| Professional Services                | 1,681,573          | 2,425,093          | 1,515,010          | 2,763,500          | 338,407                     | 14.0 %                        |
| Fuel and Fluids                      | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Materials and Supplies               | 542,596            | 768,000            | 785,442            | 707,000            | (61,000)                    | (7.9)%                        |
| Utilities                            | 3,132              | 4,800              | 3,360              | 3,360              | (1,440)                     | (30.0)%                       |
| Insurance                            | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Purchased Transportation             | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Other Expenses                       | 908,096            | 850,300            | 970,601            | 159,580            | (690,720)                   | (81.2)%                       |
| Interest Expense                     | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Lease/Rentals                        | 6,327              | 5,712              | 6,360              | 6,360              | 648                         | 11.3 %                        |
| Interlocal Agreements                | —                  | —                  | —                  | —                  | —                           | N/A                           |
| <b>TOTAL OTHER EXPENSES</b>          | <b>3,141,724</b>   | <b>4,053,905</b>   | <b>3,280,773</b>   | <b>3,639,800</b>   | <b>(414,105)</b>            | <b>(10.2)%</b>                |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$5,926,314</b> | <b>\$6,919,460</b> | <b>\$6,095,110</b> | <b>\$6,414,455</b> | <b>\$(505,005)</b>          | <b>(7.3)%</b>                 |

## Finance Division

The Finance Division ensures CapMetro's financial sustainability and monitors the agency's financial performance, recommending effective allocation of resources, ensuring accurate and timely accounting and reporting, managing revenue and fare programs, processing timely payment of goods and services procured, developing and monitoring annual operating and capital budgets, administering federal and state grant programs, safeguarding assets and facilitating strategic financial planning and insurance.

## Organization



## Full-Time Equivalent Staffing Chart

| Division / Department | FY2024 Actual | FY2025 Budget | FY2025 Staffing Changes | FY2026 Staffing Changes | FY2026 Budget |
|-----------------------|---------------|---------------|-------------------------|-------------------------|---------------|
| <b>Finance</b>        |               |               |                         |                         |               |
| Finance               | 32.0          | 35.5          | (0.5)                   |                         | 35.0          |
| <b>Total</b>          | <b>32.0</b>   | <b>35.5</b>   | <b>(0.5)</b>            | <b>—</b>                | <b>35.0</b>   |

## Budget Changes

| Division / Department | FY2024<br>ACTUAL   | FY2025<br>BUDGET    | FY2025<br>FORECAST | FY2026<br>BUDGET    | FY2026 v.<br>FY2025 (\$) | FY2026 v.<br>FY2025 (%) |
|-----------------------|--------------------|---------------------|--------------------|---------------------|--------------------------|-------------------------|
| <b>Finance</b>        |                    |                     |                    |                     |                          |                         |
| Finance               | \$6,989,657        | \$15,528,870        | \$8,992,804        | \$15,213,212        | (\$315,658)              | (2.0)%                  |
| <b>Total</b>          | <b>\$6,989,657</b> | <b>\$15,528,870</b> | <b>\$8,992,804</b> | <b>\$15,213,212</b> | <b>(\$315,658)</b>       | <b>(2.0)%</b>           |

## Finance

### FY2025 Achievements

#### Organizational Effectiveness and Customer Goals

##### **Excellence in Financial Stewardship and Transparency**

CapMetro received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for its FY2024 Annual Comprehensive Financial Report (ACFR). This prestigious award is the highest form of recognition for excellence in state and local government financial reporting. To earn this distinction, the ACFR must be clearly written, well-organized and compliant with both generally accepted accounting principles and all applicable legal requirements. This recognition reflects CapMetro's commitment to transparency, accountability and the responsible stewardship of public funds. The agency's strong financial reserves, strategic investment practices, absence of outstanding debt and operational efficiency continue to position CapMetro to adapt effectively to changing economic conditions.

##### **Advancing Financial Integrity and Operational Efficiency**

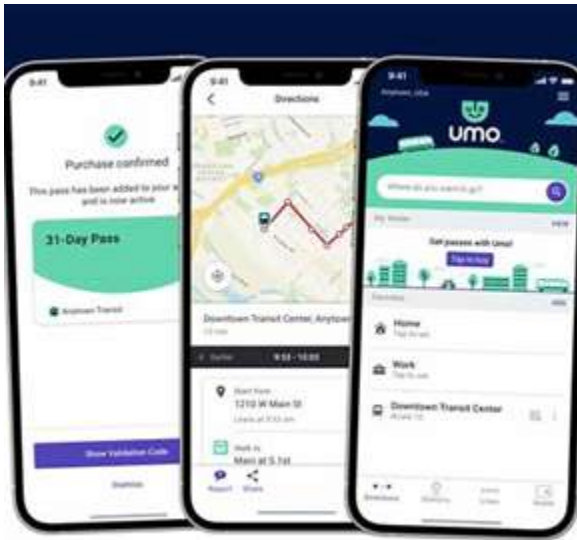
CapMetro received an unmodified audit opinion on its FY2024 financial statements, confirming that the agency's financial position is accurately represented with no internal control deficiencies or Single Audit findings. Since the implementation of Oracle Cloud Fusion, the Finance Department has continued to optimize the system by improving business processes and leveraging ERP functionalities to increase efficiency and oversight. In May 2025, S&P Global Ratings reaffirmed CapMetro's long-term credit rating of AA with a stable outlook. These achievements demonstrate CapMetro's strong financial stewardship and support the agency's strategic goal of enhancing organizational effectiveness through a skilled and empowered workforce.

##### **Upgrading the Customer Experience with a New Fare System**

The deployment of the Umo fare system in FY2025 marked a major advancement in modernizing CapMetro's fare collection capabilities. Since the system's soft launch on February 13, over 56,000 accounts have been created—14.2% using CapMetro's new reloadable fare cards and 85.8% through digital accounts. This strong adoption reflects the system's user-friendly design and improved accessibility. Umo enhances fare reliability and flexibility by supporting consistent fare acquisition, enabling remote system monitoring and offering a scalable backend infrastructure compatible with multimodal integration.

CapMetro also transitioned from traditional 7-day and 31-day passes to a pay-per-ride model with fare capping. This model ensures that once a rider reaches the cost equivalent of a daily or monthly pass through individual trips, all remaining rides during that period are free, eliminating the need for upfront pass purchases and reducing fare barriers.

Additionally, CapMetro launched reloadable fare cards to replace previous plastic and paper formats. These cards can be reloaded online, at participating retailers, or at the Transit Store, offering riders convenient and flexible payment options that complement the digital platform.



***CapMetro reloadable card and UMO App on mobile phone***

## **Downtown Transit Store Relocation Enhances Customer Access and Service Capacity**

In FY2025, CapMetro successfully relocated its Downtown Transit Store to a new, permanent location at 1705 Guadalupe Street. This strategic move significantly enhances both customer accessibility and operational efficiency. The new facility, located near the University of Texas at Austin and key government offices, provides improved services including fare purchases, lost and found and in-person customer assistance.

The new location offers more than three times the space of the previous site, allowing the agency to accommodate higher customer volumes and expand service offerings. In addition to its core functions, the space now serves as a centralized venue for meetings and community engagement activities. The Transit Store operates Monday through Friday, from 8:00 a.m. to 5:00 p.m., supporting CapMetro's commitment to delivering high-quality, accessible service to the public.



***Downtown Transit Store***

## **Improving Access and Accountability in Fare Assistance**

In FY25, CapMetro strengthened oversight of the Unhoused Fare Program by hiring a program coordinator and implementing improvements through the new Umo fare system. The Umo platform introduced one-year pass durations and a one-pass-per-person policy, enabling more accurate tracking and reducing the potential for misuse. Since its rollout, Umo has distributed 6,900 passes within two months, with early data showing a significant reduction in loss rates. These enhancements have improved program accountability and reinforced the link between fare assistance and case management in partnership with 26 local agencies.

## **Updated Bikeshare Fare Structure to Support Program Sustainability**

In FY2025, CapMetro implemented its first fare adjustments to the bikeshare program since 2013, effective August 1, 2025. Key changes include increased pricing for pay-as-you-go rides, monthly and annual passes, while the daily pass rate was reduced. Additionally, the included ride time for all passes was adjusted from 60 minutes to 30 minutes, with overage fees set at \$0.25 per additional minute. The student discount was expanded to include all students aged 18 and older with a valid credit card, broadening access beyond the previous limitation to UT Austin affiliates. These updates are designed to enhance the program's financial sustainability and support future system expansion.

## **Expanded Retail Fare Payment Options Through H-E-B Partnership**

CapMetro expanded its partnership with H-E-B to improve fare payment accessibility and convenience. Previously limited to the purchase of fare cards, select H-E-B locations now offer reloading services for both CapMetro Reloadable Fare Cards and Umo app wallets. As of FY2025, this service is available at more than 250 participating retail locations, including numerous H-E-B stores. This enhancement broadens cash and debit payment options for riders and supports CapMetro's FY2026 goal of improving fare system flexibility and user experience.

## **Fare Media Consolidation Through Umo Transition**

Since its inception, CapMetro has offered 57 different types of physical fare passes. With the implementation of the Umo fare system, the agency began streamlining and retiring outdated fare media to improve efficiency and user experience. As of June 1, 2025, 28 physical pass types—approximately 50% of the existing fare media—have been officially retired. This includes the anticipated phase-out of paper stock for 7- and 31-day passes. In their place, CapMetro introduced a new reloadable fare card compatible with the Umo system, designed to replace legacy plastic and paper options. This fare media consolidation effort will continue into FY2026 as part of CapMetro's ongoing modernization strategy.

## **FY2026 Projects**

### **Customer Goals**

#### **Enhance Internal Controls and Financial Coordination**

In FY2026, the Finance Department will strengthen internal controls within Oracle Fusion to improve application security and process efficiency. This includes refining user roles to ensure staff have appropriate access to perform their duties effectively while mitigating the risk of fraud. Additionally, the Accounting team will continue to support Project Connect by maintaining close coordination to improve billing accuracy and enhance financial tracking systems.

#### **System Proficiency and Policy Alignment**

In FY2026, the Finance Department will provide robust training and resources to increase staff proficiency in Oracle Fusion, ensuring the agency fully leverages the system's capabilities. In parallel, the department will conduct a comprehensive review of existing financial policies and procedures to identify and implement updates that align with current systems, support evolving organizational needs and improve overall operational efficiency.

#### **Bus Farebox Replacement and Revenue Collection Reliability**

CapMetro will replace its aging bus fareboxes, which are increasingly difficult to maintain due to the unavailability of replacement parts. The new fareboxes will ensure continued support for cash-paying riders without replacing other payment methods, as fareboxes still account for 40–50% of monthly bus revenue. This project will involve installing new fareboxes on 100% of fixed-route buses, with the goal of achieving 99% accuracy when comparing deposited cash to reported revenue. Additionally, the agency will aim to reduce farebox-related maintenance issues, ultimately improving revenue collection accuracy and minimizing staff troubleshooting time.

#### **Performing a Fare Comparison Study**

CapMetro has not implemented a fare increase since 2016. While the agency's fare policy targets 20% of operating costs to be covered by fare revenue, current collections remain between 3–5%, well below both the target and peer agency benchmarks of 5–11%. To support long-term financial sustainability and ensure compliance with internal policy and federal guidance, CapMetro will conduct a Title VI fare equity analysis in FY2026. This study will assess potential fare changes and will include robust public outreach. Completion of this study is a key step in aligning the fare structure with agency goals and industry best practices.

## Budget Changes

### Salaries and Benefits

Decrease of \$122,060 due to a revised method in vacancy budgeting, which no longer includes provisions for vacant roles, partially offset by the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Decrease of \$193,598 driven by \$589,304 decrease in Professional Services for audit and consultation fees, \$128,829 decrease in Other Expenses related to bank charges, partially offset by \$403,835 increase in Insurance premiums and \$119,200 increase in Materials and Supplies for the transit store POS pass consumption.

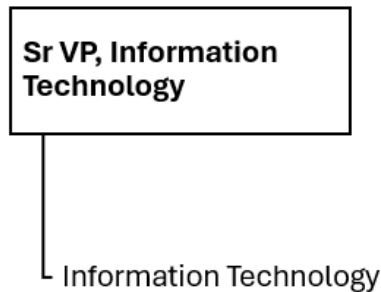
|                                      | FY2024<br>ACTUAL   | FY2025<br>BUDGET    | FY2025<br>FORECAST | FY2026<br>BUDGET    | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|--------------------|---------------------|--------------------|---------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$3,986,116        | \$4,398,330         | \$4,193,033        | \$4,276,270         | \$(122,060)                 | (2.8)%                     |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>3,986,116</b>   | <b>4,398,330</b>    | <b>4,193,033</b>   | <b>4,276,270</b>    | <b>(122,060)</b>            | <b>(2.8)%</b>              |
| Professional Services                | (3,237,508)        | 1,521,130           | 1,588,335          | 931,826             | (589,304)                   | (38.7)%                    |
| Fuel and Fluids                      | —                  | —                   | —                  | —                   | —                           | N/A                        |
| Materials and Supplies               | 174,583            | 360,000             | 923,504            | 479,200             | 119,200                     | 33.1 %                     |
| Utilities                            | 4,136              | 3,000               | 3,000              | 4,500               | 1,500                       | 50.0 %                     |
| Insurance                            | 993,928            | 1,953,900           | 1,953,900          | 2,357,735           | 403,835                     | 20.7 %                     |
| Purchased Transportation             | —                  | —                   | —                  | —                   | —                           | N/A                        |
| Other Expenses                       | 1,110,852          | 7,292,510           | 331,032            | 7,163,681           | (128,829)                   | (1.8)%                     |
| Interest Expense                     | 555,786            | —                   | —                  | —                   | —                           | N/A                        |
| Lease/Rentals                        | (2,234,944)        | —                   | —                  | —                   | —                           | N/A                        |
| Interlocal Agreements                | 1,430,972          | —                   | —                  | —                   | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>(1,202,195)</b> | <b>11,130,540</b>   | <b>4,799,771</b>   | <b>10,936,942</b>   | <b>(193,598)</b>            | <b>(1.7)%</b>              |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$2,783,921</b> | <b>\$15,528,870</b> | <b>\$8,992,804</b> | <b>\$15,213,212</b> | <b>\$(315,658)</b>          | <b>(2.0)%</b>              |

## Information Technology Division

### Functions and Responsibilities

The Information Technology (IT) Division delivers resilient technology systems in support of the agency's operational needs and in alignment with CapMetro's strategic plan. IT's core mission is to provide exceptional customer service and innovative transit technology solutions in support of the many customers and diverse technology needs that IT serves.

### Organization



### Full-Time Equivalent Staffing Chart

| Division / Department         | FY2024 Actual | FY2025 Budget | FY2025 Staffing Changes | FY2026 Staffing Changes | FY2026 Budget |
|-------------------------------|---------------|---------------|-------------------------|-------------------------|---------------|
| <b>Information Technology</b> |               |               |                         |                         |               |
| Information Technology        | 60.0          | 64.5          | 1.0                     | (5.0)                   | 60.5          |
| <b>Total</b>                  | <b>60.0</b>   | <b>64.5</b>   | <b>1.0</b>              | <b>(5.0)</b>            | <b>60.5</b>   |

### Budget Changes

| Division / Department         | FY2024 ACTUAL | FY2025 BUDGET | FY2025 FORECAST | FY2026 BUDGET | FY2026 v. FY2025 (\$) | FY2026 v. FY2025 (%) |
|-------------------------------|---------------|---------------|-----------------|---------------|-----------------------|----------------------|
| <b>Information Technology</b> |               |               |                 |               |                       |                      |
| Information Technology        | \$23,785,196  | \$27,580,359  | \$27,657,780    | \$27,702,617  | \$122,258             | 0.4 %                |

## Information Technology

### FY2025 Achievements

#### Organizational Effectiveness Goals

##### Customer-Facing Technology Enhancements

The launch of the Umo Customer Payment System modernized fare collection and encouraged adoption of digital payment methods. Full deployment of Transit app's traveler tools centralized customer interactions on a unified mobile platform, improving the rider experience. Modernized customer information displays further improved the delivery of real-time service updates.

##### Digital Transformation

The successful migration of the Trapeze operations system to the cloud improved system reliability and operational continuity. Technology infrastructure for the CapMetro Transit Police Department was established to support compliant and efficient operations. Additionally, upgrades to the call center and telecom systems improved communication capabilities, handling nearly 58,000 monthly interactions.

##### Enhanced Transparency and Internal Efficiency

The implementation of GovQA streamlined public records requests, reinforcing transparency and public responsiveness. Internally, key Oracle Financials and Human Capital Management (HCM) upgrades increased accuracy and efficiency in administrative functions. A Salesforce application was launched to connect customers with needed services, while a new invoice tracking system for service providers streamlined financial workflows.

##### Application and Dashboard Development

Several legacy programs were replaced with user-friendly applications to boost productivity. The Public Safety Dashboard was enhanced to increase data transparency and accessibility. CapMetro also launched a procurement project request tool to improve workflow visibility.

##### Enterprise Data and Collaboration Improvements

For over a year, our Enterprise Data Analytics Platform (EDAP) has been continuously integrating data from more than 30 source systems, consistently empowering data-driven decision-making across various departments. The ServiceNow platform was significantly upgraded, enhancing IT service management and resolution times. SharePoint enhancements fostered better internal collaboration and information sharing.

##### Asset and Infrastructure Modernization

CapMetro laid a cloud-based foundation for future GIS mapping capabilities and improved scalability of operational tools. Enterprise Asset Management (EAM) enhancements offered a more integrated view of the agency's assets, supporting efficient operations. Additionally, Wi-Fi upgrades and expanded cybersecurity measures modernized IT infrastructure and improved resilience across the agency.

### FY2026 Projects

#### Organizational Effectiveness Goal

##### Infrastructure Modernization for Operational Readiness

To ensure robust, future-ready infrastructure, CapMetro's IT Department will continue implementing its Network Refresh program. This initiative will modernize foundational systems that support core agency functions and enhance reliability.

##### Transit Technology Upgrades for Service Reliability

CapMetro will improve core transit operations by replacing aging systems with modern Bus and Rail Computer-Aided Dispatch/Automatic Vehicle Location (CAD/AVL). Additionally, a new Bus Farebox and Vaulting System will enhance fare collection accuracy and operational efficiency. The Lower Colorado River Authority (LCRA) Communication System Modernization will transition the agency to a private LTE network, ensuring a resilient and high-performing radio communication infrastructure.

## **Enhancing Safety, Security and Emergency Coordination**

To strengthen agency preparedness and safety, the IT team will develop a centralized Police Department Data Warehouse to streamline reporting and analytics. A new ArcGIS Hub for the Emergency Operations Center will improve incident coordination, data access and response planning.

## **CRM Enhancements for Customer Engagement**

Enhancements to the Salesforce Customer Relationship Management (CRM) platform will improve the agency's ability to communicate with riders, manage feedback and foster deeper engagement with the community.

## **Optimizing Asset Management**

To improve efficiency in managing CapMetro's infrastructure, the IT Department will integrate the Enterprise Asset Management (EAM) system with ArcGIS mapping tools. Planned EAM enhancements will provide improved tracking, maintenance planning and decision support for asset lifecycle management.

## **Financial Controls and Risk Management**

CapMetro will implement Oracle Risk Management tools to strengthen internal controls and enforce separation of duties, increasing accountability and reducing the risk of fraud.

## **Strategic Workforce Development**

Enhancements to Oracle HCM will support CapMetro's talent management strategy by improving succession planning and workforce development tools. These upgrades are aligned with broader organizational efforts to invest in a productive, resilient and future-focused workforce.

## Budget Changes

### Salaries and Benefits

Decrease of \$216,856 due to a revised method in vacancy budgeting, which no longer includes provisions for vacant roles, partially offset by the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Increase of \$339,114 driven by an increase of \$423,797 in Professional Services and \$285,586 in Interest Expense related to a GASB 96 pronouncement for subscription-based software, slightly offset by a decrease of \$290,040 in Utilities and \$78,029 in Other Expenses related to travel.

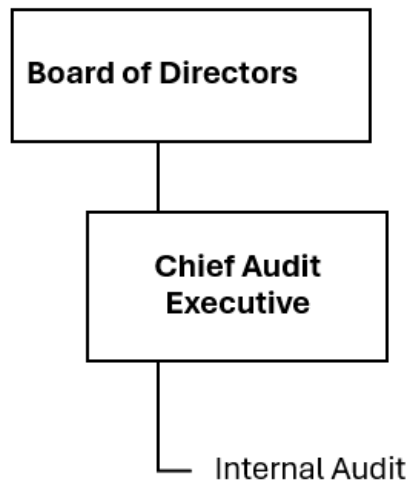
|                                      | FY2024<br>ACTUAL    | FY2025<br>BUDGET    | FY2025<br>FORECAST  | FY2026<br>BUDGET    | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$8,509,221         | \$8,700,381         | \$8,644,190         | \$8,483,525         | \$(216,856)                 | (2.5)%                     |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>8,509,221</b>    | <b>8,700,381</b>    | <b>8,644,190</b>    | <b>8,483,525</b>    | <b>(216,856)</b>            | <b>(2.5)%</b>              |
| Professional Services                | 13,166,845          | 16,351,061          | 16,470,225          | 16,774,858          | 423,797                     | 2.6 %                      |
| Fuel and Fluids                      | —                   | —                   | —                   | —                   | —                           | N/A                        |
| Materials and Supplies               | 1,084               | 2,760               | 2,760               | 560                 | (2,200)                     | (79.7)%                    |
| Utilities                            | 2,056,002           | 2,432,868           | 2,432,868           | 2,142,828           | (290,040)                   | (11.9)%                    |
| Insurance                            | —                   | —                   | —                   | —                   | —                           | N/A                        |
| Purchased Transportation             | —                   | —                   | —                   | —                   | —                           | N/A                        |
| Other Expenses                       | 52,044              | 93,289              | 107,737             | 15,260              | (78,029)                    | (83.6)%                    |
| Interest Expense                     | —                   | —                   | —                   | 285,586             | 285,586                     | N/A                        |
| Lease/Rentals                        | —                   | —                   | —                   | —                   | —                           | N/A                        |
| Interlocal Agreements                | —                   | —                   | —                   | —                   | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>15,275,975</b>   | <b>18,879,978</b>   | <b>19,013,590</b>   | <b>19,219,092</b>   | <b>339,114</b>              | <b>1.8 %</b>               |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$23,785,196</b> | <b>\$27,580,359</b> | <b>\$27,657,780</b> | <b>\$27,702,617</b> | <b>\$122,258</b>            | <b>0.4 %</b>               |

## Internal Audit Division

### Functions and Responsibilities

The Internal Audit Division reports directly to the board of directors and is an independent and objective source of assurance and advisory services. The department provides assurance on CapMetro's governance, risk management and control processes to help the organization achieve its strategic, operational, financial and compliance objectives. In addition, the department is a catalyst for process improvement by providing insight and recommendations based on a systematic analysis and assessment of data and business processes. Internal Audit also shares best practices and suggests ways for reducing costs and enhancing revenues.

