



**Agenda - Final revised**  
**Capital Metropolitan**  
**Transportation Authority**  
**Board of Directors**

2910 East 5th Street  
Austin, TX 78702

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**Monday, November 20, 2023**

**12:00 PM**

**Rosa Parks Boardroom**

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This meeting will be livestreamed at [capmetrotx.legistar.com](http://capmetrotx.legistar.com)

Any items marked with \* have been revised or added.

**I. Call to Order**

**II. Safety Briefing:**

**III. Public Comment:**

**IV. Advisory Committee Updates:**

1. Customer Satisfaction Advisory Committee (CSAC)
2. Access Advisory Committee

**V. Board Committee Updates:**

1. Finance, Audit and Administration Committee
2. CAMPO update
3. Austin Transit Partnership Update

**VI. Consent Items:**

1. Approval of minutes from the October 11, 2023 public hearing and October 23, 2023 board meeting.
2. Approval of a resolution updating the Charter Statement for the Finance, Audit and Administration Committee.
3. Approval of a resolution affirming the Internal Audit Charter.

**VII. Action Items:**

1. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a Purchase and Sale Agreement in Lieu of Condemnation with the City of Austin, for the sale of 1.385 acre (60,349 square feet) of land out of the 20.554 acres of land owned by CapMetro, out of the J.C. Tannehill Survey 29, Abstract 22, located at the southwest corner of Loyola Lane and Johnny Morris Road, Austin, Travis County, Texas, in exchange for compensation to CapMetro in the amount of \$1,499,673.
2. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with Perrone Robotics to provide an automated vehicle retrofit for vehicle automation in support of the CapMetro Yard Automation Research and Deployment (YARD) Project for a twelve (12) month base period with an option to require continued performance for up to an additional twelve (12) months in a total amount not to exceed \$420,000.
3. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with Clever Devices to provide software architecture for vehicle automation in support of the CapMetro Yard Automation Research and Deployment (YARD) Project for a twelve (12) month base period with an option to require continued performance for up to an additional twelve (12) months in a total amount not to exceed \$300,000.
4. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with Power Test, LLC for a vehicle maintenance transmission test stand in an amount not to exceed \$385,313.
- \*5. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with World Wide Technology, LLC for Cisco Smartnet network equipment and software support for one (1) year, in an amount not to exceed \$285,298.
- \*6. Approval of a resolution authorizing the President & CEO, or her designee, to finalize a contract for the purchase of Medical Stop Loss Insurance for claims above \$200,000 from High Mark Insurance Group for one (1) year in an amount not to exceed \$1,155,678.
7. Approval of a resolution awarding President & CEO Dottie Watkins adjustment to base pay equal to \_\_\_% of her annual salary and a one-time performance achievement bonus equal to \_\_\_\_% of base pay based on her Fiscal Year 2023 annual performance review. The increases are awarded retroactively to October 1, 2023, in accordance with the Employment Agreement.

#### **VIII. Report:**

1. President & CEO Monthly Update

#### **IX. Executive Session of Chapter 551 of the Texas Government Code:**

Section 551.072 for Deliberation Regarding Real Property related to the potential purchase of real estate for a future South Demand Response Facility

Section 551.071 for Consultation with an Attorney regarding legal issues related to pending litigation regarding Proterra, Inc. et al., Chapter 11 bankruptcy case

Section 551.074 for Personnel Matters regarding the annual performance review for the President & CEO

**X. Memo:**

Note: Memos are for information only. Will not be discussed at meeting.

1. Memo: Ratification of MV/ATU Collective Bargaining Agreement for fixed route bus services (November 6, 2023)

**XI. Items for Future Discussion:**

**XII. Adjournment**

**ADA Compliance**

*Reasonable modifications and equal access to communications are provided upon request. Please call (512) 369-6040 or email [ed.easton@capmetro.org](mailto:ed.easton@capmetro.org) if you need more information.*

*BOARD OF DIRECTORS: Jeffrey Travillion, Chair; Leslie Pool, Vice Chair; Becki Ross, Secretary; Eric Stratton, Paige Ellis, Matt Harriss, Dianne Bangle and Chito Vela.*

*The Board of Directors may go into closed session under the Texas Open Meetings Act. In accordance with Texas Government Code, Section 551.071, consultation with attorney for any legal issues, under Section 551.072 for real property issues; under Section 551.074 for personnel matters, or under Section 551.076, for deliberation regarding the deployment or implementation of security personnel or devices; arising regarding any item listed on this agenda.*



# Capital Metropolitan Transportation Authority

2910 East 5th Street  
Austin, TX 78702

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Board of Directors

**Item #:** AI-2021-189

**Agenda Date:** 3/28/2022

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Customer Satisfaction Advisory Committee (CSAC)

**Capital Metropolitan Transportation Authority**

**Customer Satisfaction Advisory Committee (CSAC)**

**Wednesday, November 8, 2023**

**6:00 PM**

***Virtual Presentation***

**CapMetro Employees:** Brian Alejandro, Peter Breton, Edna Parra.

**Committee Members:** Arlo Brandt, David Foster, Betsy Greenberg, Ryan Johnson, David Shapiro, Ephraim Taylor, Diana Wheeler.

***Meeting called to order at 6:06 PM***

**Welcome / Introductions / Call to Order**

*Chair Taylor*

**Approval of the minutes** – Diana Wheeler / 2nd Arlo Brandt – 4 yeas, 1 abstention, passes with majority.

**Public Communications**

**Betsy Greenberg** shares comments from a community member regarding ATP's upcoming User Experience Workshops. **Peter Breton** says he will follow up with the community member and connect them with the appropriate ATP staff.

**David Foster** shares his concerns regarding outdated route information at a CapMetro facility, Project Connect information on a bus, and his observations around the lighting for the original 2014 CapMetro Rapid stations. CapMetro Staff say they will follow up on his concerns with the appropriate individuals.

**2024 Work Plan**

*Committee Discussion*

The Committee and CapMetro Staff discuss upcoming initiatives and topics to include in 2024 agenda items.

***Meeting adjourned at 7:28 PM***



# Capital Metropolitan Transportation Authority

2910 East 5th Street  
Austin, TX 78702

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Board of Directors

**Item #:** AI-2021-190

**Agenda Date:** 3/28/2022

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Access Advisory Committee

## Capital Metropolitan Transportation Authority

### Access Advisory Committee

Wednesday, November 1, 2023

5:30 PM

*Virtual Presentation*

**CapMetro Employees:** Peter Breton, Louise Friedlander, Martin Kareithi, Julie Lampkin, Chris Mojica, Edna Parra, Sara Sanford, Danny Souraphath, Randy Slaughter, Claire Vladyka.

**Supporting Staff Attendees:** Rebecca Liggins, Kristoffer Vik Hansen, Jason Miller, Raul Vela, Christopher Westbrook.

**Committee Members:** Andrew Bernet, Glenda Born, Audrea Diaz, Otmar Foehner, Mike Gorse, Paul Hunt, John McNabb.

*Meeting called to order at 5:35 PM*

### Welcome / Introductions / Call to Order

*Vice-Chair Born*

**Approval of the minutes** - John McNabb / Otmar Foehner 2nd – passes unanimously.

### Public Communications

**Otmar Foehner** shares his appreciation for CapMetro Staff quickly resolving the security concern he raised at the last committee meeting.

**Glenda Born** shares her observations and concerns regarding the Spare transition and expresses appreciation for dispatchers' help with an open window on a recent trip.

**Otmar Foehner** asks if operators know of the specific disabilities of riders when picking them up, and **Sara Sanford** says that there is no specific information shared automatically, but there is an open text field option for riders to share information if there are issues with operators not knowing enough information to best serve the rider.

**Audrea Diaz** shares a recent issue she recently encountered regarding Access ride scheduling, and **Julie Lampkin** explains that there was a misunderstanding with dispatchers sharing incorrect ride information.