### Organization



### Full-Time Equivalent Staffing Chart

| Division / Department | FY2024 Actual | FY2025 Budget | FY2025 Staffing Changes | FY2026 Staffing Changes | FY2026 Budget |
|-----------------------|---------------|---------------|-------------------------|-------------------------|---------------|
| <b>Internal Audit</b> |               |               |                         |                         |               |
| Internal Audit        | 5.5           | 6.5           | (0.5)                   |                         | 6.0           |
| <b>Total</b>          | <b>5.5</b>    | <b>6.5</b>    | <b>(0.5)</b>            | <b>—</b>                | <b>6.0</b>    |

### Budget Changes

| Division / Department | FY2024 ACTUAL    | FY2025 BUDGET      | FY2025 FORECAST  | FY2026 BUDGET    | FY2026 v. FY2025 (\$) | FY2026 v. FY2025 (%) |
|-----------------------|------------------|--------------------|------------------|------------------|-----------------------|----------------------|
| <b>Internal Audit</b> |                  |                    |                  |                  |                       |                      |
| Internal Audit        | \$743,871        | \$1,023,987        | \$925,742        | \$710,180        | (\$313,807)           | (30.6)%              |
| <b>Total</b>          | <b>\$743,871</b> | <b>\$1,023,987</b> | <b>\$925,742</b> | <b>\$710,180</b> | <b>(\$313,807)</b>    | <b>(30.6)%</b>       |

## Internal Audit

### FY2025 Achievements

#### Customer, Community, Organizational Effectiveness and Workforce Goals

##### **Promoting Operational Integrity Through Effective Oversight**

In FY2025, the Internal Audit Department served as the primary liaison for two major external reviews: the FTA Triennial Review and the Quadrennial Performance Review, both of which were successfully completed. The team developed and implemented a flexible, risk-based Audit Plan aligned with CapMetro's strategic objectives and industry best practices in governance, risk management and compliance. In close collaboration with management, Internal Audit identified and facilitated key process improvements across multiple departments and enterprise-wide operations.

To support continuous improvement, benchmarking was conducted against internal processes and peer transit agencies, ensuring CapMetro's practices remain current and effective. The department also contributed to the broader profession by actively participating in and promoting professional organizations such as the Institute of Internal Auditors, the Association of Local Government Auditors and the American Public Transportation Association (APTA). By sharing best practices and advising peer agencies, Internal Audit enhanced CapMetro's reputation within the public transit sector.

The team continued its partnership with the University of Texas through the UT Audit Internship Program, leveraging student talent to advance internal initiatives while developing the next generation of audit professionals. Internal Audit also prioritized staff development through enhanced training and pursuit of professional certifications, strengthening its ability to deliver high-quality assurance, advisory and risk management services to both CapMetro leadership and the Board of Directors.

The department successfully executed the FY2025 Internal Audit Services Plan, providing risk-based audits that effectively supported organizational transparency, accountability and strategic performance.

### FY2026 Projects

#### Customer, Community, Organizational Effectiveness and Workforce Goals

##### **Driving Continuous Improvement Through Risk Management and Benchmarking**

In FY2026, the Internal Audit Department will conduct a comprehensive top-down annual risk assessment of CapMetro, consistent with industry best practices. This assessment will inform the development of a risk-based FY2026 Internal Audit Plan aligned with CapMetro's strategic goals and organizational priorities. As part of the plan's execution, the department will conduct internal and external benchmarking of processes, systems and controls—comparing them to peer public transit agencies to identify opportunities for improved operational efficiency and effectiveness.

The department will continue its leadership role within the profession by actively engaging in organizations such as the Institute of Internal Auditors (IIA), the Association of Local Government Auditors (ALGA) and APTA, while also sharing best practices and providing assistance to peer internal audit functions in local government and transit agencies. CapMetro will also maintain its commitment to workforce development through the continuation of the UT Audit Internship Program, leveraging student talent to support internal improvements. Staff development will remain a priority, with increased focus on professional certifications and training to enhance the team's capacity to serve CapMetro effectively.

To support CapMetro's strategic priorities, Internal Audit will deliver assurance, advisory and risk management services to the Board of Directors and executive management. The department will implement the FY2026 Internal Audit Services Plan with a focus on evaluating key operational and business risks, ensuring the effective and efficient use of audit resources across the organization.

## Budget Changes

### Salaries and Benefits

Decrease of \$91,686 due to a revised method in vacancy budgeting, which no longer includes provisions for vacant roles, partially offset by the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Decrease of \$222,121 driven primarily by \$220,000 of lower Professional Services for the quadrennial performance audit that was performed in FY2025.

|                                      | FY2024<br>ACTUAL | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|------------------|--------------------|--------------------|------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$736,312        | \$784,113          | \$708,148          | \$692,427        | \$(91,686)                  | (11.7)%                    |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>736,312</b>   | <b>784,113</b>     | <b>708,148</b>     | <b>692,427</b>   | <b>(91,686)</b>             | <b>(11.7)%</b>             |
| Professional Services                | —                | 220,000            | 198,000            | —                | (220,000)                   | (100.0)%                   |
| Fuel and Fluids                      | —                | —                  | —                  | —                | —                           | N/A                        |
| Materials and Supplies               | —                | 480                | 200                | 480              | —                           | — %                        |
| Utilities                            | 1,708            | 2,400              | 2,400              | 2,400            | —                           | — %                        |
| Insurance                            | —                | —                  | —                  | —                | —                           | N/A                        |
| Purchased Transportation             | —                | —                  | —                  | —                | —                           | N/A                        |
| Other Expenses                       | 5,853            | 16,994             | 16,994             | 14,873           | (2,121)                     | (12.5)%                    |
| Interest Expense                     | —                | —                  | —                  | —                | —                           | N/A                        |
| Lease/Rentals                        | —                | —                  | —                  | —                | —                           | N/A                        |
| Interlocal Agreements                | —                | —                  | —                  | —                | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>7,561</b>     | <b>239,874</b>     | <b>217,594</b>     | <b>17,753</b>    | <b>(222,121)</b>            | <b>(92.6)%</b>             |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$743,873</b> | <b>\$1,023,987</b> | <b>\$925,742</b>   | <b>\$710,180</b> | <b>\$(313,807)</b>          | <b>(30.6)%</b>             |

## Operations Division

The Operations Division manages the day-to-day delivery of transit services, including bus, rail, demand response, microtransit, vanpool and bikeshare. It ensures safe, reliable and efficient service through oversight of contractors, vehicle maintenance and customer eligibility and training programs. The division supports systemwide mobility with a focus on performance and customer satisfaction.

### Organization



## Full-Time Equivalent Staffing Chart

| Division / Department                   | FY2024 Actual | FY2025 Budget | FY2025 Staffing Changes | FY2026 Staffing Changes | FY2026 Budget |
|-----------------------------------------|---------------|---------------|-------------------------|-------------------------|---------------|
| <b>Operations</b>                       |               |               |                         |                         |               |
| Bikeshare                               | 11.0          | 13.0          |                         |                         | 13.0          |
| Bus Operations and Maintenance          | 123.0         | 135.0         | (9.0)                   | (2.0)                   | 124.0         |
| Demand Response Control and Call Center | 38.0          | 39.0          | 2.0                     |                         | 41.0          |
| Demand Response Oversight               | 7.0           | 12.0          | 1.0                     |                         | 13.0          |
| Facilities Maintenance                  | 25.0          | 19.0          | 8.0                     | (1.0)                   | 26.0          |
| Microtransit                            | 2.0           | 2.0           |                         |                         | 2.0           |
| Paratransit Eligibility                 | 10.0          | 13.0          | 2.0                     |                         | 15.0          |
| Project Connect                         | —             | —             |                         |                         | —             |
| Rail Commuter Operations                | 10.0          | 11.0          |                         | 1.0                     | 12.0          |
| Rail Freight Management                 | 1.0           | 1.0           |                         |                         | 1.0           |
| Vanpool                                 | —             | —             |                         |                         | —             |
| <b>Total</b>                            | <b>227.0</b>  | <b>245.0</b>  | <b>4.0</b>              | <b>(2.0)</b>            | <b>247.0</b>  |

## Budget Changes

| Division / Department                   | FY2024 ACTUAL        | FY2025 BUDGET        | FY2025 FORECAST      | FY2026 BUDGET        | FY2026 v. FY2025 (\$) | FY2026 v. FY2025 (%) |
|-----------------------------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|----------------------|
| <b>Operations</b>                       |                      |                      |                      |                      |                       |                      |
| Bikeshare                               | \$1,646,100          | \$1,232,834          | \$953,126            | \$1,304,827          | \$71,993              | 5.8 %                |
| Bus Operations and Maintenance          | 207,408,320          | 195,180,682          | 195,060,980          | 186,099,423          | (9,081,259)           | (4.7)%               |
| Demand Response Control and Call Center | 2,682,531            | 2,688,480            | 2,866,137            | 2,975,850            | 287,370               | 10.7 %               |
| Demand Response Oversight               | 44,420,137           | 48,849,943           | 48,240,045           | 52,807,752           | 3,957,809             | 8.1 %                |
| Facilities Maintenance                  | 4,850,807            | 1,799,187            | 5,922,417            | 11,956,641           | 10,157,454            | 564.6 %              |
| Microtransit                            | 8,715,985            | 10,482,073           | 8,333,287            | 9,847,941            | (634,132)             | (6.0)%               |
| Paratransit Eligibility                 | 1,314,993            | 1,532,325            | 1,360,227            | 1,630,584            | 98,259                | 6.4 %                |
| Project Connect                         | 5,841,551            | 18,295,562           | 20,395,129           | 22,460,932           | 4,165,370             | 22.8 %               |
| Rail Commuter Operations                | 24,399,655           | 26,152,021           | 24,805,426           | 24,289,072           | (1,862,949)           | (7.1)%               |
| Rail Freight Management                 | 2,360,102            | 1,873,300            | 1,914,111            | 1,466,399            | (406,901)             | (21.7)%              |
| Vanpool                                 | 2,686,209            | 3,542,946            | 3,282,372            | 3,648,488            | 105,542               | 3.0 %                |
| <b>Total</b>                            | <b>\$306,326,390</b> | <b>\$311,629,353</b> | <b>\$313,133,257</b> | <b>\$318,487,909</b> | <b>\$6,858,556</b>    | <b>2.2 %</b>         |

## Bikeshare

### Functions and Responsibilities

The Bikeshare Department manages the operations and maintenance of the bikeshare program including all hardware, software, customer interactions and associated systems.

#### FY2025 Achievements

##### Customer Goals

##### Increasing Ridership Through Bikeshare Network Growth

In FY2025, CapMetro successfully deployed 19 new Bikeshare stations in strategic locations across the service area in early November, enhancing access and connectivity for riders. This expansion contributed to a 26% increase in ridership between October 2024 and March 2025.

The system also set new usage records during this period, including 2,002 one-day trips, a single-day record, and 41,073 one-month trips in March, marking the highest monthly total to date. These milestones reflect strong customer demand and align with CapMetro's strategic goal of improving rider experience and mobility options.

##### Expanding System Efficiency with Fully Electrified Bikeshare Stations

In FY2025, CapMetro's Bikeshare program ordered 10 new fully electrified stations with integrated e-bike charging capabilities. These stations are expected to be delivered and installed in Q4 FY2025.

Once operational, the stations will significantly reduce operating costs and improve bike availability for customers, contributing to a more efficient, reliable and user-friendly experience.

##### Implementing Advanced Software Tools to Support Bikeshare Operations

In FY2025, CapMetro's Bikeshare team completed the integration of three new core software systems—Comet, Qucit and BeWhere—to support end-to-end operations. Additional tools such as Confluence and a new technical support application were also implemented to improve team coordination and documentation.

To further strengthen data reporting and analytics, the team began integrating the Mobility Data Specification (MDS) feed into CapMetro's enterprise data platform (Snowflake). Once complete, this will enable enhanced reporting, real-time insights and more efficient decision-making across the Bikeshare system.

##### Establishing Bikeshare's First Formal Advertising Contract

In FY2025, the Bikeshare team, in collaboration with the Marketing and Communications Department, finalized the program's first formal advertising contract with defined specifications for ad sizing, materials and maintenance procedures. This contract marks a critical step in aligning advertising standards with operational needs.

The revenue generated through this partnership will serve as a dedicated funding stream to support Bikeshare operations, enhancing the program's long-term financial sustainability.

#### FY2026 Projects

##### Customer Goal

##### Strategic Expansion of Bikeshare Charging Infrastructure

By the end of Q4 FY2026, CapMetro will install 20 new electrified Bikeshare stations in key areas to support the City of Austin's and CapMetro's shared sustainability goals and expand multimodal public transportation options. Building on the success of recent expansions and ridership growth, these stations will enhance service availability and provide meaningful last-mile solutions for commuters across the

region. Strategic collaboration with the City of Austin and Austin Energy will ensure alignment and successful deployment.

## Budget Changes

### Salaries and Benefits

Decrease of \$68,909 due to a revised method in vacancy budgeting, which no longer includes provisions for vacant roles, partially offset by the approved performance-based pay increase to become effective in January 2026

### Other Expenses

Increase of \$140,902 is primarily reflected in the \$279,616 increase in Professional Services for the reallocation of software from the Information Technology Department and advertising from the Marketing and Communications Department in order to accurately reflect full costs for the department as it is a cost-sharing service with the City of Austin.

|                                      | FY2024<br>ACTUAL   | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET   | Var \$ FY2026<br>vs. FY2025 | Var %<br>FY2026<br>vs. FY2025 |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------------------|-------------------------------|
| Salaries and Benefits                | \$860,516          | \$947,516          | \$828,325          | \$878,607          | \$(68,909)                  | (7.3)%                        |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>860,516</b>     | <b>947,516</b>     | <b>828,325</b>     | <b>878,607</b>     | <b>(68,909)</b>             | <b>(7.3)%</b>                 |
| Professional Services                | 12,176             | 57,400             | —                  | 337,016            | 279,616                     | 487.1 %                       |
| Fuel and Fluids                      | 18,397             | 24,204             | 15,422             | 24,204             | —                           | — %                           |
| Materials and Supplies               | 191,702            | 183,994            | 97,617             | 112,000            | (71,994)                    | (39.1)%                       |
| Utilities                            | 36                 | 4,320              | 4,220              | 480                | (3,840)                     | (88.9)%                       |
| Insurance                            | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Purchased Transportation             | 372,362            | —                  | —                  | —                  | —                           | N/A                           |
| Other Expenses                       | 17,858             | 15,400             | 7,542              | 2,524              | (12,876)                    | (83.6)%                       |
| Interest Expense                     | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Lease/Rentals                        | 173,052            | —                  | 50,000             | —                  | —                           | N/A                           |
| Interlocal Agreements                | 3,157,456          | —                  | (50,000)           | (50,004)           | (50,004)                    | N/A                           |
| <b>TOTAL OTHER EXPENSES</b>          | <b>3,943,039</b>   | <b>285,318</b>     | <b>124,801</b>     | <b>426,220</b>     | <b>140,902</b>              | <b>49.4 %</b>                 |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$4,803,555</b> | <b>\$1,232,834</b> | <b>\$953,126</b>   | <b>\$1,304,827</b> | <b>\$71,993</b>             | <b>5.8 %</b>                  |

## Bus Operations and Maintenance

### Functions and Responsibilities

Bus Operations and Maintenance oversees bus transportation services and ensures seamless coordination of special events in collaboration with service and labor partners. Key responsibilities include contract management, performance analysis and ensuring efficient, high-quality service delivery. Through a structured, multi-layered approach, the team drives continuous improvement and enhances overall service reliability.

### FY2025 Achievements

#### Customer, Community and Organizational Effectiveness Goals

##### Agency-Wide De-escalation Training Implementation

CapMetro's Training Academy delivered de-escalation training to over 1,300 employees, including more than 1,000 bus operators, as well as public safety ambassadors, road supervisors and bus inspectors. By FY2025, over 95% of the bus operator workforce had completed the training. This initiative reinforces CapMetro's commitment to frontline safety and has now been integrated into new hire orientation as a foundational element of our agency-wide safety strategy.

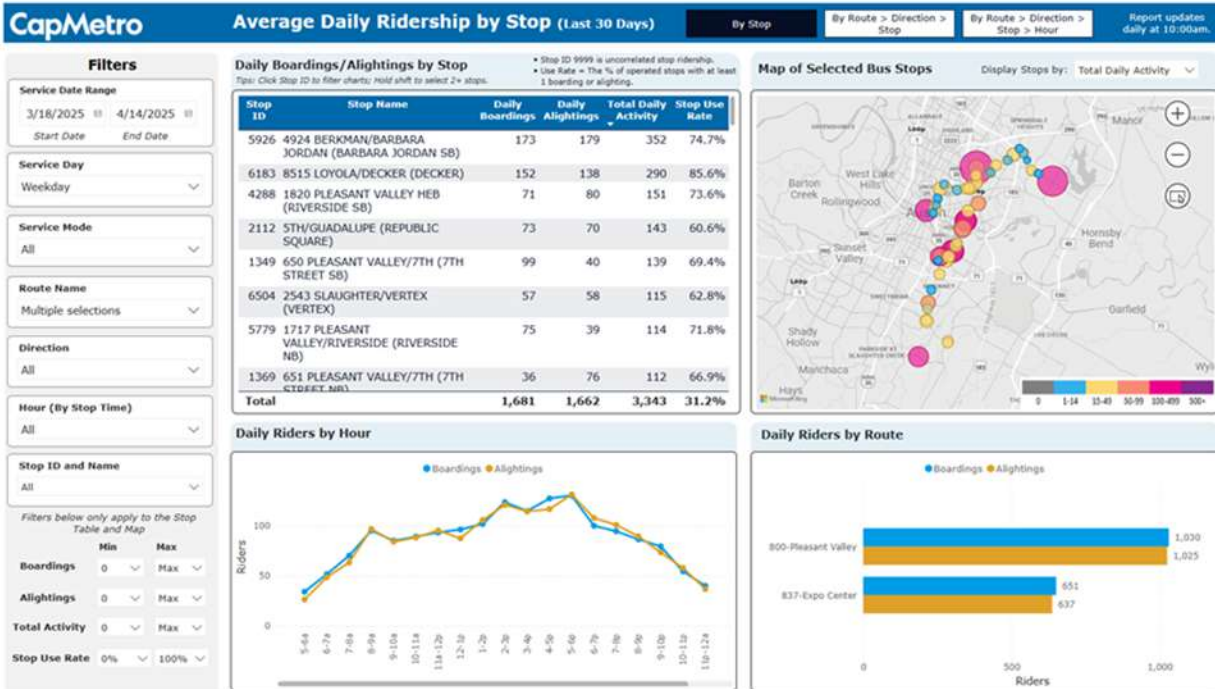
##### Implemented Service 800-Pleasant Valley and 837-Expo MetroRapid Lines

Implemented Bus Rapid Transit routes, Rapid 800 (Pleasant Valley) and Rapid 837 (Exposition), as part of the Spring 2025 Service Changes. Funded by the Federal Transit Administration (FTA), to expand high-frequency transit service in key corridors. Though initially launched with limited frequency, the routes saw strong early adoption, averaging nearly 1,300 daily riders in their first month of service.



## Bus Rapid 800 and 837 See Early Success in Ridership

This achievement sustains the momentum of Project Connect and signals to the community CapMetro's ability to deliver on long-term transit investments. Early performance data shows that weekday ridership during the first two months reached approximately 20% of future targets. This outcome aligns with expectations, as the service is still ramping up, currently operating at 20-minute frequencies (with a planned future goal of 10-minute frequencies), and several stations and Park & Ride facilities remain under development.



## Supporting APTA Roadeo with Fully Electric Bus Operations

For the first time in American Public Transportation Association (APTA) Roadeo history, CapMetro deployed a fully electric fleet of 12 buses to support the 2025 International Bus Roadeo, hosted in Austin, TX. This effort demonstrated CapMetro's national leadership in zero-emission transit operations and highlighted the agency's technical capacity to support large-scale events with a sustainable fleet.



## ***The 2025 International Bus Roadeo***

### **Registered Apprenticeship Program Strengthens Workforce Pipeline**

CapMetro has achieved recognition as a U.S. Department of Labor (USDOL) Registered Apprenticeship (RA) Sponsor, underscoring our commitment to workforce development and industry leadership. This designation affirms CapMetro's dedication to building a sustainable talent pipeline through structured, high-quality training programs that blend on the job learning with classroom instruction. The program currently focuses on training and developing fleet mechanics, a critical role in ensuring safe and reliable transit operations. By becoming a USDOL RA Sponsor, we are not only elevating industry standards but also creating meaningful career pathways that attract, develop, and retain skilled workers in essential transportation roles, further strengthening our operational excellence and service to the community.

### **Strengthening Electric Vehicle Operations at the South Facility**

Completed the installation, training and operational launch of CAMBER electric bus charging equipment at the South Operations and Maintenance Facility. This expansion has significantly increased the agency's ability to deploy electric vehicles, with a minimum of 12 electric buses now assigned to daily revenue service.



***CAMBER Charging Equipment at the South Operations and Maintenance Facility***

## FY2026 Projects

### Customer and Organizational Effectiveness Goals

#### Implementation of New CAD/AVL System to Modernize Operations

Collaborate with IT to implement a new Computer-Aided Dispatch and Automatic Vehicle Location (CAD/AVL) system to replace the current system. The new system will automate several manual tasks, currently performed by the Operations Control Center staff, and provide more robust and accessible data for performance analysis and operational reporting.

#### Operator Scheduling Implementation

Collaborate with IT to implement automated mark-up functionality that allows bus operators to remotely select their work during the three annual mark-up periods. This enhancement is expected to improve operational efficiency by reducing the need for on-site selection, minimizing service disruptions caused by street relief and improve schedule accuracy. The project aims to enhance the overall operator experience and streamline internal processes.

#### Enhancing Transit Reliability

Implement targeted initiatives to improve on-time performance (OTP), vehicle availability, and deployment of battery electric buses (BEBs) across the system. These efforts include optimizing operational oversight under the restructured bus operations model, strengthening coordination with service partners, and addressing sources of disruption such as mechanical failures, construction, and congestion. Key performance indicators such as miles between major mechanical failures (MBMF), operated-to-scheduled service ratio, and OTP will guide continuous improvement and accountability. Investments in vehicle maintenance and service monitoring technologies will also support increased reliability and efficiency. By focusing on these reliability levers, CapMetro will deliver a more predictable, accessible, and dependable experience for all riders.

## Budget Changes

### Salaries and Benefits

Decrease of \$1,683,774 due a net reduction of 19 FTEs mainly from positions transitioning to the Facilities and Maintenance Department and a revised method in vacancy budgeting, which no longer includes provisions for vacant roles, partially offset by the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Decrease of \$7,397,485 from lower projected hours from identified areas of efficiencies and lower than anticipated resources availability. driven by Professional Services of \$8,868,815 for repair and maintenance, special events, computer software, and vehicle towing. The Combined Transportation, Emergency & Communications Center (CTECC) decreased by \$170,493 driven by contractual agreement. Utilities decreased \$203,576 from lower need for electric buses and lower Leases/Rentals requirements. Purchased Transportation increased \$2,306,65 from contractual agreements. Materials and Supplies increased \$1,651,177 offset by the \$1,626,504 Fuel and Fluids decrease. Fuel costs are projected at an average cost per gallon with taxes of \$2.30 for FY2026, a decrease of \$(0.45) per gallon compared to FY2025.

|                                      | FY2024<br>ACTUAL     | FY2025<br>BUDGET     | FY2025<br>FORECAST   | FY2026<br>BUDGET     | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|----------------------|----------------------|----------------------|----------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$13,386,066         | \$14,033,091         | \$12,207,629         | \$12,349,317         | \$(1,683,774)               | (12.0)%                    |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>13,386,066</b>    | <b>14,033,091</b>    | <b>12,207,629</b>    | <b>12,349,317</b>    | <b>(1,683,774)</b>          | <b>(12.0)%</b>             |
| Professional Services                | 14,665,394           | 15,630,681           | 9,343,908            | 6,761,866            | (8,868,815)                 | (56.7)%                    |
| Fuel and Fluids                      | 12,007,088           | 12,102,196           | 10,731,065           | 10,472,692           | (1,629,504)                 | (13.5)%                    |
| Materials and Supplies               | 18,045,360           | 14,112,239           | 16,598,089           | 15,763,416           | 1,651,177                   | 11.7 %                     |
| Utilities                            | 255,134              | 1,793,028            | 67,389               | 1,562,452            | (230,576)                   | (12.9)%                    |
| Insurance                            | —                    | —                    | —                    | —                    | —                           | N/A                        |
| Purchased Transportation             | 148,476,407          | 135,685,621          | 145,067,774          | 137,992,186          | 2,306,565                   | 1.7 %                      |
| Other Expenses                       | 483,267              | 223,830              | 661,126              | 250,793              | 26,963                      | 12.0 %                     |
| Interest Expense                     | —                    | —                    | —                    | —                    | —                           | N/A                        |
| Lease/Rentals                        | 89,612               | 1,599,996            | 384,000              | 946,701              | (653,295)                   | (40.8)%                    |
| Interlocal Agreements                | 7,330                | —                    | —                    | —                    | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>194,029,592</b>   | <b>181,147,591</b>   | <b>182,853,351</b>   | <b>173,750,106</b>   | <b>(7,397,485)</b>          | <b>(4.1)%</b>              |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$207,415,658</b> | <b>\$195,180,682</b> | <b>\$195,060,980</b> | <b>\$186,099,423</b> | <b>\$(9,081,259)</b>        | <b>(4.7)%</b>              |

## Demand Response Control and Call Center

### Functions and Responsibilities

The Demand Response Control and Call Center Department is composed of the CapMetro Access and Pickup control and call center. The department provides real-time dispatch, scheduling and advance trip reservations.