### Spare Update

*Sara Sanford, Director of Eligibility, Training, and Customer Management*

*Julie Lampkin, Director of Demand Response*

**Sara Sanford** shares an update on the Spare transition.

**Otmar Foehner** asks if the booking policies and procedures have changed with the transition, and **Sara Sanford** says no, but things may change depending on resource availability and new developments.

**Glenda Born** asks about the feedback received from the operator townhalls conducted by CapMetro Staff and Spare supporting staff, and **Sara Sanford** shares that it was overall positive, and now the feedback is overwhelmingly positive.

**CapMetro Staff** share positive examples of operator feedback. **Julie Lampkin** shares that any feedback they are getting from operators they are working to resolve or incorporate.

**Glenda Born** asks about migrating saved favorites, **Catherine Vladyka** explains the process of migrating the data.

**Glenda Born** shares that she's had a lot more direct rides to her destinations and asks how the system prioritizes shared rides. **Sara Sanford** explains that the Spare backend is constantly adjusting to make sure they balance OTP and Productivity.

### **AMP & Access Fares Update**

*Danny Souraphath, Manager of Technical Product Management*

**Danny Souraphath** overviews the new payment system for Access rides through the AMP system.

**Otmar Foehner** asks if you can pre-buy passes virtually, and **Danny Souraphath** says no, CapMetro would need to work with app developers to create a system that allows that.

**Paul Hunt** asks if fare capping is possible for Access riders with the new app, and **Danny Souraphath** explains that fare capping is not available on the new CapMetro app, but will be available with Spare Pay, which will be usable when booking over the phone or when using the Spare app.

### **2024 Work Plan**

*Committee Discussion*

The Committee and CapMetro Staff discuss upcoming initiatives and topics to include in 2024 agenda items.

***Meeting adjourned at 7:06 PM***



# Capital Metropolitan Transportation Authority

2910 East 5th Street  
Austin, TX 78702

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Board of Directors

**Item #:** AI-2023-1017

**Agenda Date:** 11/20/2023

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Approval of minutes from the October 11, 2023 public hearing and October 23, 2023 board meeting.



**Minutes**  
**Capital Metropolitan**  
**Transportation Authority**  
**Board of Directors**

2910 East 5th Street  
Austin, TX 78702

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Wednesday, October 11, 2023

12:00 PM

Rosa Parks Boardroom

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**Public Hearing on the Proposed January 2024 Service Changes**

**I. Call to Order**

12:02 p.m. Meeting Called to Order

Vice Chair Pool served as Chair for this hearing.

<b>Present:</b>	Pool, Stratton, Ross, Harriss, Vela, Bangle, and Ellis
<b>Absent:</b>	Travillion

**II. Discussion Items:**

1. Proposed January 2024 Service Changes

**III. Public Comment:**

May Matson Taylor, Zenobia Joseph, and Lonny Stern provided public comments.

**IV. Adjournment**

12:30 p.m. Meeting Adjourned

**ADA Compliance**

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**Minutes**  
**Capital Metropolitan**  
**Transportation Authority**  
**Board of Directors**

2910 East 5th Street  
Austin, TX 78702

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**Monday, October 23, 2023**

**12:00 PM**

**Rosa Parks Boardroom**

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**I. Call to Order**

12:01 p.m. Meeting Called to Order

<b>Present:</b>	Travillion, Stratton, Ross, Harriss, Vela, and Bangle
<b>Absent:</b>	Pool, and Ellis

**II. Safety Briefing:**

**III. Public Comment:**

Lupe Garcia, Leander Mayor Christine DeLisle, Mary Hanson, Mary Moran, and Gavino Fernandez provided public comments.

**IV. Advisory Committee Updates:**

1. Customer Satisfaction Advisory Committee (CSAC)
2. Access Advisory Committee

**V. Board Committee Updates:**

1. Operations, Planning and Safety Committee
2. Finance, Audit and Administration Committee
3. CAMPO update
4. Austin Transit Partnership Update

**VI. Consent Items:**

A motion was made by Board Member Vela, seconded by Board Member Bangle, to approve the Consent Agenda. The motion carried by the following vote:

**Aye:** Travillion, Stratton, Ross, Harriss, Vela, and Bangle

1. Approval of the September 13, 2023 public hearing and September 25, 2023 board meeting minutes.

2. Approval of a resolution appointing Luis Osta Lugo to the Public Safety Advisory Committee.
3. Approval of a resolution adopting the 2024 Board Meeting Calendar.
4. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with A3 Systems Corporation to provide two (2) Harlan electric yard tug vehicles in an amount not to exceed \$210,145.
5. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute the lease of 11,978 square feet of administrative and maintenance bay space, along with parking areas that amount to approximately 3.5 acres, at and just south of 4811 East 7th Street from Springdale East Owner, LLC for a total not to exceed amount of \$3,800,000 over the primary 3-year, 5-month lease term.
6. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with Preferred Technologies LLC. for the installation of 127 replacement and new video cameras and supporting equipment at four CapMetro Park & Ride facilities in a total not to exceed amount of \$180,997.
7. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with Creative Bus Sales, Inc. for the purchase of fifteen (15) wheelchair accessible service support vehicles in a total not to exceed amount of \$1,176,840.

## VII. Action Items:

1. Approval of a resolution authorizing the President & CEO, or her designee, to implement the January 2024 Service Changes.

A motion was made by Board Member Harriss, seconded by Board Member Vela, that this Resolution be adopted. The motion carried by the following vote:

**Aye:** Travillion, Stratton, Ross, Harriss, Vela, and Bangle

Memo: Public Feedback Responses - January 2024 Proposed Service Change (October 16, 2023)

2. Approval of a resolution adopting revisions to the CapMetro Investment Policy.

A motion was made by Board Member Ross, seconded by Board Member Bangle, that this Resolution be adopted. The motion carried by the following vote:

**Aye:** Travillion, Stratton, Ross, Harriss, Vela, and Bangle

3. Approval of a resolution authorizing updates to the CapMetro Alcohol Prohibition Policy.

A motion was made by Board Member Stratton, seconded by Board Member Vela, that this Resolution be adopted. The motion carried by the following vote:

**Aye:** Travillion, Stratton, Ross, Harriss, Vela, and Bangle

4. Approval of a resolution approving revisions to the President & CEO Total Compensation Policy.

A motion was made by Board Member Bangle, seconded by Board Member Harriss, that this Resolution be adopted. The motion carried by the following vote:

**Aye:** Travillion, Stratton, Ross, Harriss, Vela, and Bangle

5. Approval of a resolution adopting the FY2024 Annual Internal Audit Plan.

A motion was made by Board Member Harriss, seconded by Board Member Vela, that this Resolution be adopted. The motion carried by the following vote:

**Aye:** Travillion, Stratton, Ross, Harriss, Vela, and Bangle

6. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute an Interlocal Agreement with the University of Texas at Austin, for participation in the University's IC2 Institute Readiness Training Program (RTP) for an amount not to exceed \$60,000 for a term of one year beginning October 1, 2023, thru September 30, 2024, and a 12-month option term.

A motion was made by Board Member Vela, seconded by Board Member Bangle, that this Resolution be adopted. The motion carried by the following vote:

**Aye:** Travillion, Stratton, Ross, Harriss, Vela, and Bangle

7. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a fixed unit price contract with Technology International, Inc. to provide Transformers and Switchboards for Electric Bus Charging for the Expo Center and Pleasant Valley MetroRapid Lines and 2910 E. 5th Street Facility, for a total not to exceed contract amount of \$990,900.

A motion was made by Board Member Bangle, seconded by Board Member Harriss, that this Resolution be adopted. The motion carried by the following vote:

**Aye:** Travillion, Stratton, Ross, Harriss, Vela, and Bangle

8. Approval of a resolution authorizing the President & CEO, or her designee, to include additional funding of \$676,028 to an existing contract with Stacy and Witbeck, Inc. for an in-progress Design-Build project for the McKalla Rail Station for a total contract amount not to exceed \$21,559,973 and to extend the contract performance period by 102 days.