### FY2025 Achievements

#### Organizational Effectiveness Goals

##### Enhancing Trip Management with New Rider Tools

Successfully launched AI voice functionality to enable riders to book, cancel and check the status of rides, enhancing accessibility and convenience. This addition complements the existing Spare app and web tools, giving customers three distinct platforms to manage their Demand Response trips.

##### On-Time Performance Optimization Through Software Enhancements

In FY2025, Demand Response collaborated with the scheduling and dispatch software vendor to enhance system performance and improve on-time arrivals for customer-booked appointments. Ongoing adjustments to system settings aim to strike the right balance between scheduling efficiency and customer service reliability. As a result, overall on-time performance met the 92% target, while appointment-based drop-off performance reached 86.76%.

##### Operational Enhancements to Support New Contract Model

To support the implementation of the new contract model, Demand Response developed enhanced monitoring tools and reporting systems for Transportation Managers to better oversee on-road service quality. A new work rule was also implemented requiring service partners to document all ride checks, enabling effective spot-checking for performance and compliance. Additionally, road supervisors were equipped with tablets and logged into the Spare dispatching app, providing real-time field visibility and improving responsiveness to service issues.

##### Strengthening Regional Service Coverage through Decker Zone Expansion

Successfully launched the new Pickup zone for Decker in January 2025, expanding mobility options in East Austin. The team ensured a smooth rollout by effectively managing vehicle allocation to maintain sufficient fleet availability and completing operator training ahead of launch. These efforts contributed to a seamless transition and high-quality service delivery from day one.

### FY2026 Projects

#### Customer and Organizational Effectiveness Goals

##### Improving On-Time Performance Through Targeted Scheduling

In FY2026, Demand Response Control and the Call Center will develop and implement a scheduling strategy to improve on-time performance and cost-efficiency for ADA paratransit service. This approach will optimize trip allocation across MTM-contracted services and incorporate newly procured backup resources to manage overflow demand. The strategy will define specific time-of-day periods or geographic zones where a set number or percentage of trips will be assigned to backup capacity. The goal is to improve scheduling efficiency, achieve measurable cost savings and meet the agency's 92% on-time performance target.

##### Advanced Scheduling and Operator Insights Project

In FY2026, the Demand Response Control & Call Center team will collaborate with Spare to enhance scheduling software efficiency by implementing street-based routing for more accurate trip time estimates. This upgrade is expected to improve on-time performance and help meet the agency's 92% target month over month. The project also includes establishing a baseline operator behavior report to identify key

performance trends and enable real-time service adjustments. These enhancements will support operational efficiency, improve service reliability and strengthen operator accountability.

## Budget Changes

### Salaries and Benefits

Increase of \$66,494 due to 2 FTEs added during FY2025 and the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Increase of \$220,876 primarily in Professional Services for temporary help to cover staffing shortages.

|                                      | FY2024<br>ACTUAL   | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET   | Var \$ FY2026<br>vs. FY2025 | Var %<br>FY2026<br>vs. FY2025 |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------------------|-------------------------------|
| Salaries and Benefits                | \$2,523,765        | \$2,587,605        | \$2,723,101        | \$2,654,099        | \$66,494                    | 2.6 %                         |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>2,523,765</b>   | <b>2,587,605</b>   | <b>2,723,101</b>   | <b>2,654,099</b>   | <b>66,494</b>               | <b>(2.7)%</b>                 |
| Professional Services                | 150,125            | 88,000             | 129,736            | 309,736            | 221,736                     | 252.0 %                       |
| Fuel and Fluids                      | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Materials and Supplies               | 381                | 3,600              | 3,600              | 3,600              | —                           | — %                           |
| Utilities                            | 482                | 480                | 480                | 480                | —                           | — %                           |
| Insurance                            | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Purchased Transportation             | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Other Expenses                       | 7,779              | 8,795              | 9,220              | 7,935              | (860)                       | (9.8)%                        |
| Interest Expense                     | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Lease/Rentals                        | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Interlocal Agreements                | —                  | —                  | —                  | —                  | —                           | N/A                           |
| <b>TOTAL OTHER EXPENSES</b>          | <b>158,767</b>     | <b>100,875</b>     | <b>143,036</b>     | <b>321,751</b>     | <b>220,876</b>              | <b>219.0 %</b>                |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$2,682,532</b> | <b>\$2,688,480</b> | <b>\$2,866,137</b> | <b>\$2,975,850</b> | <b>\$287,370</b>            | <b>10.7 %</b>                 |

## Demand Response Oversight

### Functions and Responsibilities

The Demand Response Oversight Department oversees service contractors for paratransit (CapMetro Access) and microtransit (CapMetro Pickup) as well as the new internalized parts and maintenance division for these operations. Costs related to contracted paratransit services compliant with the Americans with Disabilities Act (ADA) are budgeted in this department.

### FY2025 Achievements

#### Organizational Effectiveness Goals

##### Contract Model Modernization and Implementation

Successfully transitioned from the Variable Rate business model to a Passthrough model in 2025. The Demand Response Oversight team collaborated closely with MTM and internal CapMetro departments to proactively mitigate risks and ensure a smooth implementation. Key efforts included initiating contract modifications, enhancing oversight mechanisms and establishing a comprehensive Contract Monitoring Plan to support ongoing performance evaluation and accountability.

##### Reducing Road Calls with Proactive Maintenance Coordination

Through improved daily, weekly and monthly communications, structured check-in meetings and enhanced oversight, the Demand Response Oversight team significantly improved the mean distance between failures for vehicle road calls. This operational enhancement increased vehicle availability, improved service quality and reduced missed service, run cuts and overall maintenance costs.

##### Support Vehicle Outfitting for Decker Zone Rollout

Sourced, repaired and prepared vehicles to support the launch of the new Pickup Decker service zone. This effort included rebranding fleet graphics, installing required electronic equipment and completing necessary vehicle readiness tasks in coordination with vendors to ensure timely deployment.

### FY2026 Projects

#### Organizational Effectiveness Goals

##### Demand Response Payroll Review Optimization

In FY2026, Demand Response Oversight will focus on optimizing payroll controls and review processes for passthrough payroll expenses under the MTM contract, projected at approximately \$44 million. The objective is to reduce audit and review time by 50% and enhance the department's ability to conduct targeted audits of high-cost items such as overtime. This effort aims to strengthen financial stewardship, improve transparency and ensure that all taxpayer dollars are accurately accounted for and effectively managed.

##### Vehicle Fleet Replacement and Optimization

For an in-service projection of Q1 2026, the Demand Response Oversight Department will replace aging cutaways and minivans that have reached the end of their service life. The team will evaluate operational and cost efficiencies of alternative vehicle types which are larger than minivans but smaller and more cost-effective than cutaways. The goal is to improve operational performance and reducing maintenance and operating costs. Additional tasks in the FY2026 project include in processing these purchased vehicles, up fitting them to CapMetro standards (camera, radios systems, etc.) and placing them into regular full-time service.

## Budget Changes

### Salaries and Benefits

Decrease of \$41,936 due to a revised method in vacancy budgeting, which no longer includes provisions for vacant roles, partially offset by the addition of 1 FTE during FY2025 and the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Increase of \$3,999,745 driven by \$685,525 in Professional Services for increase in maintenance and reallocation of software from the Information Technology Department. A \$1,203,888 increase in Fuel and Fluids and \$2,077,328 increase in Materials and Supplies are a result of the January 2025 implemented pass-through cost model. Fuel costs are projected at an average cost per gallon with taxes of \$2.30 for FY2026, a decrease of \$(0.45) per gallon compared to FY2025.

|                                      | FY2024<br>ACTUAL    | FY2025<br>BUDGET    | FY2025<br>FORECAST  | FY2026<br>BUDGET    | Var \$ FY2026<br>vs. FY2025 | Var %<br>FY2026<br>vs. FY2025 |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|-----------------------------|-------------------------------|
| Salaries and Benefits                | \$836,223           | \$1,575,678         | \$1,470,782         | \$1,533,742         | \$(41,936)                  | (2.7)%                        |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>836,223</b>      | <b>1,575,678</b>    | <b>1,470,782</b>    | <b>1,533,742</b>    | <b>(41,936)</b>             | <b>(2.7)%</b>                 |
| Professional Services                | 6,965               | 78,531              | 109,319             | 764,056             | 685,525                     | 872.9 %                       |
| Fuel and Fluids                      | 1,772,499           | 1,681,696           | 1,960,313           | 2,885,584           | 1,203,888                   | 71.6 %                        |
| Materials and Supplies               | 197,369             | 1,331,492           | 2,975,493           | 3,408,820           | 2,077,328                   | 156.0 %                       |
| Utilities                            | 544                 | 5,976               | 6,347               | 960                 | (5,016)                     | (83.9)%                       |
| Insurance                            | —                   | —                   | —                   | —                   | —                           | N/A                           |
| Purchased Transportation             | 41,551,864          | 44,132,126          | 41,477,106          | 44,026,531          | (105,595)                   | (0.2)%                        |
| Other Expenses                       | 54,672              | 44,444              | 208,909             | 8,912               | (35,532)                    | (79.9)%                       |
| Interest Expense                     | —                   | —                   | —                   | —                   | —                           | N/A                           |
| Lease/Rentals                        | —                   | —                   | 31,776              | 179,147             | 179,147                     | N/A                           |
| Interlocal Agreements                | —                   | —                   | —                   | —                   | —                           | N/A                           |
| <b>TOTAL OTHER EXPENSES</b>          | <b>43,583,913</b>   | <b>47,274,265</b>   | <b>46,769,263</b>   | <b>51,274,010</b>   | <b>3,999,745</b>            | <b>8.5 %</b>                  |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$44,420,136</b> | <b>\$48,849,943</b> | <b>\$48,240,045</b> | <b>\$52,807,752</b> | <b>\$3,957,809</b>          | <b>8.1 %</b>                  |

## Facilities Maintenance

### Functions and Responsibilities

The Facilities Maintenance Department is responsible for all maintenance and repairs for all CapMetro owned facilities, buildings, bus stops, Park & Rides and Transit Centers. The primary functions include the maintenance and repairs to all building systems, building envelope, yards/parking areas, cleaning of bus stops and Transit Centers, servicing litter containers, coordinating the installation and removal of bus stop amenities, signage, support special events and service changes, and other facility management support for owned non-public facilities.

### FY2025 Achievements

#### Customer and Community Goals

##### Supporting E-Bike Program Expansion

Partnered with the Bikeshare Department to support the successful launch of new e-bike stations across CapMetro's service area. Staff used department equipment, including boom truck and trailer, to transport and install station infrastructure following removal of outdated units. This effort contributed to the tripling of the bike-share system's size expanding access to sustainable mobility options in downtown Austin.

##### Advancing Data-Driven Maintenance and Performance

To improve operational insight and accountability, the department began more fully leveraging the system to generate work orders for all job assignments, including routine maintenance. This enables precise tracking of installations, removals, and bus stop maintenance which drives improvements in the Key Performance Indicators (KPIs) productivity analysis, trend identification, and strategic resource allocation enhancing the rider experience and internal transparency.

##### Improving Passenger Amenities for Rapid Service Launch

Assembled and installed 77 new Elite bus stop poles and signs to support the launch of the new Pleasant Valley (Rapid 800) and Expo (Rapid 837) lines. This achievement required close coordination across multiple departments and highlights the team's dedication to delivering high-quality infrastructure that improves visibility, usability, and the overall rider experience-reinforcing CapMetro's commitment to expanding modern, reliable transit services.

### FY2026 Projects

#### Workforce and Organizational Effectiveness Goals

##### Improved Service Delivery Through KPI-Driven Operations

Focus on improving operational efficiency and customer satisfaction through strategic organizational restructuring and the implementation of clearly defined KPIs. By streamlining processes and enhancing departmental structure, the initiative aims to increase the number of completed projects, ensure better stewardship of public funds and provide a more responsive and accountable service environment. These improvements will be measurable through enhanced performance data, supporting more informed decision-making and continuous service optimization.

##### Strengthening Fiscal Oversight

Improve budgetary controls by identifying gaps and establishing processes to improve operations and cost tracking to better support operational planning.

## Budget Changes

### Salaries and Benefits

Increase of \$901,171 due to a net addition of 7 FTEs mainly attributed to positions transitioning from the Bus Operations and Maintenance Department and the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Increase of \$9,256,283 from prior year low projections as the department realigned resulting in a \$3.2 million transfer from the Facilities Programming and Management Department. Professional Services increase of \$8,680,634 for repair and maintenance, custodial services, electrical services and \$592,167 for Materials and Supplies.

|                                      | FY2024<br>ACTUAL   | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET    | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|--------------------|--------------------|--------------------|---------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$1,604,135        | \$1,532,278        | \$2,392,602        | \$2,433,449         | \$901,171                   | 58.8 %                     |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>1,604,135</b>   | <b>1,532,278</b>   | <b>2,392,602</b>   | <b>2,433,449</b>    | <b>901,171</b>              | <b>58.8 %</b>              |
| Professional Services                | 932,910            | 6,550              | 2,734,187          | 8,687,184           | 8,680,634                   | 132528.8 %                 |
| Fuel and Fluids                      | —                  | —                  | —                  | —                   | —                           | N/A                        |
| Materials and Supplies               | 140,890            | 230,791            | 756,765            | 822,958             | 592,167                     | 256.6 %                    |
| Utilities                            | 2,101,825          | —                  | —                  | —                   | —                           | N/A                        |
| Insurance                            | —                  | —                  | —                  | —                   | —                           | N/A                        |
| Purchased Transportation             | —                  | —                  | —                  | —                   | —                           | N/A                        |
| Other Expenses                       | 25,479             | 29,568             | 38,863             | 13,050              | (16,518)                    | (55.9)%                    |
| Interest Expense                     | —                  | —                  | —                  | —                   | —                           | N/A                        |
| Lease/Rentals                        | 45,570             | —                  | —                  | —                   | —                           | N/A                        |
| Interlocal Agreements                | —                  | —                  | —                  | —                   | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>3,246,674</b>   | <b>266,909</b>     | <b>3,529,815</b>   | <b>9,523,192</b>    | <b>9,256,283</b>            | <b>3468.0 %</b>            |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$4,850,809</b> | <b>\$1,799,187</b> | <b>\$5,922,417</b> | <b>\$11,956,641</b> | <b>\$10,157,454</b>         | <b>564.6 %</b>             |

## Functions and Responsibilities

## FY2025 Achievements

## Modernizing Service Standards in Response to Operational Shifts

## Launched 12th Pickup Zone: Decker Zone in Northeast Austin

The Decker Zone was developed in partnership with Travis County, which provides nearly 27% of the zone's operating funds. This collaboration illustrates the value of regional partnerships in closing transit access gaps and delivering responsive, community-centered mobility solutions.

**Pickup**  
*by CapMetro*

N  
↑

290

H.E. R / Springdale Shopping Center

University Hills Austin Public Library

Springdale Rd

Decker Activity Center

LBJ High School

Boys & Girls Club

Old Manor Rd

Gris Corbin Young Harris Leadership Academy

Johney Morris Rd

Bellin Ln

Decker Elementary/Middle School

Decker Ln

Barber & Jordan Elementary School

Garrison Elementary School Former Roberts Recreation Center

Northwest Health Resource Center

Texas County Exposition Center

East Communities YMCA

E North Luther King Jr Blvd

Oak Meadows Elementary School

King Elys Rd

Community First Village

East Middle School

Decker Lakes Rd

183

Legend:

- Pickup Decker Service Zone  
Zona de servicio de Pickup Decker
- Points of Interest  
Puntos de Interés

December 2013



## FY2026 Projects

### Community, Customer and Organizational Effectiveness Goals

#### Facility Readiness for 2026 Service Transition

In preparation for the January 2026 service change, the Microtransit Department will transition Access and Pickup operations to interim facilities at 817 W. Howard Lane and 509 Thompson Lane. This project will ensure that both locations are adequately equipped to support revenue vehicles, preventative maintenance and day-to-day operational needs until the permanent Demand Response North Base Facility is complete. The expected outcome is a successful service launch in January 2026 with uninterrupted operations and improved facility readiness.

#### Sustainable Growth Through New Facility Development

In FY2026, the Demand Response Division will support sustainable growth by collaborating with the Facilities Design and Construction Department on the design and construction of the North Base facility. The team will provide stakeholder feedback, participate in the selection of a general contractor and coordinate throughout the procurement and construction phases. This sustainable and environmentally friendly facility is intended to enhance operations, benefit employees and serve the broader community.

#### Contributing to the FTA Mobility Performance Initiative

CapMetro's Microtransit Department will participate in a multi-agency data initiative in partnership with the Texas A&M Transportation Institute (TTI) to support the development of FTA Mobility Performance Metrics. The objective of this project is to provide requested agency data for Demand Response Pickup and Access services. The project involves submitting relevant data to TTI, which will aggregate and analyze input from multiple transit agencies. The final dataset will be shared back with all participants, enabling CapMetro to benchmark its services, evaluate operational effectiveness and identify opportunities for improvement.

## Budget Changes

### Salaries and Benefits

Increase of \$41,381 due to a vacancy filled at a higher rate than budgeted in FY2025 and the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Decrease of \$675,513 from a \$667,610 reduction in Purchased Transportation due to a reduction in planned service hours and the elimination of \$453,920 in Lease/Rentals due to the purchase of service vehicles. Offset by a \$74,657 increase in Professional Services for repairs and maintenance, \$198,429 in Fuel and Fluids and \$192,926 in Materials and Supplies all as a result of the pass-through cost model implemented in January 2025.

|                                      | FY2024<br>ACTUAL   | FY2025<br>BUDGET    | FY2025<br>FORECAST | FY2026<br>BUDGET   | Var \$ FY2026<br>vs. FY2025 | Var %<br>FY2026<br>vs. FY2025 |
|--------------------------------------|--------------------|---------------------|--------------------|--------------------|-----------------------------|-------------------------------|
| Salaries and Benefits                | \$240,885          | \$210,504           | \$210,504          | \$251,885          | \$41,381                    | 19.7 %                        |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>240,885</b>     | <b>210,504</b>      | <b>210,504</b>     | <b>251,885</b>     | <b>41,381</b>               | <b>19.7 %</b>                 |
| Professional Services                | 41,949             | 43,423              | 119,023            | 118,080            | 74,657                      | 171.9 %                       |
| Fuel and Fluids                      | 293,961            | 179,540             | 259,004            | 377,969            | 198,429                     | 110.5 %                       |
| Materials and Supplies               | 7,166              | 221,000             | 423,642            | 413,926            | 192,926                     | 87.3 %                        |
| Utilities                            | 524                | 480                 | 480                | 480                | —                           | — %                           |
| Insurance                            | —                  | —                   | —                  | —                  | —                           | N/A                           |
| Purchased Transportation             | 7,247,792          | 9,351,756           | 7,084,062          | 8,684,146          | (667,610)                   | (7.1)%                        |
| Other Expenses                       | 20,395             | 21,450              | 40,373             | 1,455              | (19,995)                    | (93.2)%                       |
| Interest Expense                     | —                  | —                   | —                  | —                  | —                           | N/A                           |
| Lease/Rentals                        | 863,312            | 453,920             | 196,199            | —                  | (453,920)                   | (100.0)%                      |
| Interlocal Agreements                | —                  | —                   | —                  | —                  | —                           | N/A                           |
| <b>TOTAL OTHER EXPENSES</b>          | <b>8,475,099</b>   | <b>10,271,569</b>   | <b>8,122,783</b>   | <b>9,596,056</b>   | <b>(675,513)</b>            | <b>(6.6)%</b>                 |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$8,715,984</b> | <b>\$10,482,073</b> | <b>\$8,333,287</b> | <b>\$9,847,941</b> | <b>\$(634,132)</b>          | <b>(6.0)%</b>                 |

## Paratransit Eligibility

### Functions and Responsibilities

The Eligibility, Training and Customer Management Department includes staff responsible for evaluating paratransit eligibility, providing travel and operational training and conducting pathway assessments. The team manages CapMetro's Access eligibility certification process to ensure individuals who need specialized transportation receive appropriate support. The department also promotes the use of fixed-route transportation by offering training programs tailored for seniors and individuals with disabilities, helping them navigate public transit confidently and independently.

### FY2025 Achievements

#### Customer and Organizational Effectiveness Goals

##### Modernizing the Eligibility Process for Greater Access

In FY2025, the Eligibility, Training and Customer Management team launched an online eligibility application process for both new and returning applicants. This digital transition reduced barriers to access, streamlined internal workflows and significantly decreased reliance on paper-based processes. The initiative supports CapMetro's broader commitment to enhancing customer service and operational efficiency through accessible, technology-driven solutions.

##### Access Rider Guide Revamp for System Alignment

The Access Rider Guide is being revised to replace the current version from 2016. The updated guide will include new technologies and reflect current dispatch and eligibility processes, providing more accurate and accessible information for riders. This update is necessary to align public-facing materials with system upgrades and improve the overall rider experience. The objective is to revise and publish an updated Access Rider Guide that reflects current operational processes and technology. The expected outcome is a clearer, modernized rider guide that enhances understanding of services, improves customer confidence and reduces confusion or misinformation.

### FY2026 Projects

#### Customer and Organizational Effectiveness Goals

##### Data-Driven Strategy to Grow App Adoption

In FY2026, the Eligibility, Training and Customer Management Department will develop and implement a targeted outreach strategy aimed at increasing app usage for Access and Pickup services by at least 5%. This project will focus on identifying key user segments through data analysis and collaborating with the Marketing team to create personalized, impactful messaging. Monthly progress reviews will be conducted to monitor adoption trends and adjust strategies as needed. The expected outcome is a measurable 5% increase in app usage, supported by clear engagement metrics and improved customer adoption of digital self-service tools.

## Budget Changes

### Salaries and Benefits

Increase of \$106,080 primarily due to the addition of 2 FTEs during FY2025 and the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Decrease of \$7,821 mainly due to a decrease of \$6,000 in Materials and Supplies for a reduction in training materials. The increase of \$19,359 in Professional Services and decrease of \$18,780 in Other Expenses is a result of reallocating advertising fees from one category to the other.

|                                      | FY2024<br>ACTUAL   | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET   | Var \$ FY2026<br>vs. FY2025 | Var %<br>FY2026<br>vs. FY2025 |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------------------|-------------------------------|
| Salaries and Benefits                | \$841,044          | \$1,013,320        | \$941,038          | \$1,119,400        | \$106,080                   | 10.5 %                        |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>841,044</b>     | <b>1,013,320</b>   | <b>941,038</b>     | <b>1,119,400</b>   | <b>106,080</b>              | <b>10.5 %</b>                 |
| Professional Services                | 446,853            | 472,110            | 393,114            | 491,469            | 19,359                      | 4.1 %                         |
| Fuel and Fluids                      | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Materials and Supplies               | 10,994             | 12,000             | 7,000              | 6,000              | (6,000)                     | (50.0)%                       |
| Utilities                            | 482                | 2,880              | 600                | 480                | (2,400)                     | (83.3)%                       |
| Insurance                            | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Purchased Transportation             | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Other Expenses                       | 15,620             | 32,015             | 18,475             | 13,235             | (18,780)                    | (58.7)%                       |
| Interest Expense                     | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Lease/Rentals                        | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Interlocal Agreements                | —                  | —                  | —                  | —                  | —                           | N/A                           |
| <b>TOTAL OTHER EXPENSES</b>          | <b>473,949</b>     | <b>519,005</b>     | <b>419,189</b>     | <b>511,184</b>     | <b>(7,821)</b>              | <b>(1.5)%</b>                 |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$1,314,993</b> | <b>\$1,532,325</b> | <b>\$1,360,227</b> | <b>\$1,630,584</b> | <b>\$98,259</b>             | <b>6.4 %</b>                  |

## Rail Commuter Operations

### Functions and Responsibilities

The Rail Commuter Operations Department provides management and oversight of regional rail service between Leander and downtown Austin. The service operates 10 commuter trains out of one operations facility in North Austin, along 32 miles of track that serves 10 stations along this right-of-way. The department manages rail operations strategic planning, rail operations regulatory compliance and risk reduction through post-incident analysis.

### FY2025 Achievements

#### Organizational Effectiveness Goal

##### **Rail Commuter Operations: Safety Technology Implementation**

In FY2025, Rail Commuter Operations installed two new defect detectors to identify and stop trains operating with defective rolling stock or other unsafe conditions, significantly enhancing safety for both passengers and rail infrastructure. Additionally, upgrades to the DMU fleet were completed to enable independent door control. This enhancement allows each door to be operated separately—even when vehicles are coupled—preventing doors from opening during unsafe conditions and improving overall operational safety.

### FY2026 Projects

#### Organizational Effectiveness Goal

##### **Deployment of AEI Readers and Remote-Controlled Switch Systems**

In FY2026, Rail Commuter Operations will enhance system safety and efficiency by deploying Automatic Equipment Identification (AEI) readers at key locations along the rail line to improve real-time tracking and monitoring of railcar movements. Additionally, the department will replace manual hand-throw switches in the North Operations Yard with power-operated switches that can be remotely controlled. This upgrade is expected to reduce the likelihood of human error and improve operational safety for yard personnel.

##### **Resolicitation of the Commuter Rail Operations Contract**

The most significant procurement in FY2026 will be the resolicitation of the Commuter Rail Operations and Maintenance contract, a major undertaking that has been in planning for nearly a year and represents a critical investment in service quality and operational continuity.

#### Fleet and Service Reliability

Improving service reliability through increased fleet availability and operational performance is CapMetro's top strategic priority for Rail Commuter Operations in FY2026. These efforts directly support the first action item in CapMetro's Strategic Plan and are designed to reduce service disruptions, increase on-time performance (OTP), and enhance the customer experience.

To meet this goal, Rail Commuter Operations will implement the following initiatives:

- The newly hired Rail Fleet Manager will lead efforts to improve fleet reliability by working closely with Herzog to ensure rigorous quality assurance standards are met. This collaboration will target preventive maintenance, equipment readiness, and a reduction in service delays caused by mechanical issues.
- Completion of Positive Train Control (PTC) optimization for the Urban Commuter Interoperability Initiative (UCII) will allow trains to operate at track speed. This improvement will increase OTP, reduce headways, and provide a more dependable service for customers.

- Installation of defect detectors will enable real-time alerts for train and rail car issues, helping to prevent derailments and reduce infrastructure damage. These tools will support the Maintenance of Equipment team in identifying and addressing emerging safety concerns before they impact operations.

Upgrades to grade crossing monitoring systems will allow staff to track and address trending signal failures, improving the reliability and safety of the signal network across the commuter rail system.

## Budget Changes

### Salaries and Benefits

Increase of \$99,839 driven by the conversion of a temporary employee to an FTE and the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Decrease of \$1,962,788 due to a reduction in Professional Services of \$445,520 primarily due to the above mentioned staff conversion. Additionally, a leveling of service hours to reflect what is currently being run in FY2025 has resulted in a decrease in Fuel and Fluids by \$366,231 and Purchased Transportation of \$1,133,489.

|                                      | FY2024<br>ACTUAL    | FY2025<br>BUDGET    | FY2025<br>FORECAST  | FY2026<br>BUDGET    | Var \$ FY2026<br>vs. FY2025 | Var %<br>FY2026<br>vs. FY2025 |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|-----------------------------|-------------------------------|
| Salaries and Benefits                | \$1,509,467         | \$1,542,452         | \$1,466,738         | \$1,642,291         | \$99,839                    | 6.5 %                         |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>1,509,467</b>    | <b>1,542,452</b>    | <b>1,466,738</b>    | <b>1,642,291</b>    | <b>99,839</b>               | <b>6.5 %</b>                  |
| Professional Services                | 289,750             | 741,520             | 451,520             | 296,000             | (445,520)                   | (60.1)%                       |
| Fuel and Fluids                      | 1,016,234           | 958,771             | 959,735             | 592,540             | (366,231)                   | (38.2)%                       |
| Materials and Supplies               | 8,060               | —                   | 37,164              | 57,950              | 57,950                      | N/A                           |
| Utilities                            | —                   | —                   | —                   | —                   | —                           | N/A                           |
| Insurance                            | —                   | —                   | —                   | —                   | —                           | N/A                           |
| Purchased Transportation             | 21,528,162          | 22,785,540          | 21,765,632          | 21,652,051          | (1,133,489)                 | (5.0)%                        |
| Other Expenses                       | 47,984              | 123,738             | 124,637             | 48,240              | (75,498)                    | (61.0)%                       |
| Interest Expense                     | —                   | —                   | —                   | —                   | —                           | N/A                           |
| Lease/Rentals                        | —                   | —                   | —                   | —                   | —                           | N/A                           |
| Interlocal Agreements                | 754,537             | —                   | —                   | —                   | —                           | N/A                           |
| <b>TOTAL OTHER EXPENSES</b>          | <b>23,644,727</b>   | <b>24,609,569</b>   | <b>23,338,688</b>   | <b>22,646,781</b>   | <b>(1,962,788)</b>          | <b>(8.0)%</b>                 |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$25,154,194</b> | <b>\$26,152,021</b> | <b>\$24,805,426</b> | <b>\$24,289,072</b> | <b>\$(1,862,949)</b>        | <b>(7.1)%</b>                 |

## Rail Freight Management

### Functions and Responsibilities

The Rail Freight Management Department is responsible for managing and preserving CapMetro's railroad assets used for transportation of freight and transit. The department manages approximately 162 miles of railroad right-of-way between Giddings and Llano. Management of the Giddings-Llano rail line is accomplished through a rail freight operator, whose responsibility is to fulfill the common carrier obligations by providing freight service to shippers along the line, as well as implementing marketing strategies to maximize revenue while providing efficient freight service.

### FY2025 Achievements

#### Organizational Effectiveness Goal

##### Upgraded Freight Infrastructure for Operational Reliability

The Rail Freight Management team successfully replaced 4,000 railroad ties along the freight corridor in FY2025. This infrastructure improvement enhanced track integrity, increased safety and contributed to more reliable freight operations across the system.

### FY2026 Projects

#### Organizational Effectiveness Goal

##### Rail Infrastructure Improvements to Support Freight Reliability

In FY2026, the Rail Freight Management team will collaborate with TXDOT to rehabilitate the crossing at Mile Post 102.94 in Bertram. This upgrade includes the installation of flashing lights and gates to enhance safety for both rail and roadway users. Additionally, the Freight team will replace 5,000 rail ties along the freight corridor to improve infrastructure integrity, bolster operational safety and ensure continued reliability of freight service.

## Budget Changes

### Salaries and Benefits

Increase of \$4,393 due to the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Decrease of \$411,294 driven by the reduction of contractual services for out of service repairs, timber bridge, road crossing analysis and track maintenance expenses.

|                                      | FY2024<br>ACTUAL   | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET   | Var \$ FY2026<br>vs. FY2025 | Var %<br>FY2026<br>vs. FY2025 |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------------------|-------------------------------|
| Salaries and Benefits                | \$148,247          | \$148,222          | \$148,222          | \$152,615          | \$4,393                     | 3.0 %                         |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>148,247</b>     | <b>148,222</b>     | <b>148,222</b>     | <b>152,615</b>     | <b>4,393</b>                | <b>3.0 %</b>                  |
| Professional Services                | 2,211,631          | 1,717,978          | 1,758,749          | 1,307,644          | (410,334)                   | (23.9)%                       |
| Fuel and Fluids                      | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Materials and Supplies               | 78                 | 1,000              | 1,000              | 1,000              | —                           | — %                           |
| Utilities                            | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Insurance                            | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Purchased Transportation             | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Other Expenses                       | 147                | 6,100              | 6,140              | 5,140              | (960)                       | (15.7)%                       |
| Interest Expense                     | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Lease/Rentals                        | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Interlocal Agreements                | 308,768            | —                  | —                  | —                  | —                           | N/A                           |
| <b>TOTAL OTHER EXPENSES</b>          | <b>2,520,624</b>   | <b>1,725,078</b>   | <b>1,765,889</b>   | <b>1,313,784</b>   | <b>(411,294)</b>            | <b>(23.8)%</b>                |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$2,668,871</b> | <b>\$1,873,300</b> | <b>\$1,914,111</b> | <b>\$1,466,399</b> | <b>\$(406,901)</b>          | <b>(21.7)%</b>                |

## Vanpool

### Functions and Responsibilities

The Vanpool Department oversees the contract with Commute with Enterprise that provides alternative transportation services aimed at reducing the number of single-occupancy vehicles on area roads. The department manages the Vanpool operations provider, ensuring ongoing performance and commuter ride-matching services.

### FY2025 Achievements

#### Organizational Effectiveness Goal

#### Vanpool Program Reduces Emissions and Strengthens Regional TDM Leadership

In FY2025, CapMetro's Vanpool Program continued to advance the agency's sustainability and mobility goals by significantly reducing single-occupancy vehicle use across the region. By providing subsidized vanpool options to commuters who live or work in the CapMetro service area, the program delivered measurable environmental benefits and supported Transportation Demand Management (TDM) strategies.

FY2025 Impact:

- Commuter Miles Reduced: 11,858,936
- Trips Eliminated: 296,864
- CO<sub>2</sub> Emissions Reduced: 9,346,604 lbs

Beyond emissions reductions, CapMetro demonstrated regional leadership in TDM. A staff member served as President of the regional chapter of the Association for Commuter Transportation (ACT), contributing to the exchange of best practices and advancing CapMetro's engagement in national transportation policy and innovation. Through ACT, staff accessed critical resources, webinars and peer collaboration opportunities.

### FY2026 Projects

#### Customer Goal

#### Advancing Vanpool Growth and Flexibility

In FY2026, the Vanpool Program will continue to support CapMetro's sustainability and mobility goals through targeted program enhancements and strategic partnerships:

- **Planned Growth:** The program anticipates steady growth, averaging three new vehicles per month, with an emphasis on more cost-efficient 7-passenger vehicles to reduce overall program costs.
- **Flexible Vanpool Subscription Launch:** CapMetro will introduce the new Flexible Vanpool subscription program tailored for hybrid work schedules. This initiative is designed to increase accessibility for commuters with variable schedules, boost rider participation and improve the overall efficiency and utilization of vanpool resources.
- **Enhanced Collaboration with Movability:** CapMetro will strengthen its partnership with Movability to advance Transportation Demand Management (TDM) strategies within the Capital Area Metropolitan Planning Organization service area. Through regular coordination, the program will leverage Movability's regional insights and networks to identify potential vanpool users and expand service reach in a cost-effective manner.

These efforts reinforce CapMetro's commitment to innovative, sustainable transportation solutions that reduce environmental impact while adapting to the evolving needs of the community.

## Budget Changes

### Other Expenses

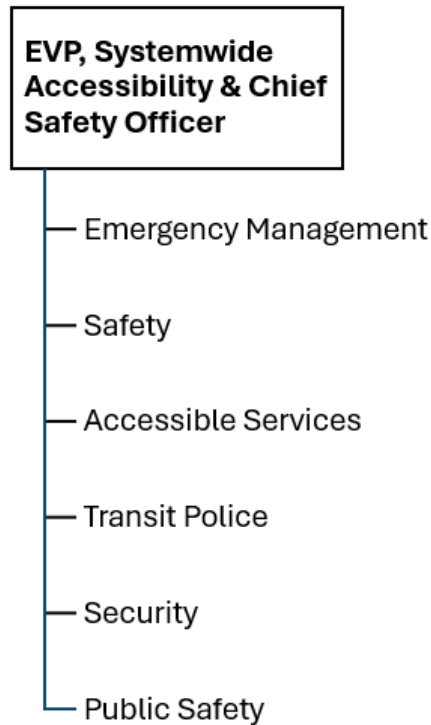
Increase of \$105,542 in Purchased Transportation due to higher demand for the service resulting in increased vehicle count.

|                                      | FY2024<br>ACTUAL   | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET   | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$86,632           | \$—                | \$—                | \$—                | \$—                         | N/A                        |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>86,632</b>      | <b>—</b>           | <b>—</b>           | <b>—</b>           | <b>—</b>                    | <b>N/A</b>                 |
| Professional Services                | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Fuel and Fluids                      | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Materials and Supplies               | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Utilities                            | 482                | —                  | —                  | —                  | —                           | N/A                        |
| Insurance                            | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Purchased Transportation             | 2,593,296          | 3,540,946          | 3,280,372          | 3,648,488          | 107,542                     | 3.0 %                      |
| Other Expenses                       | 5,799              | 2,000              | 2,000              | —                  | (2,000)                     | (100.0)%                   |
| Interest Expense                     | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Lease/Rentals                        | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Interlocal Agreements                | —                  | —                  | —                  | —                  | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>2,599,577</b>   | <b>3,542,946</b>   | <b>3,282,372</b>   | <b>3,648,488</b>   | <b>105,542</b>              | <b>3.0 %</b>               |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$2,686,209</b> | <b>\$3,542,946</b> | <b>\$3,282,372</b> | <b>\$3,648,488</b> | <b>\$105,542</b>            | <b>3.0 %</b>               |

## Safety, Security and Systemwide Accessibility Division

The Safety, Security and Systemwide Accessibility Division safeguards CapMetro's riders, employees and infrastructure through safety oversight, emergency management and transit policing. It also ensures compliance with accessibility standards and promotes inclusive service design for people of all abilities. The division plays a vital role in creating a safe, secure and equitable transit system.

### Organization



### Full-Time Equivalent Staffing Chart

| Division / Department                      | FY2024 Actual | FY2025 Budget | FY2025 Staffing Changes | FY2026 Staffing Changes | FY2026 Budget |
|--------------------------------------------|---------------|---------------|-------------------------|-------------------------|---------------|
| <b>Safety and Systemwide Accessibility</b> |               |               |                         |                         |               |
| Public Safety and Emergency Management     | 36.5          | 38.5          |                         | 1.0                     | 39.5          |
| Safety                                     | 15.0          | 15.5          | (0.5)                   |                         | 15.0          |
| Systemwide Accessibility                   | 2.0           | 2.0           |                         |                         | 2.0           |
| Transit Police                             | 13.0          | 28.0          |                         | 10.0                    | 38.0          |
| <b>Total</b>                               | <b>66.5</b>   | <b>84.0</b>   | <b>(0.5)</b>            | <b>11.0</b>             | <b>94.5</b>   |

## Budget Changes

| Division / Department                        | FY2024<br>ACTUAL    | FY2025<br>BUDGET    | FY2025<br>FORECAST  | FY2026<br>BUDGET    | FY2026 v.<br>FY2025 (\$) | FY2026 v.<br>FY2025 (%) |
|----------------------------------------------|---------------------|---------------------|---------------------|---------------------|--------------------------|-------------------------|
| <b>Safety and Systemwide Accessibility</b>   |                     |                     |                     |                     |                          |                         |
| Public Safety and<br>Emergency<br>Management | \$8,300,246         | \$8,668,457         | \$7,478,006         | \$7,946,460         | (\$721,997)              | (8.3)%                  |
| Safety                                       | 2,194,535           | 2,247,257           | 2,163,028           | 1,986,681           | (260,576)                | (11.6)%                 |
| Systemwide<br>Accessibility                  | 450,836             | 516,480             | 308,033             | 325,986             | (190,494)                | (36.9)%                 |
| Transit Police                               | 801,235             | 2,898,050           | 2,427,990           | 3,696,452           | 798,402                  | 27.5 %                  |
| <b>Total</b>                                 | <b>\$11,746,852</b> | <b>\$14,330,244</b> | <b>\$12,377,057</b> | <b>\$13,955,579</b> | <b>(\$374,665)</b>       | <b>(2.6)%</b>           |

## Public Safety and Emergency Management

### Functions and Responsibilities

The Public Safety and Emergency Management Department's primary mission is to ensure the safety of customers and employees and to protect CapMetro property while maintaining the integrity of the service. The department provides security and emergency preparedness-related training for CapMetro and service partner personnel to enhance system safety in all areas. The department also continually collaborates with law enforcement and other regional first responders to ensure effective planning for and response to emergencies. The Public Safety and Emergency Management Department maintains all security technology-related systems for the agency.

### FY2025 Achievements

#### Community Goals

#### Security and Emergency Preparedness in Facility Projects

In FY2025, the Public Safety and Emergency Management (PSEM) team played a critical role in supporting Capital Construction and Engineering Design (CCED) projects to ensure that Security Technology, Operational Security and Emergency Preparedness elements were fully incorporated into facility planning, design and execution. The team maintained close coordination with CCED throughout the year, ensuring that all PSEM-related work for projects scheduled for completion in FY2025 remained on track and met safety certification requirements.

Key projects supported by PSEM in FY2025 included:

- CapMetro Headquarters at 3100 East 5th Street
- New Bus Rapid Transit Lines – Pleasant Valley and Expo – including their associated Park & Ride facilities
- Transit Store at 1705 Guadalupe
- CapMetro Warehouse at 9715 Burnet Road
- North Base Demand Response Facility and Central Warehouse
- South Base Demand Response Facility

While some projects remain in the design phase, all PSEM responsibilities, particularly those related to design input and safety/security certification, were completed on schedule.

#### Continuity Planning to Support Safe and Reliable Mobility

In FY2025, the Public Safety and Emergency Management (PSEM) team led the development of CapMetro's first agency-wide Continuity of Operations Plan (COOP), designed to ensure operational resilience in the event of a catastrophic loss of facilities, transit modes, or regional infrastructure. The COOP encompasses all 21 departments across the agency, outlining strategies to maintain critical services and strengthen coordination across all levels of leadership.

The plan supports CapMetro's strategic goals of providing reliable, safe and accessible transit services to the region, even during emergencies. It also advances the agency's objective of sustaining service continuity under adverse conditions. The agency-wide COOP is on track to be completed and submitted for CEO approval by the end of FY2025. While most department-level plans will be finalized within the fiscal year, the plans for Bus Operations and Information Technology—due to their size and complexity—will extend into FY2026.

Once complete, the plan will transition into a formal continuity of operations program managed by PSEM. This program will include ongoing plan updates, maintenance across departments and annual Testing, Training and Exercises (TT&E) to ensure preparedness and the plan's effectiveness over time.

## FY2026 Projects

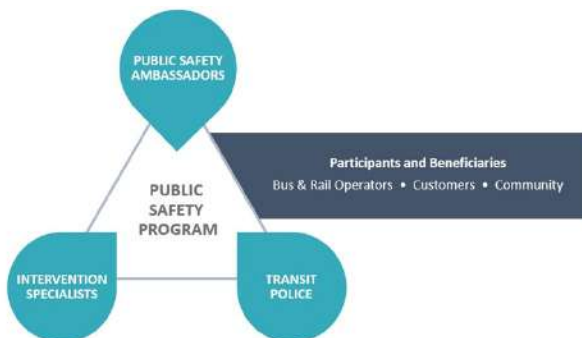
### Customer and Organizational Effectiveness Goals

#### Advancing a Unified Public Safety Model Across the Transit System

In FY2026, CapMetro's Public Safety and Emergency Management team will focus on the full integration and operation of the agency's three-element public safety model, consisting of Public Safety Ambassadors (PSAs), Community Intervention Specialists (CIS) and the CapMetro Police Department (CMPD). While the PSA and CIS teams have been operational since FY2022 and CMPD began phased implementation in FY2025, FY2026 marks the first year that all three components will operate concurrently and in coordination. This effort aims to enhance system-wide safety by assigning the most appropriate resource to each situation, ranging from visible deterrence and engagement to mental health interventions and law enforcement.

The objective for FY2026 is to achieve full operational integration of all three elements within CapMetro and among key internal departments and with external safety and social service partners. Although CMPD will continue hiring through FY2027, the core model will be in place by September 30, 2026, with a phased transition plan to expand coverage.

Impact will be assessed in two primary ways: (1) quantitative measures including security sweeps, customer and employee engagements and successful service referrals; and (2) customer perceptions of safety captured in the annual Customer Satisfaction Survey. PSEM will continue to use its monthly reporting framework to monitor key activities and outcomes.



**Public Safety Model**



**Public Safety Ambassadors**

#### Real-Time Rail Crossing Monitoring for Operational and Public Safety

This project supports CapMetro's strategic goals of Customer and Organizational Effectiveness by equipping the Rail Department and CapMetro Police Department with real-time situational awareness at critical rail crossings. The objective is to install 62 additional video cameras at priority crossings, expanding video coverage from 20 to 82 locations. The first 20 crossings were identified due to high rates of vehicle collisions with crossing arms and pedestrian trespassing. These next 62 were always intended for inclusion in the broader surveillance strategy.

The camera installations are scheduled for the first three quarters of FY2026, with full project completion by the fourth quarter. The system will incorporate emerging technologies for intrusion and object detection, enabling real-time alerts and faster response times. These enhancements are expected to

deter unsafe behaviors, reduce delays, improve service reliability and strengthen coordination between rail operations and public safety teams.

External partners include public safety agencies within the CapMetro service area. Data and analytics will be drawn from Public Safety Technology project metrics, rail performance data and CapMetro Police incident reports to assess impact and guide future improvements.

*The following are two examples of rail crossings equipped with video surveillance as part of the initial phase of this project.*



*Railroad Crossings equipped with video surveillance*

## Budget Changes

### Salaries and Benefits

Decrease of \$1,470,525 due to a reduction in APD officer staffing and a revised method in vacancy budgeting, which no longer includes provisions for vacant roles, partially offset by the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Increase of \$748,528 primarily driven by \$759,112 increase in Professional Services related to security, mildly offset by \$(10,600) decrease in Other Expenses.

|                                      | FY2024<br>ACTUAL   | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET   | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$4,667,752        | \$5,601,401        | \$3,846,777        | \$4,130,876        | \$(1,470,525)               | (26.3)%                    |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>4,667,752</b>   | <b>5,601,401</b>   | <b>3,846,777</b>   | <b>4,130,876</b>   | <b>(1,470,525)</b>          | <b>(26.3)%</b>             |
| Professional Services                | 3,507,071          | 3,023,388          | 3,582,329          | 3,782,500          | 759,112                     | 25.1 %                     |
| Fuel and Fluids                      | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Materials and Supplies               | 83,455             | 23,168             | 24,600             | 24,684             | 1,516                       | 6.5 %                      |
| Utilities                            | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Insurance                            | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Purchased Transportation             | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Other Expenses                       | 41,968             | 19,000             | 22,800             | 8,400              | (10,600)                    | (55.8)%                    |
| Interest Expense                     | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Lease/Rentals                        | —                  | 1,500              | 1,500              | —                  | (1,500)                     | (100.0)%                   |
| Interlocal Agreements                | —                  | —                  | —                  | —                  | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>3,632,494</b>   | <b>3,067,056</b>   | <b>3,631,229</b>   | <b>3,815,584</b>   | <b>748,528</b>              | <b>24.4 %</b>              |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$8,300,246</b> | <b>\$8,668,457</b> | <b>\$7,478,006</b> | <b>\$7,946,460</b> | <b>\$(721,997)</b>          | <b>(8.3)%</b>              |

## Safety

### Functions and Responsibilities

The Safety Department, adhering to relevant regulations, industry standards and best practices, manages operational, construction, environmental and industrial safety concerns. This is achieved through the creation and execution of safety programs, oversight activities and collaboration with internal and external partners. Additionally, the department administers the Agency Safety Plan and System Safety Program, as mandated by the Federal Transit Administration and Federal Railroad Administration.

### FY2025 Achievements

#### Organizational Effectiveness, Customer and Workforce Goals

##### **Safety & Security Certifications for Major Transit Projects**

CapMetro achieved Safety & Security Certifications for several critical projects to ensure that facilities, equipment and services are safe for both passengers and employees prior to being placed into operation. These projects include the Expo Center and Pleasant Valley Rapid BRT Lines (Interim Certification), the 2910 Battery Electric Bus Charging Facility, the Bridge Span Project and the Rail Door Control System Upgrade Project. These certifications support CapMetro's commitment to providing safe and reliable transit service.

##### **Approval of Agency Safety Plan by Board and Labor Committee**

CapMetro's Agency Safety Plan received formal approval from the Joint Labor Management Safety Committee and the CapMetro Board of Directors. This milestone aligns with Federal Transit Administration regulations and reinforces CapMetro's commitment to maintaining a culture of safety across the organization.

##### **Updated Rail Safety Plan**

The Safety Department established a Rail Risk-Based Hazard Management (RBHM) Program in compliance with Federal Railroad Administration regulations. RBHM provides a formalized, proactive approach to system safety and is applied to all rail operational activities and system modifications. This program ensures hazardous conditions are identified, evaluated and mitigated to reduce or eliminate risks, enhancing operational safety and regulatory compliance.

### FY2026 Projects

#### Organizational Effectiveness and Customer Goals

##### **Expo Center and Pleasant Valley Rapid BRT Lines**

CapMetro will complete FTA-required safety and security certification for these Rapid lines. This ensures that all facilities, equipment, vehicles and services are verified as safe and secure prior to passenger use, supporting CapMetro's strategic goal of providing reliable and safe transit service.

##### **North Burnet/Uptown Station (formerly referenced as Broadmoor Station)**

The Safety team will complete the FRA-required safety and security certification for the new North Burnet/Uptown Station. This process evaluates operational readiness and mitigates safety risks, ensuring full compliance and safe entry into service.

##### **Diesel Multiple Unit (DMU) Shop Upgrade**

Certification activities for the DMU Shop Upgrade will confirm that improvements to this key maintenance facility meet safety and operational requirements before being placed into service, ensuring both employee and passenger safety.

##### **North Base Demand Response Facility**

The Safety team will complete the certification process for the new North Base facility to confirm that it is secure and operationally safe. This step is essential before beginning passenger operations and supports system-wide operational safety.

## Budget Changes

### Salaries and Benefits

Decrease of \$101,216 due to a revised method in vacancy budgeting, which no longer includes provisions for vacant roles, partially offset by the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Decrease of \$159,360 primarily driven by \$161,810 decrease in Other Expenses related to various consultation fees.

|                                      | FY2024<br>ACTUAL   | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET   | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$1,702,055        | \$1,759,542        | \$1,690,313        | \$1,658,326        | \$(101,216)                 | (5.8)%                     |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>1,702,055</b>   | <b>1,759,542</b>   | <b>1,690,313</b>   | <b>1,658,326</b>   | <b>(101,216)</b>            | <b>—</b>                   |
| Professional Services                | 298,003            | 300,000            | 285,000            | 303,450            | 3,450                       | 1.2 %                      |
| Fuel and Fluids                      | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Materials and Supplies               | 45,609             | 12,500             | 12,500             | 11,500             | (1,000)                     | (8.0)%                     |
| Utilities                            | 964                | 480                | 480                | 480                | —                           | 0.0 %                      |
| Insurance                            | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Purchased Transportation             | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Other Expenses                       | 147,904            | 174,735            | 174,735            | 12,925             | (161,810)                   | (92.6)%                    |
| Interest Expense                     | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Lease/Rentals                        | —                  | —                  | —                  | —                  | —                           | N/A                        |
| Interlocal Agreements                | —                  | —                  | —                  | —                  | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>492,480</b>     | <b>487,715</b>     | <b>472,715</b>     | <b>328,355</b>     | <b>(159,360)</b>            | <b>(32.7)%</b>             |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$2,194,535</b> | <b>\$2,247,257</b> | <b>\$2,163,028</b> | <b>\$1,986,681</b> | <b>\$(260,576)</b>          | <b>(11.6)%</b>             |

## Systemwide Accessibility

### Functions and Responsibilities

The Systemwide Accessibility Department is responsible for ensuring safe access to systemwide transit and coordinates with various agency departments to ensure all agency services are universally available to persons with diverse functional abilities. . The department manages and oversees CapMetro's activities associated with service provisions in compliance with the Department of Transportation regulations for the Americans with Disabilities Act (ADA) Title II. The department also assesses and recommends the implementation of innovative technology solutions to identify and address barriers to accessing transit for people with disabilities. The Systemwide Accessibility Department serves as the agency's primary representative to the community of persons with disabilities and older adults, convening and collaborating to improve service delivery to enhance the customer experience of persons of all abilities.

### FY2025 Achievements

#### Customer, Community and Organizational Effectiveness Goals

##### CapMetro Completes ADA Transition Plan

In FY2025, CapMetro finalized its Americans with Disabilities Act (ADA) Transition Plan, establishing a comprehensive framework to enhance accessibility across services, facilities, technologies and programs. As a result, the agency conducted a full evaluation of its technology platforms, including the paratransit operating software, Spare, which was updated to meet accessibility standards. The final deliverables included a detailed Self-Evaluation and Transition Plan, a condition assessment of all programs and assets and an interactive GIS dashboard to support ongoing monitoring and transparency. In May 2025, CapMetro delivered 12 hours of ADA-focused training to staff, covering compliance requirements, emergency management and best practices. With the project now complete, planning has begun to identify funding sources for implementing ADA improvements and modernization efforts at select bus stops.

##### Accessible Information and Communication Technology Policy and training modules Launched on SharePoint

In FY2025, CapMetro approved its Information and Communication Technology (ICT) Policy, establishing agency-wide standards for procuring and deploying accessible digital tools for employees and customers. To support policy implementation, the agency launched a suite of Accessible ICT training modules and procurement guidance documents on Central SharePoint. These resources align with ADA, WCAG and federal accessibility standards, equipping staff with the knowledge to develop and maintain inclusive digital platforms and communication tools. Additionally, the Timepoint internal communications platform was used to raise awareness and direct employees to key resources. This initiative represents a major milestone in embedding digital accessibility into CapMetro's operations, helping ensure that all users, including those who rely on assistive technologies, can interact seamlessly with CapMetro systems.

##### Accessible Wayfinding Demonstration Project

In FY2025, the Systemwide Accessibility Department, in collaboration with Marketing, Communications, IT and Facilities, launched two accessible wayfinding technologies in two pilot zones to improve navigation for riders with visual disabilities. CapMetro introduced NaviLens, a code-based technology that offers quick detection and directional guidance and Waymap, a mobile app providing audio-based, turn-by-turn navigation. These pilots were supported by targeted stakeholder engagement and communications efforts. Anonymous user feedback highlighted the effectiveness of NaviLens, with one user noting, "The app detected the code from 40 feet away—it was easy to follow the directions to the bus stop," and another sharing, "I scanned the code from 65 feet away and received accurate walking directions right to my destination." These technologies are undergoing evaluation for potential future systemwide expansion, reinforcing CapMetro's commitment to inclusive and accessible transit experiences.

## FY2026 Projects

### Customer, Community and Workforce Goals

#### Expansion and Evaluation of Accessible Wayfinding Technologies

In FY2026, CapMetro will expand its Accessible Wayfinding Project by extending pilot testing and evaluation to two additional transit centers and the Dean Keaton corridor, building on prior efforts to improve navigation for riders who are blind or have low vision. These pilot projects, which utilize innovative technologies like NaviLens and Waymap, are expected to conclude by the third quarter of FY2026. The project will then shift to a comprehensive evaluation phase focused on analyzing user feedback, system performance and operational data. Findings from this analysis will inform recommendations and define scope requirements for a potential systemwide implementation. The initiative aims to enhance accessibility across CapMetro's network, aligning with the agency's strategic commitment to inclusive and user-centered transit solutions.

#### Enhancing Communication Accessibility for the Deaf and Hard of Hearing

In FY2026, the Systemwide Accessibility Department will continue advancing communication access for individuals who are deaf or hard of hearing by evaluating pilot solutions such as on-demand visual interpretation services, American Sign Language (ASL) translation, captioned video content and other inclusive communication tools. These efforts build on prior research and aim to improve CapMetro's delivery of real-time and static information to riders with communication disabilities. Collaboration across departments will ensure accessibility is integrated into all public-facing communications. The project's objective is to better understand the transit experience of this community and to identify and recommend at least one new communication tool for implementation by Q4 of FY2026. The expected impact is improved information access and service equity for customers who are deaf or hard of hearing.

## Budget Changes

### Salaries and Benefits

Increase of \$9,926 due to approved performance-based increase to become effective in January 2026.

### Other Expenses

Decrease of \$200,420 primarily driven by \$187,100 reduction in Professional Services.

|                                      | FY2024<br>ACTUAL | FY2025<br>BUDGET | FY2025<br>FORECAST | FY2026<br>BUDGET | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|------------------|------------------|--------------------|------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$234,095        | \$236,880        | \$236,880          | \$246,806        | \$9,926                     | 4.2 %                      |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>234,095</b>   | <b>236,880</b>   | <b>236,880</b>     | <b>246,806</b>   | <b>9,926</b>                | <b>—</b>                   |
| Professional Services                | 209,622          | 264,000          | 57,200             | 76,900           | (187,100)                   | (70.9)%                    |
| Fuel and Fluids                      | —                | —                | —                  | —                | —                           | N/A                        |
| Materials and Supplies               | 96               | 100              | 100                | 200              | 100                         | 100.0 %                    |
| Utilities                            | —                | —                | —                  | —                | —                           | N/A                        |
| Insurance                            | —                | —                | —                  | —                | —                           | N/A                        |
| Purchased Transportation             | —                | —                | —                  | —                | —                           | N/A                        |
| Other Expenses                       | 7,023            | 15,500           | 13,853             | 2,080            | (13,420)                    | (86.6)%                    |
| Interest Expense                     | —                | —                | —                  | —                | —                           | N/A                        |
| Lease/Rentals                        | —                | —                | —                  | —                | —                           | N/A                        |
| Interlocal Agreements                | —                | —                | —                  | —                | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>216,741</b>   | <b>279,600</b>   | <b>71,153</b>      | <b>79,180</b>    | <b>(200,420)</b>            | <b>(71.7)%</b>             |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$450,836</b> | <b>\$516,480</b> | <b>\$308,033</b>   | <b>\$325,986</b> | <b>\$(190,494)</b>          | <b>(36.9)%</b>             |

## Transit Police

### Functions and Responsibilities

The mission of the Transit Police Department is to create a secure transit environment through innovative people-centric policing, getting everyone safely to their destinations.

### FY2025 Achievements

#### Customer Goal

#### Transit Police Equipment and Vehicle Modernization

In FY2025, CapMetro Transit Police completed key equipment acquisitions to support the operational readiness, safety and professionalism of the newly established department.

CapMetro procured 20 new hybrid Police Package SUVs to replace aging non-hybrid Taurus patrol vehicles. This investment supports the agency's environmental sustainability goals by reducing fuel consumption and emissions, while also improving officer safety and efficiency. The new vehicles offer greater space for equipment and easier entry and exit for officers. Seventeen of the SUVs feature official CapMetro Transit Police branding, marking the visible launch of the agency's dedicated Transit Police force.

The department outfitted all newly hired Transit Police officers with standard uniforms and personal protective gear. These uniforms enhance officer visibility and professionalism while fostering a unified agency presence. Body armor, including custom-fitted bulletproof vests, is being distributed with staggered delivery timelines due to individualized sizing requirements. This equipment plays a vital role in officer and public safety by providing ballistic protection and enabling rapid response during critical incidents. Officers were also equipped with advanced medical supplies, including tourniquets, to improve life-saving interventions in the field.

These investments lay the foundation for a capable, professional and well-equipped Transit Police Department that supports safe and secure journeys for CapMetro riders and employees.

#### Transit Police Recruitment and Policy Transparency

In FY2025, CapMetro Transit Police completed the hiring process for 12 peace officer positions, including one Captain and two Sergeants, and officially deployed officers into the field, supporting the continued development of the agency's dedicated law enforcement team. In collaboration with the People & Culture Department, CapMetro launched a structured and transparent recruitment process to attract and evaluate qualified candidates.

A key element of this process was the introduction of "Prospect Day," during which selected applicants were invited to complete the required physical fitness test and participate in a formal interview. This format ensured a more efficient and consistent evaluation process while enhancing the applicant experience.

#### Recruitment Metrics:

- Total Applications Received: 179
- Candidates Invited to Prospect Day: 64
- Candidates Invited to Formal Interview: 45

In addition to staffing progress, all CapMetro Transit Police policies were thoroughly reviewed and made publicly available, reinforcing the department's commitment to accountability and transparency. Subcommittee meetings of the Public Safety Advisory Committee were also convened to provide public input and review of the policies, fostering community engagement and trust in the development of CapMetro's public safety strategy.

## FY2026 Projects

### Customer and Community Goals

#### Transit Police Staffing Expansion

In FY2026, the Transit Police Department will continue hiring until the force reaches 20 sworn officers to meet growing service demands. This initiative aims to improve patrol coverage, enhance shift flexibility and support public safety across CapMetro's growing service area. The objective is to complete recruitment, background checks, interviews and training by the end of Q4 FY2026, leading to full deployment of the new officers within the fiscal year. This 45% increase in patrol staffing is expected to improve emergency response times and expand service coverage in high-priority areas, strengthening the department's operational capacity and community presence.

#### Community Engagement and Safety Coordination Initiative

In FY2026, the Transit Police Department will launch a dedicated outreach initiative in coordination with other CapMetro departments to strengthen safety communication with the riding public, increase police visibility on transit routes and foster trust with transit-dependent communities. The objective is to assign at least four officers to lead outreach efforts, including a minimum of four joint community engagement events and ride-alongs by the end of Q4. Key milestones include identifying officers and developing the outreach plan in Q2, initiating cross-departmental engagement activities in Q3 and evaluating outcomes in Q4. The initiative aims to enhance internal coordination, complete at least 20 community-focused events, increase positive public interactions related to transit safety and improve riders' perception of safety, measured through surveys and feedback. This project supports safer transit environments and deeper community-police collaboration within CapMetro.

## Budget Changes

### Salaries and Benefits

Increase of 833,318 due to the net addition of 7 FTEs and the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Decrease of \$34,916 primarily driven by \$46,024 reduction in Materials and Supplies, offset by \$17,718 increase in Professional Services.

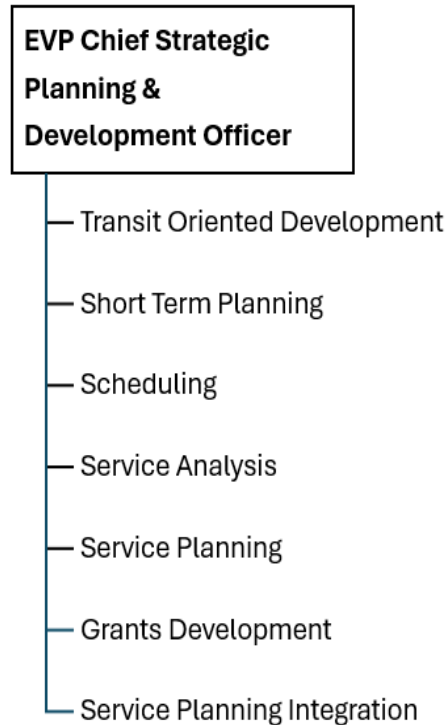
|                                      | FY2024<br>ACTUAL | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET   | Var \$ FY2026<br>vs. FY2025 | Var % FY2026<br>vs. FY2025 |
|--------------------------------------|------------------|--------------------|--------------------|--------------------|-----------------------------|----------------------------|
| Salaries and Benefits                | \$764,384        | \$2,765,321        | \$2,303,940        | \$3,598,639        | \$833,318                   | 30.1 %                     |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>764,384</b>   | <b>2,765,321</b>   | <b>2,303,940</b>   | <b>3,598,639</b>   | <b>833,318</b>              | <b>—</b>                   |
| Professional Services                | 9,467            | 32,215             | 33,865             | 49,933             | 17,718                      | 55.0 %                     |
| Fuel and Fluids                      | —                | —                  | —                  | —                  | —                           | N/A                        |
| Materials and Supplies               | 13,584           | 65,534             | 53,205             | 19,510             | (46,024)                    | (70.2)%                    |
| Utilities                            | —                | —                  | —                  | —                  | —                           | N/A                        |
| Insurance                            | —                | —                  | —                  | —                  | —                           | N/A                        |
| Purchased Transportation             | —                | —                  | —                  | —                  | —                           | N/A                        |
| Other Expenses                       | 13,800           | 34,980             | 36,980             | 28,370             | (6,610)                     | (18.9)%                    |
| Interest Expense                     | —                | —                  | —                  | —                  | —                           | N/A                        |
| Lease/Rentals                        | —                | —                  | —                  | —                  | —                           | N/A                        |
| Interlocal Agreements                | —                | —                  | —                  | —                  | —                           | N/A                        |
| <b>TOTAL OTHER EXPENSES</b>          | <b>36,851</b>    | <b>132,729</b>     | <b>124,050</b>     | <b>97,813</b>      | <b>(34,916)</b>             | <b>(26.3)%</b>             |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$801,235</b> | <b>\$2,898,050</b> | <b>\$2,427,990</b> | <b>\$3,696,452</b> | <b>\$798,402</b>            | <b>27.5 %</b>              |

## Strategic Planning and Development Division

### Functions and Responsibilities

The Strategic Planning and Development Department functions are currently divided into five major areas of responsibility: Service Planning and Scheduling, Regional Planning, Transit-Oriented Development, Metropolitan Mobility and Service Analysis. Each function is designed to support the planning, development, evaluation and delivery of public transportation solutions and infrastructure.

### Organization



### Full-Time Equivalent Staffing Chart

| Division / Department                     | FY2024 Actual | FY2025 Budget | FY2025 Staffing Changes | FY2026 Staffing Changes | FY2026 Budget |
|-------------------------------------------|---------------|---------------|-------------------------|-------------------------|---------------|
| <b>Strategic Planning and Development</b> |               |               |                         |                         |               |
| Strategic Planning and Development        | 29.5          | 31.0          |                         | (1.0)                   | 30.0          |
| <b>Total</b>                              | <b>29.5</b>   | <b>31.0</b>   | <b>—</b>                | <b>(1.0)</b>            | <b>30.0</b>   |

## Budget Changes

| Division / Department                     | FY2024 ACTUAL      | FY2025 BUDGET      | FY2025 FORECAST    | FY2026 BUDGET      | FY2026 v. FY2025 (\$) | FY2026 v. FY2025 (%) |
|-------------------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------------|----------------------|
| <b>Strategic Planning and Development</b> |                    |                    |                    |                    |                       |                      |
| Strategic Planning and Development        | \$5,846,051        | \$8,764,741        | \$6,580,361        | \$6,847,262        | (\$1,917,479)         | (21.9)%              |
| <b>Total</b>                              | <b>\$5,846,051</b> | <b>\$8,764,741</b> | <b>\$6,580,361</b> | <b>\$6,847,262</b> | <b>(\$1,917,479)</b>  | <b>(21.9)%</b>       |

## FY2025 Achievements

### Customer, Organizational Effectiveness and Community Goal

#### Improved Transit Speed and Reliability through Multimodal Corridor Enhancements

In collaboration with the City of Austin, Capital Construction, Engineering and Design and Operations, the Strategic Planning and Development Department successfully delivered multimodal improvements along San Jacinto and Trinity Streets, from MLK Blvd. to 4th Street. Substantial construction was completed in November 2024. The project included the addition of bus-only lanes, protected bike lanes, enhanced pedestrian crossings and a new floating bus stop—directly benefiting 11 routes, including the new 837 Expo Rapid line. These routes collectively accounted for approximately 20% of CapMetro's total bus ridership in March 2025.

Survey data collected at stops and onboard revealed strong user support with 70% of respondents reported being somewhat or totally satisfied with the changes. These improvements demonstrate the program's continued commitment to enhancing speed, reliability and safety across CapMetro's high-ridership corridors.

#### Advanced Transit Plan 2035 through Robust Community Engagement

In FY2025, the Planning and Community Engagement teams successfully led the first round of public engagement for the Transit Plan 2035. This multi-faceted outreach effort included focus groups, pop-up events, a community-wide survey and coordinated digital communications. To foster deeper understanding of transit planning trade-offs, the Planning team collaborated with Marketing to develop "TransitLand," an interactive board game that educates participants on the complexities of designing transit service.



*Public Engagement for the Transit Plan 2035*

To broaden reach and representation, CapMetro hired 15 community connectors to engage with historically underrepresented populations and ensure various community voices were heard. The feedback gathered from these efforts was thoroughly analyzed and published in a summary report available on CapMetro.org. These insights are playing a critical role in shaping the recommendations for Transit Plan 2035 and demonstrate CapMetro's continued commitment to transparency, equity and inclusive planning.

## Implemented the Transit Signal Priority to Improve Rapid Efficiency

In FY2025, CapMetro's Service Analysis and Planning teams partnered with the City of Austin to implement a Transit Signal Priority (TSP) system aimed at improving travel times for all four Rapid routes. TSP enhances operational efficiency by granting early or extended green lights to buses, reducing delays and improving reliability. Working closely with the City's Transportation and Public Works Department, CapMetro successfully activated TSP at 222 traffic signals along the Rapid corridors.

To ensure ongoing performance optimization, the Service Analysis team developed a Power BI dashboard to track TSP requests granted at each signalized intersection. This data-informed approach has led to configuration adjustments that increased the rate of successful TSP activations. As of April 2025, over 390,000 TSP requests have been granted systemwide.

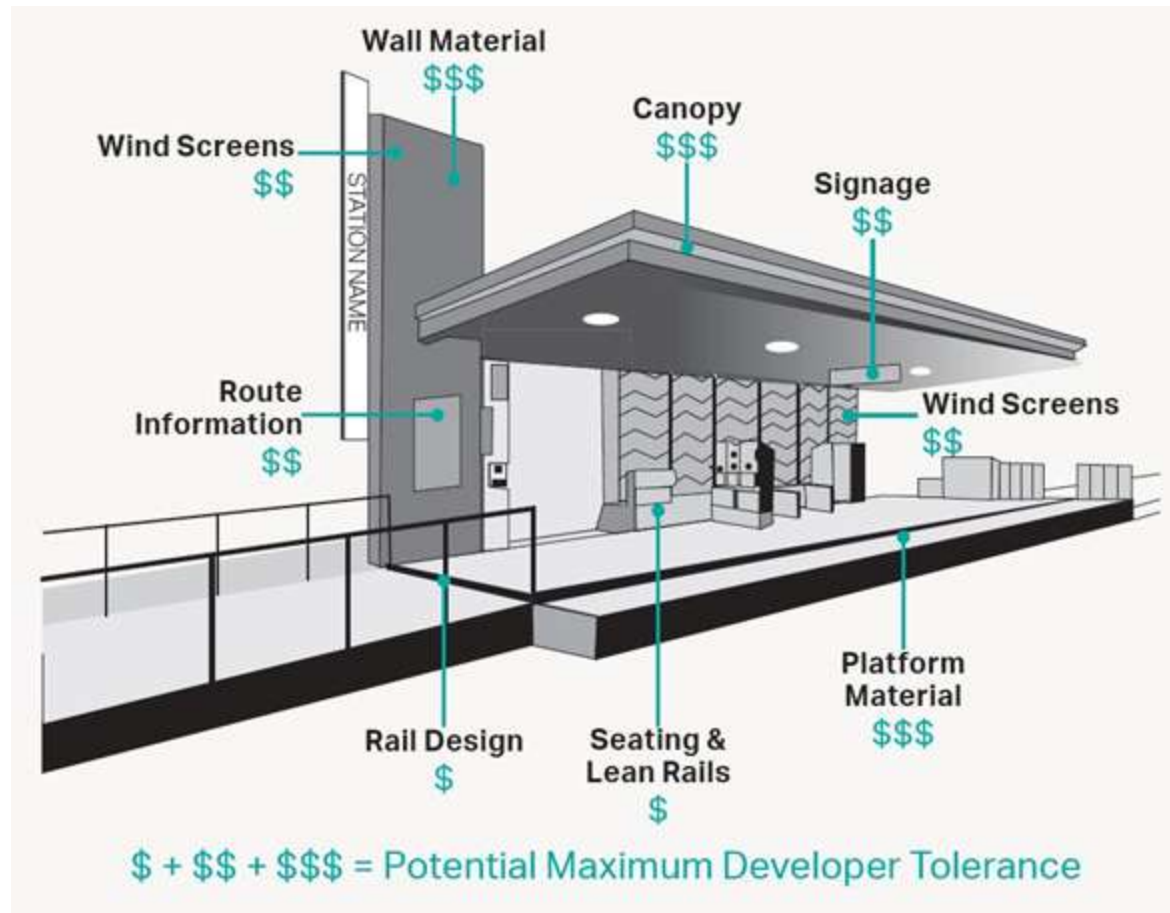
CapMetro also shared its implementation approach and performance monitoring process at the 2025 APTA Mobility Conference, where it received positive feedback from peer transit agencies exploring similar strategies. A formal evaluation of the program's impact on vehicle travel times is underway, with results expected in the coming months to further inform transit speed and reliability improvements.



## Updated Transit-Oriented Development (TOD) Strategic Framework

In FY2025, CapMetro's Transit-Oriented Development (TOD) team completed a comprehensive update to the agency's 2013 Board-approved TOD Policy with the adoption of a new TOD Strategic Plan. This updated plan provides a modernized framework to guide CapMetro's efforts in advancing transit-oriented development that aligns with agency priorities and community needs.

The TOD Strategic Plan strengthens decision-making around resource allocation, solicitation processes and site prioritization. To support implementation, CapMetro also developed a complementary Transit Development Guideline, offering a practical tool for staff, developers and public sector partners to use when planning and negotiating TOD opportunities. Together, these resources reinforce CapMetro's commitment to sustainable, equitable development near transit.



## Enhanced the Lakeline Park & Ride Access

In FY2025, CapMetro reconfigured the entrance drive to the Lakeline Park & Ride through a public-private partnership agreement, achieving the improvement at no cost to the agency. This strategic collaboration enhanced multimodal access and connectivity to adjacent multifamily housing, retail and a medical office building. The resulting improvements are expected to support increased ridership at Lakeline Station by enhancing convenience and accessibility for a broader segment of the community.



***Enhanced Access at Lakeline Park and Ride***

## Developed Technical Tools to Support Transit Plan 2035

In FY2025, the Transit Plan 2035 team led the development of technical applications to support data-driven scenario planning. Leveraging tools such as Power BI, ArcGIS Portal and ArcGIS Online, the team created an interactive Travel Patterns Analysis dashboard, housing data within Snowflake for scalable performance. They also developed an interactive existing conditions analysis and coordinated with IT to publish all final virtual report components for public access.

These applications provide stakeholders with clear, user-friendly access to critical datasets that inform transit planning decisions. The virtual report includes 40 new datasets hosted on ArcGIS Portal, supporting the analysis of existing conditions. Additionally, the team developed 47 web maps and over 100 interactive applications—including dashboards, instant apps, story maps and Hub pages—within ArcGIS Online. The Travel Patterns dashboard processes millions of data points to produce actionable insights, aligning with CapMetro's commitment to transparent, data-informed planning.

## Created a Battery Electric Bus (BEB) Charging Analysis for Optimization

In FY2025, the Service Analysis team collaborated with Bus Operations, Vehicle Maintenance and the Zero Emissions Program to establish CapMetro's first Battery Electric Bus (BEB) Charging Report. This report provides actionable insights into the charging behavior and readiness of the electric fleet, enabling more data-driven decisions. The analysis identified inefficiencies and informed the development of a new Daily Report to guide the assignment of buses to blocks based on charge levels.

As a result of this initiative, low-charge incidents have been reduced and charging schedules are being actively optimized to lower peak-hour energy demand and reduce operational costs. These improvements support increased service reliability for customers and enhance operational efficiency across the agency.

## Re-certified the Automatic Passenger Counter (APC) for FTA Compliance

In FY2025, the Service Analysis Team led the recertification of CapMetro's Automatic Passenger Counter (APC) system in accordance with Federal Transit Administration (FTA) requirements for agencies reporting ridership data to the National Transit Database (NTD). As part of this mandatory triennial process, the team conducted a benchmark study to validate APC accuracy, document the APC system and sampling methodology and compare APC data against manual passenger counts collected through the onboard camera system.

This comprehensive effort ensures continued compliance with federal reporting standards, enhances data reliability and supports CapMetro's commitment to transparency and data-driven decision-making. The agency has one year to complete and submit the final recertification report to the FTA.

### **Continued the Mobility Management Grant for Support of Seniors and Individuals with Disabilities**

In FY2025, CapMetro received continued funding through the Federal Transit Administration's Section 5310 program, which is designed to enhance mobility for seniors and individuals with disabilities by addressing the unique transportation needs of transit-dependent populations.

This biennial grant supports partial funding for key OMM staff positions and enables expanded community engagement and project implementation. FY2025 efforts included the development and distribution of the Greater Austin Transportation Services and Senior Ride Guide, a resource that improves access to mobility services for older adults and individuals with disabilities.

These initiatives advance the goals and objectives of the Regional Transportation Coordination Committee (RTCC) Plan, promoting equitable and inclusive transportation options across the region.

### **Successful Inclusion of Long-Range Transit Projects in CAMPO 2050 RTP**

In FY2025, CapMetro submitted 34 transit projects totaling approximately \$2.6 billion for inclusion in the Capital Area Metropolitan Planning Organization's (CAMPO) 2050 Regional Transportation Plan (RTP). These projects represent key elements of the agency's long-range financial and service vision and are foundational to regional mobility and infrastructure expansion efforts.

CapMetro achieved full inclusion of its constrained project list, with 100% of submitted projects—totaling approximately \$2.3 billion—incorporated into CAMPO's draft 2050 RTP. This milestone secures the eligibility of these projects for potential federal funding and reimbursement over the next 25 years, supporting strategic investment in equitable, multimodal transit solutions across the Central Texas region.

## **FY2026 Projects**

### **Community, Customer and Organizational Effectiveness Goals**

#### **Cameron/Dessau Corridor Multimodal Safety and Transit Enhancement**

In FY2026, CapMetro will support multimodal safety and transit priority improvements along the Cameron/Dessau Road corridor—an essential north-south route where nearly 100 people are injured or killed in traffic crashes annually. Planned improvements include reconfiguring vehicle lanes for safer multimodal operations, adding protected bike lanes and shared-use paths, installing new or enhanced pedestrian crossings, improving driveway access to reduce conflict points, upgrading street lighting and enhancing bus stop safety. Up to 32 bus stops—representing approximately 1% of CapMetro's total system—will be upgraded or relocated to improve speed and reliability for the seven bus routes serving this corridor. These routes account for approximately 22% of weekday ridership as of March 2025. The project is expected to reduce average bus travel times, improve on-time performance and lower the incidence of both bus-related and general-purpose traffic crashes.



**Cameron/Dessau Corridor Improvements**

## Crestview Station Preliminary Engineering and Multimodal Planning

In FY2026, CapMetro will complete up to 15% preliminary engineering for a comprehensive, multimodal vision at Crestview Station—the only planned intersection of Project Connect Light Rail and the existing Red Line. This effort will integrate multiple transit modes, address the complexities of the North Lamar and Airport Boulevard intersection and proactively plan for future operational capacity, mobility and connectivity. The project will also support near-term access improvements to the adjacent 320-unit affordable housing development at 6909 Ryan Drive. Deliverables will include conceptual design, an alternatives analysis and actionable recommendations for capital investments, zoning updates and implementation strategies. The 15% engineering milestone will guide CapMetro and regional stakeholders in aligning infrastructure planning with anticipated growth and ensuring a safer, more accessible and economically vibrant corridor.



***Future Crestview Station Location***

## **Full Implementation of Rapid 837 and 800 Service Enhancements**

In FY2026, CapMetro will fully implement service enhancements for the Rapid 837-Expo and 800-Pleasant Valley lines, meeting the commitments outlined in the federal grant and Project Connect. This includes the coordinated deployment of stations, vehicles, facilities and service levels. Upon completion of the new Exposition Center and Goodnight Ranch Park & Rides, CapMetro will phase in battery electric buses (BEBs) to enable fully electric operation of both routes.

Service frequency will be enhanced to 10-minute headway on weekdays and 15-minute headway on weekends, improving access and reliability for high-ridership corridors. These enhancements support the agency's zero-emission goals and optimize the use of end-of-line charging infrastructure.

## **CAD/AVL and Farebox System Replacement and Performance Integration**

In FY2026, the Service Analysis team will support the agency-wide replacement of the Computer Aided Dispatch and Automatic Vehicle Location (CAD/AVL) systems on more than 400 buses and 10 trains. This modernization initiative will enhance real-time service monitoring, improve system reliability and reduce long-term maintenance costs. The existing system has reached the end of its lifecycle, making this a critical investment to maintain operational effectiveness.

The Service Analysis team will actively participate in project implementation meetings and lead efforts to test and validate data integrations. A key objective is to ensure that the upgraded systems provide accurate, timely data for key performance indicators (KPIs), including ridership and on-time performance. The project is scheduled for completion by the end of FY2027.

## **Farebox and Vault System Replacement**

In FY2026, the Service Analysis team will play a critical role in the agency-wide project to replace fareboxes and vaults on over 400 buses. This modernization effort ensures continued access to cash payment options for riders while significantly reducing maintenance costs associated with aging equipment. With the current fare collection system approaching the end of its lifecycle, this upgrade is essential for maintaining service reliability and accessibility.

The Service Analysis team will support the implementation by participating in project coordination meetings and leading the testing and validation of related data systems. A key focus will be ensuring accurate tracking of fare media usage, including cash payments, to support the timely reporting of key performance indicators (KPIs). The project aligns with CapMetro's goals of operational efficiency, equity and customer-focused service delivery.

## I-35 Construction Response – Service Adjustments and Mobility Hub Implementation

In FY2026, the Strategic Planning and Development Department will begin implementing projects funded through the City of Austin's Climate Pollution Reduction Grant (CPRG) to mitigate service disruptions resulting from I-35 construction. These efforts will include schedule adjustments on impacted routes—totaling up to 6,570 service hours—to maintain service frequency and reduce disruption for riders. The project also includes Express Bus enhancements and the construction and installation of new mobility hubs to support last-mile connectivity. As a result, CapMetro expects to maintain service frequency on routes crossing I-35 and achieve growth in Express Bus ridership during FY2026. These improvements will help ensure continued reliability and access while major infrastructure work is underway.

## Budget Changes

### Salaries and Benefits

Decrease of \$254,664 due to a revised method in vacancy budgeting, which no longer includes provisions for vacant roles, partially offset by the approved performance-based pay increase to become effective in January 2026.

### Other Expenses

Decrease of \$1,662,815 driven by a reduction of \$1,562,704 in Professional Services due to the completion of the service equity analysis, the Bikeshare strategic expansion plan phase II, Red Line trail study and the Bergstrom Spur transit feasibility study, as well as a timing adjustment to the ETOD strategy framework expenses.

|                                      | FY2024<br>ACTUAL   | FY2025<br>BUDGET   | FY2025<br>FORECAST | FY2026<br>BUDGET   | Var \$ FY2026<br>vs. FY2025 | Var %<br>FY2026<br>vs. FY2025 |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------------------|-------------------------------|
| Salaries and Benefits                | \$3,343,370        | \$3,637,612        | \$3,488,193        | \$3,382,948        | \$(254,664)                 | (7.0)%                        |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>3,343,370</b>   | <b>3,637,612</b>   | <b>3,488,193</b>   | <b>3,382,948</b>   | <b>(254,664)</b>            | <b>(7.0)%</b>                 |
| Professional Services                | 2,370,732          | 3,849,204          | 1,809,764          | 2,286,500          | (1,562,704)                 | (40.6)%                       |
| Fuel and Fluids                      | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Materials and Supplies               | (822)              | 14,500             | 13,500             | 14,500             | —                           | 0.0 %                         |
| Utilities                            | 4,842              | 8,160              | 8,160              | 11,040             | 2,880                       | 35.3 %                        |
| Insurance                            | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Purchased Transportation             | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Other Expenses                       | 127,930            | 255,265            | 260,744            | 152,278            | (102,987)                   | (40.3)%                       |
| Interest Expense                     | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Lease/Rentals                        | —                  | —                  | —                  | —                  | —                           | N/A                           |
| Interlocal Agreements                | 492,855            | 1,000,000          | 1,000,000          | 999,996            | (4)                         | 0.0 %                         |
| <b>TOTAL OTHER EXPENSES</b>          | <b>2,995,537</b>   | <b>5,127,129</b>   | <b>3,092,168</b>   | <b>3,464,314</b>   | <b>(1,662,815)</b>          | <b>(32.4)%</b>                |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>\$6,338,907</b> | <b>\$8,764,741</b> | <b>\$6,580,361</b> | <b>\$6,847,262</b> | <b>\$(1,917,479)</b>        | <b>(21.9)%</b>                |

7

# Glossary



CapMetro

**AAC:** Access Advisory Committee

**ACFR:** Annual Comprehensive Financial Report

**ADA:** Americans with Disabilities Act – Federal legislation enacted to provide guidelines for assuring access to persons with disabilities.

**APTA:** American Public Transportation Association is a non-profit international organization that represents all modes of public transportation in North America. APTA's membership includes over 1,500 public and private sector organizations involved in various aspects of public transportation, such as transit systems, planning, design, construction, finance, product and service providers, and academic institutions.

**ATP:** Austin Transit Partnership, the joint-venture local government corporation between CapMetro and the City of Austin that will oversee implementation of Project Connect.

**BEB:** Battery Electric Bus

**Boardings:** Number of passengers utilizing transit service, measured on entrance of vehicle.

**Boom Truck:** A commercial vehicle equipped with a hydraulic crane and a telescopic boom used for lifting, carrying, and positioning heavy loads, particularly at elevated heights.

**Build Central Texas** was created in 1994 to support the transportation infrastructure for the Austin metropolitan area. This is an ongoing program with seven elements: 1) street maintenance, 2) emergency street repair, 3) transit corridor improvements, 4) pedestrian and bicycle safety/access, 5) sidewalks, 6) transit centers and 7) transit capital improvements.

**Building Envelop:** The physical barrier between a building's interior and exterior environments.

**CAD:** Computer Aided Dispatch

**Capital Budget:** The portion of the budget that provides funding for improvement projects, other projects and major equipment purchases. Generally, a capital item costs over \$5,000 and has a useful life in excess of 1 year.

**Capital Expenditure:** Expenditures made to purchase capital assets or increase the efficiency, capacity, useful life or economy of an existing asset.

**CAMPO:** Capital Area Metropolitan Planning Organization

**CapMetro Access:** Paratransit services (parallel to fixed-route services) provided to customers with disabilities, established in accordance with the ADA.

**CapMetro Bikeshare:** An electric assist bicycle-sharing system providing a first and last mile transportation solution with strong ties to both equity and sustainability.

**CapMetro Rapid:** A fixed-route service that brings together a set of unique features to result in faster, more convenient service for the community. Some of the features of this service include limited stops, boarding from all doors, unique and upgraded stations with real-time departure information and vehicles equipped with signal priority technology.

**CapMetro Vanpool:** A service in which vehicles are provided for a group of people who live and work near each other.

**CARTS:** Capital Area Rural Transportation System

**CEO:** Chief Executive Officer

**CFR:** Code of Federal Regulations

**CIP:** Capital Improvement Plan

**Commuter Rail:** Railway for urban passenger train service consisting of local short-distance travel operating between a central city and adjacent suburbs.

**COOP:** Continuity of Operations

**CSAC:** Customer Satisfaction Advisory Committee

**CTECC:** Combined Transportation Emergency & Communications Center

**DBE:** Disadvantaged Business Enterprise

**Demand Response:** Service that is provided on an “as needed” basis.

**Diesel Multiple Unit (DMU):** Multiple-unit train (or “railcar”) powered by onboard diesel engines. A DMU requires no separate locomotive, as the engines are incorporated into one or more of the carriages.

**EEO:** Equal Employment Opportunity

**ESMS:** Environmental and Sustainability Management System - A structured, team-based framework that enables organizations to systematically identify, manage and improve the environmental impacts of their operations, to integrate environmental management stakeholder engagement and plan development.

**ETOD:** Equitable transit-oriented development

**EVP:** Executive Vice President

**Facility Condition Assessments (FCA):** A comprehensive evaluation of a building's physical condition and its assets, aiming to identify existing and potential failures that could impact its performance or integrity.

**Fare Recovery:** Fare revenue divided by operating expenses.

**FAST Act:** Fixing America's Surface Transportation Act

**FEMA:** Federal Emergency Management Agency

**Fiscal Year:** A 12-month period for which an organization plans the use of its funds, which does not necessarily correspond to a calendar year. The fiscal year adopted by CapMetro is from October 1 through September 30.

**Fixed Route:** Buses or trains that operate on a predetermined route with a predetermined schedule.

**Fixed-Route Bus:** CapMetro Local, which includes Rapid, UT Shuttles and Flyers and Express routes.

**FRA:** Federal Railroad Administration

**FTA:** Federal Transit Administration - The agency of the federal government within the U.S. Department of Transportation that is responsible for providing, administering and monitoring funds to transit agencies.

**FTE:** Full-Time Equivalent

**Full-Time Equivalent Position (FTE):** A position converted to the decimal equivalent of a full-time position based on 2,080 hours per year.

**Fund Balance:** Fund Balance is the cash on hand used to pay monthly operating costs, such as salaries, staff health costs, fuel, supplies, utilities and other expenses.

**FY:** Fiscal year

**GAAP:** Generally accepted accounting principles, conventions, rules and procedures necessary to describe accepted accounting practices at a particular time.

**GASB 87:** Governmental Accounting Standards Board Statement No. 87. This statement requires recognition of certain lease assets and liabilities for all leases, including those that previously were classified as operating leases and recognized as income by lessors and expenditures by lessees.

**GASB 96:** Governmental Accounting Standards Board Statement No. 96. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements for government.

**GFOA:** Government Finance Officers Association of the United States and Canada

**Grant:** Revenue from another government body or organization, usually in support of a specific program or function.

**HCM:** Human Capital Management

**HMIS:** Homeless Management Information System

**IC<sup>2</sup> Institute:** Interlocal Cooperation Contract Services

**ICT:** Information and Communication Technology

**IFB:** Invitation for bids

**ILA:** An interlocal agreement is used when a district performs for or receives a service from a local governmental entity. These agreements are pursuant to the Interlocal Cooperation Contracts Act, Chapter 791 of the Texas Government Code.

**Indefinite Delivery Indefinite Quantity (IDIQ) Contract:** A type of contract used when the exact quantity of goods or services needed is not known at the time of award, but a general scope of work is defined.

**KPI:** Key Performance Indicator

**Long-Range Financial Plan:** A 10-year plan that forecasts the financial resources and projected expenditures based on planned levels of service and strategic goals.

**Member City:** A municipality/jurisdiction that, by voter approval, allocates 1% of its sales tax to CapMetro for transit services.

**Microtransit:** Small-scale, on-demand public transit service that can offer fixed routes and schedules, or flexible routes and on-demand scheduling. Pickup by CapMetro is microtransit mode.

**Obligation:** Funds that have been obligated to a specific purpose but have not been spent.

**On-Time Performance (Fixed-route):** On-time performance is no more than 0 seconds early and no more than 5 minutes late.

**On-Time Performance (Paratransit):** On-time performance is a vehicle's arrival within the 30-minute ready window negotiated with the registered paratransit customer at time of booking.

**Operating Budget:** The portion of the budget that provides for the day-to-day operation of CapMetro.

**OTP:** On-time performance

**P&C:** People & Culture

**Paratransit Services:** Transportation services (parallel to fixed-route services) provided to riders with disabilities established in accordance with ADA.

**Park & Ride:** A transport system in which drivers leave their cars in a place and travel by train or bus.

**Passenger Revenue:** Revenue earned through fares charged directly to passengers for transit services.

**Pathway Assessment:** Program in place to assess customer pathways throughout the region with the goal of eliminating barriers to accessing the fixed-route bus system. The focus is on highly functional paratransit-eligible customers who must use paratransit services due to architectural or other barriers that prevent them from riding fixed-route services.

**Pickup Service:** On-demand transit service that provides riders with point-to-point service in designated service zones.

**PPE:** Personal Protective Equipment is equipment worn to minimize exposure to hazards that cause serious workplace injuries and illnesses. Personal protective equipment may include items such as gloves, safety glasses and shoes, earplugs or muffs, hard hats, respirators, coveralls, vests and full bodysuits.

**Project Connect:** A transformational expansion of the region's public transit system, designed to improve access to essential jobs, health care and education. Established as a separate organization, the Austin Transit Partnership (ATP) will guide the Project Connect investment with transparency and accountability throughout the program.

**PSAC:** Public Safety Advisory Committee.

**PTC:** Positive train control is an advanced system designed to automatically stop a train before certain accidents occur. In particular, PTC is designed to prevent train-to-train collisions, derailments caused by excessive train speed and train movements through misaligned track switches.

**Purchased Transportation:** Transportation service provided to a public transit agency or governmental unit from a public or private transportation provider based on a written contract.

**Regional Partner:** A municipality/jurisdiction whose governing body voted to enter into an Interlocal Agreement (ILA) with CapMetro to complete/update a Transit Development Plan (TDP) and/or for CapMetro to provide contracted transit services.

**Revenue Service:** Transit service run for the purpose of generating revenue, with a route beginning and endpoint, distinguished from trips run for maintenance purposes or trips that carry riders without charge.

**RFP:** Request for proposals

**RFQ:** Request for quotes

**RTP:** Regional Transportation Plan

**Ridership:** The total number of boardings, also called "Unlinked Passenger Trips." May be based on farebox counts, driver counts or estimates.

**Sales Tax:** Sales tax revenue is accrued monthly based on information provided by the Texas Comptroller of Public Accounts.

**SAV:** Site Assistance Visit - a type of visit, often conducted by a government or organizational team, to a specific location (like a facility or a business) to offer guidance, support, or to assess compliance with certain standards or regulations.

**SBE:** Small Business Enterprise

**SEO:** Site Environmental Observation - systematically observing and documenting the surrounding environment at a specific location.

**Service Area:** All of Austin and several surrounding areas within Travis County and Williamson County extending more than 500 square miles.

**Special Events:** Transit service provided to support events occurring in the city.

**STAR:** The Federal Transit Administration (FTA)'s Strategic Transit Automation Research (STAR) Plan is a five-year plan outlining the agency's research agenda for advancing automated bus transit systems.

**TAM:** Transit Asset Management (TAM) is a systematic approach used by public transportation agencies to manage their capital assets throughout their lifecycle, according to the Federal Transit Administration.

**TDM:** Transportation Demand Management

**TDP:** Transit development plan

**TEF:** Transit Empowerment Fund - This program provides transit passes at a discount for social service agencies to distribute as needed to their clients.

**TOD:** Transit-oriented development

**TrAMS:** Transit Award Management System

**Transit Operations:** Authority functions directly or indirectly related to the provision of transportation service.

**TSP:** Transit Signal Priority (TSP) is a traffic management strategy that prioritizes buses and other public transit vehicles at signalized intersections to improve their speed and reliability.

**TTI:** Texas A&M's Texas Transportation Institute

**TxDOT:** Texas Department of Transportation

**UHC:** United Healthcare

**UT Shuttle:** The bus service provided to connect students, faculty and staff with the University of Texas campus.

**UZA:** Urbanized areas

**VP:** Vice President

**Vehicle Hours:** The total number of hours that the buses are in service, including both revenue and deadhead hours.

**Vehicle Miles:** The total number of miles traveled while the buses are in service. This includes both revenue and deadhead miles.

**WCAG:** Web Content Accessibility Guidelines

**Zero-based Budgeting:** A method of budgeting in which all expenditures must be justified each new budget period, as opposed to only explaining the amounts requested in excess of the previous period's funding.

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CapMetro

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## Appendices



**CapMetro**

| Project Name                                                            | FY2026<br>Approved<br>Budget | FY2027<br>Planned | FY2028<br>Planned | FY2029<br>Planned | FY2030<br>Planned | TOTAL              | Page |
|-------------------------------------------------------------------------|------------------------------|-------------------|-------------------|-------------------|-------------------|--------------------|------|
| <b>Facilities and Real Estate</b>                                       |                              |                   |                   |                   |                   |                    |      |
| Facility Enhancements                                                   | \$40,565,698                 | \$52,721,639      | \$43,437,500      | \$0               | \$0               | \$136,724,837      | A-4  |
| Facility Enhancements Grants and Capital Contributions                  | (5,200,000)                  | (12,000,000)      | (2,800,000)       | —                 | —                 | (20,000,000)       | A-4  |
| Facility State of Good Repair                                           | 3,368,722                    | 2,900,000         | 2,600,000         | 2,580,000         | 2,580,000         | 14,028,722         | A-5  |
| <b>Facilities and Real Estate Net Total</b>                             | <b>38,734,420</b>            | <b>43,621,639</b> | <b>43,237,500</b> | <b>2,580,000</b>  | <b>2,580,000</b>  | <b>130,753,559</b> |      |
|                                                                         |                              |                   |                   |                   |                   |                    |      |
| <b>Information Technology Systems and Infrastructure</b>                |                              |                   |                   |                   |                   |                    |      |
| Information Technology - Enterprise Systems                             | 3,430,000                    | —                 | —                 | —                 | —                 | 3,430,000          | A-6  |
| Information Technology - Infrastructure                                 | 1,400,000                    | 1,000,000         | 5,000,000         | 2,000,000         | 1,300,000         | 10,700,000         | A-7  |
| Information Technology - Transit Systems                                | 10,821,815                   | 4,400,000         | 3,678,660         | —                 | 3,674,997         | 22,575,472         | A-8  |
| <b>Information Technology Systems and Infrastructure Net Total</b>      | <b>15,651,815</b>            | <b>5,400,000</b>  | <b>8,678,660</b>  | <b>2,000,000</b>  | <b>4,974,997</b>  | <b>36,705,472</b>  |      |
|                                                                         |                              |                   |                   |                   |                   |                    |      |
| <b>Infrastructure Development</b>                                       |                              |                   |                   |                   |                   |                    |      |
| Bus Stop Amenities and Enhancements                                     | 5,633,786                    | 4,689,600         | 4,579,200         | 4,140,000         | 3,794,000         | 22,836,586         | A-9  |
| Facility Enhancements                                                   | 4,200,000                    | 9,045,693         | 200,000           | 200,000           | 200,000           | 13,845,693         | A-10 |
| Infrastructure Enhancements                                             | 10,700,000                   | 4,956,000         | 3,217,000         | 817,000           | 560,000           | 20,250,000         | A-11 |
| Infrastructure Enhancements Grants and Capital Contributions            | (530,278)                    | —                 | —                 | —                 | —                 | (530,278)          | A-11 |
| <b>Infrastructure Development Net Total</b>                             | <b>20,003,508</b>            | <b>18,691,293</b> | <b>7,996,200</b>  | <b>5,157,000</b>  | <b>4,554,000</b>  | <b>56,402,001</b>  |      |
|                                                                         |                              |                   |                   |                   |                   |                    |      |
| <b>Railroad Commuter</b>                                                |                              |                   |                   |                   |                   |                    |      |
| Railroad Commuter Enhancements                                          | 20,017,931                   | 31,644,253        | 16,798,060        | 10,390,159        | 2,000,000         | 80,850,403         | A-12 |
| Railroad Commuter Enhancements Grants and Capital Contributions         | (1,304,310)                  | (2,800,000)       | (7,994,471)       | (4,675,449)       | —                 | (16,774,230)       | A-12 |
| Railroad Commuter State of Good Repair                                  | 1,321,470                    | 2,076,470         | 2,126,470         | 1,426,470         | 1,476,471         | 8,427,351          | A-13 |
| Railroad Commuter State of Good Repair Grants and Capital Contributions | (1,321,470)                  | (2,076,470)       | (2,126,470)       | (1,426,470)       | (1,476,471)       | (8,427,351)        | A-13 |
| <b>Railroad Commuter Net Total</b>                                      | <b>18,713,621</b>            | <b>28,844,253</b> | <b>8,803,589</b>  | <b>5,714,710</b>  | <b>2,000,000</b>  | <b>64,076,173</b>  |      |

| Project Name                                                                | FY2026<br>Approved<br>Budget | FY2027<br>Planned   | FY2028<br>Planned   | FY2029<br>Planned  | FY2030<br>Planned  | TOTAL               | Page |
|-----------------------------------------------------------------------------|------------------------------|---------------------|---------------------|--------------------|--------------------|---------------------|------|
| <b>Railroad Freight</b>                                                     |                              |                     |                     |                    |                    |                     |      |
| Railroad Freight Enhancements                                               | 1,300,000                    | 2,300,000           | 1,900,000           | 2,000,000          | 2,515,000          | 10,015,000          | A-14 |
| Railroad Freight Enhancements Grants and Capital Contributions              | (451,268)                    | —                   | —                   | —                  | —                  | (451,268)           | A-14 |
| <b>Railroad Freight Net Total</b>                                           | <b>848,732</b>               | <b>2,300,000</b>    | <b>1,900,000</b>    | <b>2,000,000</b>   | <b>2,515,000</b>   | <b>9,563,732</b>    |      |
|                                                                             |                              |                     |                     |                    |                    |                     |      |
| <b>Public Safety and Emergency Management</b>                               |                              |                     |                     |                    |                    |                     |      |
| Public Safety and Emergency Management Equipment and Enhancements           | 974,262                      | 1,299,835           | 945,825             | 1,461,825          | 1,483,136          | 6,164,883           | A-15 |
| <b>Public Safety and Emergency Management Net Total</b>                     | <b>974,262</b>               | <b>1,299,835</b>    | <b>945,825</b>      | <b>1,461,825</b>   | <b>1,483,136</b>   | <b>6,164,883</b>    |      |
|                                                                             |                              |                     |                     |                    |                    |                     |      |
| <b>Project Connect</b>                                                      |                              |                     |                     |                    |                    |                     |      |
| Project Connect                                                             | 33,334,507                   | 5,571,022           | —                   | —                  | —                  | 38,905,529          | A-16 |
| Project Connect Grants and Capital Contributions                            | (33,334,507)                 | (5,571,022)         | —                   | —                  | —                  | (38,905,529)        | A-16 |
| <b>Project Connect Net Total</b>                                            | <b>—</b>                     | <b>—</b>            | <b>—</b>            | <b>—</b>           | <b>—</b>           | <b>—</b>            |      |
|                                                                             |                              |                     |                     |                    |                    |                     |      |
| <b>Vehicles</b>                                                             |                              |                     |                     |                    |                    |                     |      |
| Bus Fleet                                                                   | 835,946                      | 46,250,000          | —                   | 28,667,000         | —                  | 75,752,946          | A-17 |
| Bus Fleet Grants and Capital Contributions                                  | (835,946)                    | (3,091,143)         | —                   | (3,091,143)        | —                  | (7,018,232)         | A-17 |
| Fleet System Enhancements                                                   | 4,932,040                    | 428,940             | —                   | —                  | —                  | 5,360,979           | A-18 |
| Non-Revenue Fleet                                                           | 1,880,000                    | 635,000             | 1,254,000           | 765,314            | 578,000            | 5,112,314           | A-19 |
| Paratransit Fleet                                                           | 300,000                      | 1,887,000           | 3,233,000           | 2,190,000          | 3,679,000          | 11,289,000          | A-20 |
| <b>Vehicles Net Total</b>                                                   | <b>7,112,040</b>             | <b>46,109,797</b>   | <b>4,487,000</b>    | <b>28,531,171</b>  | <b>4,257,000</b>   | <b>90,497,007</b>   |      |
| Capital Project Contingency                                                 | 10,000,000                   | 2,000,000           | 2,000,000           | 2,000,000          | 2,000,000          | 18,000,000          | A-21 |
| <b>Grand Total Capital Spending</b>                                         | <b>155,016,177</b>           | <b>173,805,452</b>  | <b>90,969,715</b>   | <b>58,637,768</b>  | <b>25,840,604</b>  | <b>504,269,716</b>  |      |
| <b>Grand Total Grants and Capital Contributions</b>                         | <b>(42,977,779)</b>          | <b>(25,538,635)</b> | <b>(12,920,941)</b> | <b>(9,193,062)</b> | <b>(1,476,471)</b> | <b>(92,106,888)</b> |      |
| <b>Grand Total Capital Spending Net of Grants and Capital Contributions</b> | <b>112,038,398</b>           | <b>148,266,817</b>  | <b>78,048,774</b>   | <b>49,444,706</b>  | <b>24,364,133</b>  | <b>412,162,828</b>  |      |

## Summary

| FY2026 - FY2030 Capital Improvement Plan |               |               |              |              |              |               |
|------------------------------------------|---------------|---------------|--------------|--------------|--------------|---------------|
|                                          | FY2026        | FY2027        | FY2028       | FY2029       | FY2030       | Total         |
| <b>Spending Categories</b>               |               |               |              |              |              |               |
| Other                                    | \$155,016,177 | \$173,805,452 | \$90,969,715 | \$58,637,768 | \$25,840,604 | \$504,269,716 |
| <b>Total</b>                             | 155,016,177   | 173,805,452   | 90,969,715   | 58,637,768   | 25,840,604   | 504,269,716   |
| <b>Funding Sources</b>                   |               |               |              |              |              |               |
| Local Funds                              | 112,038,398   | 148,266,817   | 78,048,774   | 49,444,706   | 24,364,133   | 412,162,828   |
| Grants                                   | 25,846,385    | 19,967,613    | 12,920,941   | 9,193,062    | 1,476,471    | 69,404,472    |
| Other Capital Contributions              | 17,131,394    | 5,571,022     | —            | —            | —            | 22,702,416    |
| <b>Total</b>                             | \$155,016,177 | \$173,805,452 | \$90,969,715 | \$58,637,768 | \$25,840,604 | \$504,269,716 |

**Project Name** Facility Enhancements **Project Type** Facilities and Real Estate

## Project Description

This project category includes build-out of the new 3100 East 5th Street administration building, Demand Response North Base, 624 North Pleasant Valley Paratransit Eligibility space, 9315 Old McNeil Road administrative space, the completion of the 9315 rail O&M facility extension, site improvements for the leased facility at 817 West Howard Lane and the owned 5315 East Ben White facility, and several other key projects, including sustainability and energy reduction initiatives that will support the enhancements of CapMetro's existing facilities.

| FY2026 - FY2030 Capital Improvement Plan |              |              |              |        |        |               |
|------------------------------------------|--------------|--------------|--------------|--------|--------|---------------|
|                                          | FY2026       | FY2027       | FY2028       | FY2029 | FY2030 | Total         |
| <b>Spending Categories</b>               |              |              |              |        |        |               |
| Other                                    | \$40,565,698 | \$52,721,639 | \$43,437,500 | \$0    | \$0    | \$136,724,837 |
| <b>Total</b>                             | 40,565,698   | 52,721,639   | 43,437,500   | —      | —      | 136,724,837   |
| <b>Funding Sources</b>                   |              |              |              |        |        |               |
| Local Funds                              | 35,365,698   | 40,721,639   | 40,637,500   | —      | —      | 116,724,837   |
| Grants                                   | 5,200,000    | 12,000,000   | 2,800,000    | —      | —      | 20,000,000    |
| Other Capital Contributions              | —            | —            | —            | —      | —      | —             |
| <b>Total</b>                             | \$40,565,698 | \$52,721,639 | \$43,437,500 | \$0    | \$0    | \$136,724,837 |

## Estimated Operating Cost Impact

Overall operating costs will increase since more square footage is being provided due to growth, but cost per square foot will reduce since new spaces will be more energy efficient.

## Project Benefits

Renovated space at the new administration building will continue to consolidate administrative staff to reduce costs and improve synergy. Energy conservation measures will reduce operating costs and make CapMetro more sustainable. Increasing storage at the rail facility will improve the effectiveness for rail maintenance and operations and free up maintenance bays for bus operations. Other enhancements will support growth, improve safety, correct ADA issues, and increase facility reliability and resiliency. Moving Paratransit Eligibility into an owned building in FY26 will reduce expenses. Design is underway for a new owned Demand Response North Base operations and maintenance facility.

## Strategic Priority and Objective

These projects support the following strategic priorities and objectives: Customer - Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Organizational Effectiveness - Deliver responsibly and sustainably on the mission. Plus Workforce: Invest in a productive and valued workforce.

**Project Name** Facility State of Good Repair

**Project Type** Facilities and Real Estate

## Project Description

This project category includes state of good repairs/replacements for items such as roofs, vehicle lifts, vehicle maintenance equipment, HVAC equipment, electrical equipment, generators, uninterruptable power supplies, automatic transfer switches, lighting, lighting controllers, building automation system equipment, vehicle wash systems, and other facility assets.

| FY2026 - FY2030 Capital Improvement Plan |             |             |             |             |             |              |
|------------------------------------------|-------------|-------------|-------------|-------------|-------------|--------------|
|                                          | FY2026      | FY2027      | FY2028      | FY2029      | FY2030      | Total        |
| <b>Spending Categories</b>               |             |             |             |             |             |              |
| Other                                    | \$3,368,722 | \$2,900,000 | \$2,600,000 | \$2,580,000 | \$2,580,000 | \$14,028,722 |
| <b>Total</b>                             | 3,368,722   | 2,900,000   | 2,600,000   | 2,580,000   | 2,580,000   | 14,028,722   |
| <b>Funding Sources</b>                   |             |             |             |             |             |              |
| Local Funds                              | 3,368,722   | 2,900,000   | 2,600,000   | 2,580,000   | 2,580,000   | 14,028,722   |
| Grants                                   | —           | —           | —           | —           | —           | —            |
| Other Capital Contributions              | —           | —           | —           | —           | —           | —            |
| <b>Total</b>                             | \$3,368,722 | \$2,900,000 | \$2,600,000 | \$2,580,000 | \$2,580,000 | \$14,028,722 |

## Estimated Operating Cost Impact

No new operating costs are expected to be incurred as a result of these projects and in some cases, equipment will be more energy efficient which will reduce operating expenses.

## Project Benefits

Proactively replacing equipment at the end of its useful life maintains assets in a state of good repair, reduces reactive maintenance and higher asset replacement costs and, in some cases, increases operating efficiencies and reduces overall operating costs. Proactively replacing assets also allows for designs to be completed when applicable, to better meet CapMetro's sustainability vision versus reacting to failed equipment that can cause business interruptions and has to be addressed via emergency purchase orders, excessive overtime, and expedited costs to receive equipment based on what is available, not what is preferred for energy efficiency, operability, resiliency, etc.

## Strategic Priority and Objective

These projects support the following strategic priorities and objectives: Customer: Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Organizational Effectiveness: Deliver responsibly and sustainably on the mission.

**Project Name** Information Technology - Enterprise Systems **Project Type** Information Technology Systems and Infrastructure

## Project Description

This project category includes back office systems, web resources, data services and business intelligence.

| FY2026 - FY2030 Capital Improvement Plan |             |        |        |        |        |             |
|------------------------------------------|-------------|--------|--------|--------|--------|-------------|
|                                          | FY2026      | FY2027 | FY2028 | FY2029 | FY2030 | Total       |
| <b>Spending Categories</b>               |             |        |        |        |        |             |
| Other                                    | \$3,430,000 | \$0    | \$0    | \$0    | \$0    | \$3,430,000 |
| <b>Total</b>                             | 3,430,000   | —      | —      | —      | —      | 3,430,000   |
| <b>Funding Sources</b>                   |             |        |        |        |        |             |
| Local Funds                              | 3,430,000   | —      | —      | —      | —      | 3,430,000   |
| Grants                                   | —           | —      | —      | —      | —      | —           |
| Other Capital Contributions              | —           | —      | —      | —      | —      | —           |
| <b>Total</b>                             | \$3,430,000 | \$0    | \$0    | \$0    | \$0    | \$3,430,000 |

## Estimated Operating Cost Impact

Enterprise systems are expected to have no net change on operating expenses as systems go live and enter into maintenance.

## Project Benefits

System replacements and upgrades when technologies are at the end of their useful life maintains assets in a state of good repair, minimizes service disruptions, reduces maintenance costs and improves the customer experience. New systems and system enhancements allow new functionality to support continuous improvement of systems and processes and improved customer experience.

## Strategic Priority and Objective

These projects support strategic priorities and objectives: Customer: Provide a convenient, desirable, and accessible option for mobility in the region. Community: Demonstrate our value to a growing region by collaborating with partners and communities. Workforce: Invest in a productive and valued workforce. Organizational Effectiveness: Deliver responsibly and sustainably on the mission.

**Project Name**

Information Technology - Infrastructure

**Project Type**

Information Technology  
Systems and Infrastructure

**Project Description**

This project category includes security, network and infrastructure foundational components for technology delivery.

**Spending Categories**

Other

**Total**

**Funding Sources**

Local Funds

Grants

Other Capital Contributions

**Total**

| FY2026 - FY2030 Capital Improvement Plan |             |             |             |             |              |
|------------------------------------------|-------------|-------------|-------------|-------------|--------------|
| FY2026                                   | FY2027      | FY2028      | FY2029      | FY2030      | Total        |
| \$1,400,000                              | \$1,000,000 | \$5,000,000 | \$2,000,000 | \$1,300,000 | \$10,700,000 |
| 1,400,000                                | 1,000,000   | 5,000,000   | 2,000,000   | 1,300,000   | 10,700,000   |
| 1,400,000                                | 1,000,000   | 5,000,000   | 2,000,000   | 1,300,000   | 10,700,000   |
| —                                        | —           | —           | —           | —           | —            |
| —                                        | —           | —           | —           | —           | —            |
| \$1,400,000                              | \$1,000,000 | \$5,000,000 | \$2,000,000 | \$1,300,000 | \$10,700,000 |

**Estimated Operating Cost Impact**

Infrastructure systems are expected to have no net change on operating expenses as systems go live and enter into maintenance.

**Project Benefits**

New components, expansion, or upgrades of IT infrastructure or systems at the end of their useful life maintains assets in a state of good repair, enhances safety and cyber security protection, minimizes interruption of critical IT resources, minimizes maintenance costs and improves the customer experience.

**Strategic Priority and Objective**

These projects support strategic priorities and objectives: Customer: Provide a convenient, desirable, and accessible option for mobility in the region. Community: Demonstrate our value to a growing region by collaborating with partners and communities. Workforce: Invest in a productive and valued workforce. Organizational Effectiveness: Deliver responsibly and sustainably on the mission.

|                     |                                          |                     |                                                   |
|---------------------|------------------------------------------|---------------------|---------------------------------------------------|
| <b>Project Name</b> | Information Technology - Transit Systems | <b>Project Type</b> | Information Technology Systems and Infrastructure |
|---------------------|------------------------------------------|---------------------|---------------------------------------------------|

## Project Description

This project category includes customer experience, technology for rider experience and operational service delivery systems.

| FY2026 - FY2030 Capital Improvement Plan |              |             |             |        |             |              |
|------------------------------------------|--------------|-------------|-------------|--------|-------------|--------------|
|                                          | FY2026       | FY2027      | FY2028      | FY2029 | FY2030      | Total        |
| <b>Spending Categories</b>               |              |             |             |        |             |              |
| Other                                    | \$10,821,815 | \$4,400,000 | \$3,678,660 | \$0    | \$3,674,997 | \$22,575,472 |
| <b>Total</b>                             | 10,821,815   | 4,400,000   | 3,678,660   | —      | 3,674,997   | 22,575,472   |
| <b>Funding Sources</b>                   |              |             |             |        |             |              |
| Local Funds                              | 10,821,815   | 4,400,000   | 3,678,660   | —      | 3,674,997   | 22,575,472   |
| Grants                                   | —            | —           | —           | —      | —           | —            |
| Other Capital Contributions              | —            | —           | —           | —      | —           | —            |
| <b>Total</b>                             | \$10,821,815 | \$4,400,000 | \$3,678,660 | \$0    | \$3,674,997 | \$22,575,472 |

## Estimated Operating Cost Impact

Transit systems are expected to have no net change on operating expenses as systems go live and enter into maintenance.

## Project Benefits

System replacements and upgrades when technologies are at the end of their useful life maintains assets in a state of good repair, minimizes service disruptions, reduces maintenance costs and improves the customer experience. New systems and system enhancements allow for new functionality that will enhance safety and improve the efficiency and quality of delivering services as well as provide customers with healthier tools to improve their riding experience.

## Strategic Priority and Objective

These projects support strategic priorities and objectives: Customer: Provide a convenient, desirable, and accessible option for mobility in the region. Community: Demonstrate our value to a growing region by collaborating with partners and communities. Workforce: Invest in a productive and valued workforce. Organizational Effectiveness: Deliver responsibly and sustainably on the mission.

**Project Name**

Bus Stop Amenities and Enhancements

**Project Type**

Infrastructure  
Development

**Project Description**

This project category is for bus stop infrastructure improvements including, shelters, shelter improvements, free-standing shade structures, ADA improvements, signage and wayfinding, monuments and signs rebranding and Corridor Program Office & CapMetro bus stop coordination facility.

**Spending Categories**

Other

**Total**

**Funding Sources**

Local Funds

Grants

Other Capital Contributions

**Total**

| FY2026 - FY2030 Capital Improvement Plan |             |             |             |             |              |
|------------------------------------------|-------------|-------------|-------------|-------------|--------------|
| FY2026                                   | FY2027      | FY2028      | FY2029      | FY2030      | Total        |
| \$5,633,786                              | \$4,689,600 | \$4,579,200 | \$4,140,000 | \$3,794,000 | \$22,836,586 |
| 5,633,786                                | 4,689,600   | 4,579,200   | 4,140,000   | 3,794,000   | 22,836,586   |
| 5,633,786                                | 4,689,600   | 4,579,200   | 4,140,000   | 3,794,000   | 22,836,586   |
| —                                        | —           | —           | —           | —           | —            |
| —                                        | —           | —           | —           | —           | —            |
| \$5,633,786                              | \$4,689,600 | \$4,579,200 | \$4,140,000 | \$3,794,000 | \$22,836,586 |

**Estimated Operating Cost Impact**

There are no new operating costs associated with these projects.

**Project Benefits**

These projects will improve the transit experience by providing facilities that meet riders' needs.

**Strategic Priority and Objective**

These projects support strategic priorities and objectives: Customer: Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Community: Demonstrate our value to a growing region by collaborating with partners and communities. Organizational Effectiveness: Deliver responsibly and sustainably on the mission.

**Project Name**

Facility Enhancements

**Project Type**

Infrastructure  
Development

**Project Description**

This project category includes final design and starting construction of the new central warehouse, and re-using existing facilities to accommodate a new eligibility center for Demand Response to service customers.

| FY2026 - FY2030 Capital Improvement Plan |             |             |           |           |           |              |
|------------------------------------------|-------------|-------------|-----------|-----------|-----------|--------------|
|                                          | FY2026      | FY2027      | FY2028    | FY2029    | FY2030    | Total        |
| <b>Spending Categories</b>               |             |             |           |           |           |              |
| Other                                    | \$4,200,000 | \$9,045,693 | \$200,000 | \$200,000 | \$200,000 | \$13,845,693 |
| <b>Total</b>                             | 4,200,000   | 9,045,693   | 200,000   | 200,000   | 200,000   | 13,845,693   |
| <b>Funding Sources</b>                   |             |             |           |           |           |              |
| Local Funds                              | 4,200,000   | 9,045,693   | 200,000   | 200,000   | 200,000   | 13,845,693   |
| Grants                                   | —           | —           | —         | —         | —         | —            |
| Other Capital Contributions              | —           | —           | —         | —         | —         | —            |
| <b>Total</b>                             | \$4,200,000 | \$9,045,693 | \$200,000 | \$200,000 | \$200,000 | \$13,845,693 |

**Estimated Operating Cost Impact**

Operating costs associated with these projects will be confirmed upon further project development.

**Project Benefits**

These projects support improvements, upgrades, and expansions of new and existing operational and transit facilities to accommodate additional bus and rail infrastructure as well as more efficient utilization of administrative office space, and re-using existing facilities to accommodate a new eligibility center for Demand Response to service customers.

**Strategic Priority and Objective**

These projects support strategic priorities and objectives: Customer: Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Community: Demonstrate our value to a growing region by collaborating with partners and communities. Organizational Effectiveness: Deliver responsibly and sustainably on the mission.

**Project Name** Infrastructure Enhancements **Project Type** Infrastructure Development

## Project Description

This project category includes bus electrification infrastructure, micro-grid and battery energy storage system at North Ops, Metro Bikeshare station expansion and replacement, existing Park & Ride constructions and repairs. FY2026 grant amount is from prior year Airport Lamar Red Line Grade Separation project.

| FY2026 - FY2030 Capital Improvement Plan |              |             |             |           |           |              |
|------------------------------------------|--------------|-------------|-------------|-----------|-----------|--------------|
|                                          | FY2026       | FY2027      | FY2028      | FY2029    | FY2030    | Total        |
| <b>Spending Categories</b>               |              |             |             |           |           |              |
| Other                                    | \$10,700,000 | \$4,956,000 | \$3,217,000 | \$817,000 | \$560,000 | \$20,250,000 |
| <b>Total</b>                             | 10,700,000   | 4,956,000   | 3,217,000   | 817,000   | 560,000   | 20,250,000   |
| <b>Funding Sources</b>                   |              |             |             |           |           |              |
| Local Funds                              | 10,169,722   | 4,956,000   | 3,217,000   | 817,000   | 560,000   | 19,719,722   |
| Grants                                   | 530,278      | —           | —           | —         | —         | 530,278      |
| Other Capital Contributions              | —            | —           | —           | —         | —         | —            |
| <b>Total</b>                             | \$10,700,000 | \$4,956,000 | \$3,217,000 | \$817,000 | \$560,000 | \$20,250,000 |

## Estimated Operating Cost Impact

There are no new operating costs associated with these projects.

## Project Benefits

The major benefits of projects such as double tracks and grade separation are improved service, customer experience and safety of the commuter rail system, improved freight service and reduced traffic congestion at the Lamar & Airport intersection. Construction of signalization and pedestrian gates at 4th & Sabine will improve the safety of pedestrian and bike traffic across tracks.

## Strategic Priority and Objective

These projects support strategic priorities and objectives: Customer: Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Community: Demonstrate our value to a growing region by collaborating with partners and communities. Organizational Effectiveness: Deliver responsibly and sustainably on the mission.

**Project Name** Railroad Commuter Enhancements

**Project Type** Railroad Commuter

## Project Description

This project category includes North Burnet/Uptown Station, double track from Onion St. to East Timbes and Plaza Saltillo Station, rail data recorder upgrade, G-1 can-bus upgrades, Robinson switch upgrade, compact converter upgrades, 7th St. pedestrian gates, Clark and Castle derail removal, Rail Security Enhancement from Gracey Farms to Mo-Pac and positive train control optimization.

| FY2026 - FY2030 Capital Improvement Plan |              |              |              |              |             |              |
|------------------------------------------|--------------|--------------|--------------|--------------|-------------|--------------|
|                                          | FY2026       | FY2027       | FY2028       | FY2029       | FY2030      | Total        |
| <b>Spending Categories</b>               |              |              |              |              |             |              |
| Other                                    | \$20,017,931 | \$31,644,253 | \$16,798,060 | \$10,390,159 | \$2,000,000 | \$80,850,403 |
| <b>Total</b>                             | 20,017,931   | 31,644,253   | 16,798,060   | 10,390,159   | 2,000,000   | 80,850,403   |
| <b>Funding Sources</b>                   |              |              |              |              |             |              |
| Local Funds                              | 18,713,621   | 28,844,253   | 8,803,589    | 5,714,710    | 2,000,000   | 64,076,173   |
| Grants                                   | 1,304,310    | 2,800,000    | 7,994,471    | 4,675,449    | —           | 16,774,230   |
| Other Capital Contributions              | —            | —            | —            | —            | —           | —            |
| <b>Total</b>                             | \$20,017,931 | \$31,644,253 | \$16,798,060 | \$10,390,159 | \$2,000,000 | \$80,850,403 |

## Estimated Operating Cost Impact

No new operating costs are expected to be incurred as a result of these projects.

## Project Benefits

CapMetroRail Red Line service capacity improvements will allow for service enhancements. Additional stations will improve the customer experience. System safety enhancements will protect rail infrastructure. Vehicle upgrades will improve reliability along with the customer experience.

## Strategic Priority and Objective

These projects support strategic priorities and objectives: Customer: Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Community: Demonstrate our value to a growing region by collaborating with partners and communities.

**Project Name** Railroad Commuter State of Good Repair **Project Type** Railroad Commuter

## Project Description

This project category includes state of good repair work for bridges, tracks, rail grade crossings, grade crossing signal health monitoring and crossing improvements.

| FY2026 - FY2030 Capital Improvement Plan |             |             |             |             |             |             |
|------------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                                          | FY2026      | FY2027      | FY2028      | FY2029      | FY2030      | Total       |
| <b>Spending Categories</b>               |             |             |             |             |             |             |
| Other                                    | \$1,321,470 | \$2,076,470 | \$2,126,470 | \$1,426,470 | \$1,476,471 | \$8,427,351 |
| <b>Total</b>                             | 1,321,470   | 2,076,470   | 2,126,470   | 1,426,470   | 1,476,471   | 8,427,351   |
| <b>Funding Sources</b>                   |             |             |             |             |             |             |
| Local Funds                              | —           | —           | —           | —           | —           | —           |
| Grants                                   | 1,321,470   | 2,076,470   | 2,126,470   | 1,426,470   | 1,476,471   | 8,427,351   |
| Other Capital Contributions              | —           | —           | —           | —           | —           | —           |
| <b>Total</b>                             | \$1,321,470 | \$2,076,470 | \$2,126,470 | \$1,426,470 | \$1,476,471 | \$8,427,351 |

## Estimated Operating Cost Impact

No new operating costs are expected to be incurred as a result of these projects.

## Project Benefits

This category of projects will assess the condition of rail infrastructure and assets. Maintenance and corrective action will be undertaken to maximize the useful life of the assets.

## Strategic Priority and Objective

These projects support the following strategic priorities and objectives: Customer: Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Organizational Effectiveness: Deliver responsibly and sustainably on the mission.

**Project Name** Railroad Freight Enhancements **Project Type** Railroad Freight

## Project Description

This project category is for East Subdivision infrastructure improvements, crossing improvements and bridge spans replacements.

## Spending Categories

Other

**Total**

## Funding Sources

Local Funds

Grants

Other Capital Contributions

**Total**

| FY2026 - FY2030 Capital Improvement Plan |             |             |             |             |              |
|------------------------------------------|-------------|-------------|-------------|-------------|--------------|
| FY2026                                   | FY2027      | FY2028      | FY2029      | FY2030      | Total        |
| \$1,300,000                              | \$2,300,000 | \$1,900,000 | \$2,000,000 | \$2,515,000 | \$10,015,000 |
| 1,300,000                                | 2,300,000   | 1,900,000   | 2,000,000   | 2,515,000   | 10,015,000   |
| 848,732                                  | 2,300,000   | 1,900,000   | 2,000,000   | 2,515,000   | 9,563,732    |
| 451,268                                  | —           | —           | —           | —           | 451,268      |
| —                                        | —           | —           | —           | —           | —            |
| \$1,300,000                              | \$2,300,000 | \$1,900,000 | \$2,000,000 | \$2,515,000 | \$10,015,000 |

## Estimated Operating Cost Impact

No new operating costs are expected to be incurred as a result of these projects.

## Project Benefits

Upgraded all components of track infrastructure. Replace old rail and ties, improving reliability and safety. Upgrade railroad crossings, improving customer and public experience.

## Strategic Priority and Objective

These projects support the following strategic priorities and objectives: Customer: Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Organizational Effectiveness: Deliver responsibly and sustainably on the mission.

**Project Name** Public Safety and Emergency Management Equipment and Enhancements

**Project Type** Public Safety and Emergency Management

## Project Description

This project category includes vehicle camera systems, rail signal house and crossing security enhancements, facility camera enhancements and replacements, and access control system replacement.

| FY2026 - FY2030 Capital Improvement Plan |           |             |           |             |             |             |
|------------------------------------------|-----------|-------------|-----------|-------------|-------------|-------------|
|                                          | FY2026    | FY2027      | FY2028    | FY2029      | FY2030      | Total       |
| <b>Spending Categories</b>               |           |             |           |             |             |             |
| Other                                    | \$974,262 | \$1,299,835 | \$945,825 | \$1,461,825 | \$1,483,136 | \$6,164,883 |
| <b>Total</b>                             | 974,262   | 1,299,835   | 945,825   | 1,461,825   | 1,483,136   | 6,164,883   |
| <b>Funding Sources</b>                   |           |             |           |             |             |             |
| Local Funds                              | 974,262   | 1,299,835   | 945,825   | 1,461,825   | 1,483,136   | 6,164,883   |
| Grants                                   | —         | —           | —         | —           | —           | —           |
| Other Capital Contributions              | —         | —           | —         | —           | —           | —           |
| <b>Total</b>                             | \$974,262 | \$1,299,835 | \$945,825 | \$1,461,825 | \$1,483,136 | \$6,164,883 |

## Estimated Operating Cost Impact

Public safety and emergency management security technology equipment and enhancements are expected to increase operating expenses by \$100,000 per year due to the increased maintenance costs directly related to the continued expansion of the video system, related hardware, and other public safety technology systems (access control, video, etc.). The expansion of the video and access control systems is directly related to CapMetro adding facilities and services. The video and access control systems directly support these facilities and services.

## Project Benefits

Video and access control system expansion and upgrades will continue to have a positive impact on public safety for customers and employees by enhancing security, safety, and situational awareness at CapMetro facilities, on vehicles, and operations.

## Strategic Priority and Objective

These projects support the following strategic priorities and objectives: Customer: Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Organizational Effectiveness: Deliver responsibly and sustainably on the mission.

**Project Name**

Project Connect

**Project Type** Project Connect

**Project Description**

This project category is for 2 CapMetro Rapid lines, park and rides, end of line electric charging infrastructure, vehicle radio enhancements and replacements and on-board validators for neighborhood circulator vehicles. Program expense is funded by the Austin Transit Partnership and the Small Starts Grant Program.

| FY2026 - FY2030 Capital Improvement Plan |              |             |        |        |        |              |
|------------------------------------------|--------------|-------------|--------|--------|--------|--------------|
|                                          | FY2026       | FY2027      | FY2028 | FY2029 | FY2030 | Total        |
| <b>Spending Categories</b>               |              |             |        |        |        |              |
| Other                                    | \$33,334,507 | \$5,571,022 | \$0    | \$0    | \$0    | \$38,905,529 |
| <b>Total</b>                             | 33,334,507   | 5,571,022   | —      | —      | —      | 38,905,529   |
| <b>Funding Sources</b>                   |              |             |        |        |        |              |
| Local Funds                              | —            | —           | —      | —      | —      | —            |
| Grants                                   | 16,203,113   | —           | —      | —      | —      | 16,203,113   |
| Other Capital Contributions              | 17,131,394   | 5,571,022   | —      | —      | —      | 22,702,416   |
| <b>Total</b>                             | \$33,334,507 | \$5,571,022 | \$0    | \$0    | \$0    | \$38,905,529 |

**Estimated Operating Cost Impact**

Operating costs for Project Connect have been developed and will be included upon completion of each portion of the project as revenue operations begin.

**Project Benefits**

Project Connect is a program of capital infrastructure projects. These projects will expand the transit network to reach more communities and to grow capacity for public transportation by nearly threefold.

**Strategic Priority and Objective**

These projects support strategic priorities and objectives: Customer: Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Workforce: Invest in a productive and valued workforce. Community: Demonstrate our value to a growing region by collaborating with partners and communities.

**Project Name** Bus Fleet **Project Type** Vehicles

## Project Description

This project category includes replacements and additions of transit buses.

| FY2026 - FY2030 Capital Improvement Plan |           |              |        |              |        |              |
|------------------------------------------|-----------|--------------|--------|--------------|--------|--------------|
|                                          | FY2026    | FY2027       | FY2028 | FY2029       | FY2030 | Total        |
| <b>Spending Categories</b>               |           |              |        |              |        |              |
| Other                                    | \$835,946 | \$46,250,000 | \$0    | \$28,667,000 | \$0    | \$75,752,946 |
| <b>Total</b>                             | 835,946   | 46,250,000   | —      | 28,667,000   | —      | 75,752,946   |
| <b>Funding Sources</b>                   |           |              |        |              |        |              |
| Local Funds                              | —         | 43,158,857   | —      | 25,575,857   | —      | 68,734,714   |
| Grants                                   | 835,946   | 3,091,143    | —      | 3,091,143    | —      | 7,018,232    |
| Other Capital Contributions              | —         | —            | —      | —            | —      | —            |
| <b>Total</b>                             | \$835,946 | \$46,250,000 | \$0    | \$28,667,000 | \$0    | \$75,752,946 |

## Estimated Operating Cost Impact

Replacement buses do not result in additional operating costs incurred. Addition of bus chargers will incur additional equipment maintenance costs and consumption of electricity, but both will be partially offset by lower diesel consumption and lower maintenance costs of diesel storage and dispensing systems.

## Project Benefits

Replacement of vehicles at the end of their useful life maintains assets in a state of good repair, minimizes maintenance costs and improves the customer experience. Adding bus charging infrastructure supports adoption of zero emission fleet.

## Strategic Priority and Objective

These projects support strategic priority and objective: Organizational Effectiveness: Deliver responsibly and sustainably on the mission.

**Project Name** Fleet System Enhancements **Project Type** Vehicles

## Project Description

This project category includes vehicle radio enhancements and replacements and Police Department radios and recording equipment.

| FY2026 - FY2030 Capital Improvement Plan |             |           |        |        |        |             |
|------------------------------------------|-------------|-----------|--------|--------|--------|-------------|
|                                          | FY2026      | FY2027    | FY2028 | FY2029 | FY2030 | Total       |
| <b>Spending Categories</b>               |             |           |        |        |        |             |
| Other                                    | \$4,932,040 | \$428,940 | \$0    | \$0    | \$0    | \$5,360,979 |
| <b>Total</b>                             | 4,932,040   | 428,940   | —      | —      | —      | 5,360,979   |
| <b>Funding Sources</b>                   |             |           |        |        |        |             |
| Local Funds                              | 4,932,040   | 428,940   | —      | —      | —      | 5,360,979   |
| Grants                                   | —           | —         | —      | —      | —      | —           |
| Other Capital Contributions              | —           | —         | —      | —      | —      | —           |
| <b>Total</b>                             | \$4,932,040 | \$428,940 | \$0    | \$0    | \$0    | \$5,360,979 |

## Estimated Operating Cost Impact

No new operating costs are expected to be incurred as a result of these projects.

## Project Benefits

Police department radios provide a reliable communication network for the Transit Police department which patrols transit service and handles incidents and emergencies. Radio replacement will upgrade bus and paratransit radios to most current technology improving coverage and reliability.

## Strategic Priority and Objective

These projects support strategic priorities and objectives: Customer: Provide a convenient, desirable, and accessible option for mobility in the region and its various communities. Workforce: CapMetro has a productive, invested, and valued workforce.

**Project Name** Non-Revenue Fleet

**Project Type** Vehicles

## Project Description

This project category includes replacements and additions of non-revenue vehicles.

| FY2026 - FY2030 Capital Improvement Plan |             |           |             |           |           |             |
|------------------------------------------|-------------|-----------|-------------|-----------|-----------|-------------|
|                                          | FY2026      | FY2027    | FY2028      | FY2029    | FY2030    | Total       |
| <b>Spending Categories</b>               |             |           |             |           |           |             |
| Other                                    | \$1,880,000 | \$635,000 | \$1,254,000 | \$765,314 | \$578,000 | \$5,112,314 |
| <b>Total</b>                             | 1,880,000   | 635,000   | 1,254,000   | 765,314   | 578,000   | 5,112,314   |
| <b>Funding Sources</b>                   |             |           |             |           |           |             |
| Local Funds                              | 1,880,000   | 635,000   | 1,254,000   | 765,314   | 578,000   | 5,112,314   |
| Grants                                   | —           | —         | —           | —         | —         | —           |
| Other Capital Contributions              | —           | —         | —           | —         | —         | —           |
| <b>Total</b>                             | \$1,880,000 | \$635,000 | \$1,254,000 | \$765,314 | \$578,000 | \$5,112,314 |

## Estimated Operating Cost Impact

No new operating costs are expected to be incurred as a result of these projects.

## Project Benefits

Replacement of vehicles at the end of their useful lives maintains assets in a state of good repair and helps to minimize maintenance costs.

## Strategic Priority and Objective

These projects support strategic priority and objective: Organizational Effectiveness: Deliver responsibly and sustainably on the mission.

**Project Name** Paratransit Fleet **Project Type** Vehicles

## Project Description

This project category includes replacements and additions of demand-response vehicles.

| FY2026 - FY2030 Capital Improvement Plan |           |             |             |             |             |              |
|------------------------------------------|-----------|-------------|-------------|-------------|-------------|--------------|
|                                          | FY2026    | FY2027      | FY2028      | FY2029      | FY2030      | Total        |
| <b>Spending Categories</b>               |           |             |             |             |             |              |
| Other                                    | \$300,000 | \$1,887,000 | \$3,233,000 | \$2,190,000 | \$3,679,000 | \$11,289,000 |
| <b>Total</b>                             | 300,000   | 1,887,000   | 3,233,000   | 2,190,000   | 3,679,000   | 11,289,000   |
| <b>Funding Sources</b>                   |           |             |             |             |             |              |
| Local Funds                              | 300,000   | 1,887,000   | 3,233,000   | 2,190,000   | 3,679,000   | 11,289,000   |
| Grants                                   | —         | —           | —           | —           | —           | —            |
| Other Capital Contributions              | —         | —           | —           | —           | —           | —            |
| <b>Total</b>                             | \$300,000 | \$1,887,000 | \$3,233,000 | \$2,190,000 | \$3,679,000 | \$11,289,000 |

## Estimated Operating Cost Impact

Replacement paratransit and microtransit vehicles do not result in additional operating costs incurred. Expansion of paratransit fleet shifts spending from operating to capital, but does not affect fleet operating costs incurred.

## Project Benefits

Replacement of vehicles at the end of their useful life maintains assets in a state of good repair, minimizes maintenance costs and improves the customer experience. Expansion of paratransit fleet provides greater control of spending and reduces risk related to fleet dependability.

## Strategic Priority and Objective

These projects support strategic priority and objective: Organizational Effectiveness: Deliver responsibly and sustainably on the mission.

**Project Name**

Capital Project Contingency

**Project Type**

Capital Project  
Contingency

**Project Description**

This project category includes reserve for contingencies.

| FY2026 - FY2030 Capital Improvement Plan |              |             |             |             |             |              |
|------------------------------------------|--------------|-------------|-------------|-------------|-------------|--------------|
|                                          | FY2026       | FY2027      | FY2028      | FY2029      | FY2030      | Total        |
| <b>Spending Categories</b>               |              |             |             |             |             |              |
| Other                                    | \$10,000,000 | \$2,000,000 | \$2,000,000 | \$2,000,000 | \$2,000,000 | \$18,000,000 |
| <b>Total</b>                             | 10,000,000   | 2,000,000   | 2,000,000   | 2,000,000   | 2,000,000   | 18,000,000   |
| <b>Funding Sources</b>                   |              |             |             |             |             |              |
| Local Funds                              | 10,000,000   | 2,000,000   | 2,000,000   | 2,000,000   | 2,000,000   | 18,000,000   |
| Grants                                   | —            | —           | —           | —           | —           | —            |
| Other Capital Contributions              | —            | —           | —           | —           | —           | —            |
| <b>Total</b>                             | \$10,000,000 | \$2,000,000 | \$2,000,000 | \$2,000,000 | \$2,000,000 | \$18,000,000 |

**Estimated Operating Cost Impact**

No new operating costs are expected to be incurred as a result of this project.

**Project Benefits**

Capital project reserve provides contingency funds in the event that project costs are greater than projected or unexpected capital needs materialize between budget cycles.

**Strategic Priority and Objective**

This project supports strategic priority and objective: Organizational Effectiveness: Deliver responsibly and sustainably on the mission.

**CAPMETRO**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN YEARS**

| Year | City of Austin<br>Population (1) | Population<br>(MSA) (1) | Income (MSA)<br>(thousands of<br>dollars) (1) | Per Capita<br>Personal Income<br>(MSA) (1) | Unemployment<br>Rate<br>(MSA) (1) |
|------|----------------------------------|-------------------------|-----------------------------------------------|--------------------------------------------|-----------------------------------|
| 2015 | 899,119                          | 2,002,591               | \$103,244,100                                 | \$51,555                                   | 3.4%                              |
| 2016 | 925,491                          | 2,062,211               | \$107,664,294                                 | \$52,208                                   | 3.3%                              |
| 2017 | 946,080                          | 2,115,230               | \$117,458,116                                 | \$55,530                                   | 3.1%                              |
| 2018 | 963,797                          | 2,168,316               | \$127,439,164                                 | \$58,773                                   | 2.9%                              |
| 2019 | 980,886                          | 2,187,161               | \$138,650,094                                 | \$63,393                                   | 2.6%                              |
| 2020 | 992,631                          | 2,235,584               | \$150,639,599                                 | \$64,913                                   | 6.3%                              |
| 2021 | 1,003,160                        | 2,298,224               | \$163,778,682                                 | \$71,300                                   | 3.5%                              |
| 2022 | 1,015,470                        | 2,421,115               | \$181,870,848                                 | \$75,119                                   | 2.8%                              |
| 2023 | 1,030,277                        | 2,473,275               | \$199,026,444                                 | \$80,471                                   | 3.6%                              |
| 2024 | 1,054,127                        | 2,526,214               | \$219,406,316                                 | \$86,900                                   | 3.4%                              |

Note: Prior years statistics are subject to change as more precise numbers become available.

(1) Source: City of Austin 2024 Annual Comprehensive Financial Report.