A motion was made by Board Member Stratton, seconded by Board Member Ross, that this Resolution be adopted. The motion carried by the following vote:

**Aye:** Travillion, Stratton, Ross, Harriss, Vela, and Bangle

## VIII. Discussion Items:

1. 2023 Origin and Destination Survey Presentation

**IX. Report:**

1. President & CEO Monthly Update - October

**X. Executive Session of Chapter 551 of the Texas Government Code:**

Into Executive Session: 2:11 p.m.

Out of Executive Session: 3:02 p.m.

Section 551.074 for Personnel Matters: Discussion of President & CEO FY 2024 Performance Goals

Section 551.071 for Consultation with an Attorney and Section 551.072 for Deliberation regarding Real Estate matters related to the proposed City of Pflugerville condemnation of a 1.208-acre TCE across CapMetro's property located at 10805 Cameron Road

Section 551.071 for Consultation with an Attorney and Section 551.072 for Deliberation regarding Real Estate matters related to the proposed City of Austin condemnation of 1.385 acre out of CapMetro's property located at Loyola Lane and Johnny Morris Road

**XI. Memo:**

1. Memo: Board Follow-Up - September Committee (September 25, 2023)

**XII. Items for Future Discussion:****XIII. Adjournment**

3:03 p.m. Meeting Adjourned

**ADA Compliance**

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Board of Directors

Item #: AI-2023-764

Agenda Date: 11/20/2023

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**SUBJECT:**

Approval of a resolution updating the Charter Statement for the Finance, Audit and Administration Committee.

**FISCAL IMPACT:**

This action has no fiscal impact.

**STRATEGIC PLAN:**

Strategic Goal Alignment:

- 1. Customer
- 2. Community
- 3. Workforce
- 4. Organizational Effectiveness

Strategic Objectives:

- 1.1 Safe & Reliable Service
- 1.2 High Quality Customer Experience
- 1.3 Accessible System
- 2.1 Support Sustainable Regional Growth
- 2.2 Become a Carbon Neutral Agency
- 2.3 Responsive to Community and Customer Needs
- 2.4 Regional Leader in Transit Planning
- 3.1 Diversity of Staff
- 3.2 Employer of Choice
- 3.3 Expand Highly Skilled Workforce
- 4.1 Fiscally Responsible and Transparent
- 4.2 Culture of Safety
- 4.3 State of Good Repair

**EXPLANATION OF STRATEGIC ALIGNMENT:** Capital Metro's two board committees assist the Board of Directors in providing strong governance and play a key advisory role to the full board. Their expertise and in-depth look at issues before the board is vital to our long-term strategic planning.

**BUSINESS CASE:** Does not apply

**COMMITTEE RECOMMENDATION:** This item was presented and recommended for approval by the Finance, Audit and Administration Committee on November 7, 2023.

**EXECUTIVE SUMMARY:** In 2010, each of the committees of the Board of Directors adopted Committee Charter Statements defining their areas of responsibility. A periodic review of these charters was requested by the Board upon adoption and allows the committees to ensure that the charters still meet the needs and parameters of each committee. This charter was last reviewed by the Board in February, 2022.

After reviewing the current charter, staff is recommending minor updates to the document which are detailed in the attached redline.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply.

RESPONSIBLE DEPARTMENT: Board of Directors

**RESOLUTION  
OF THE  
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY  
BOARD OF DIRECTORS**

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**AI-2023-764**

WHEREAS, the Board of Directors has established committees made up of members of the Board to consider specified areas of interest to the Authority; and

WHEREAS, the Board of Directors has adopted Committee Charter Statements that define the roles and responsibilities of each of these committees; and

WHEREAS, the Board of Directors desires to review the Committee Charter Statement to ensure that it reflects current roles and responsibilities.

NOW, THEREFORE, BE IT RESOLVED that the Capital Metropolitan Transportation Authority Board of Directors hereby updates the Committee Charter Statement for the Finance, Audit and Administration Committee with minor changes detailed in the attached document.

Date: \_\_\_\_\_

\_\_\_\_\_  
**Secretary of the Board  
Becki Ross**

**CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY  
BOARD OF DIRECTORS  
FINANCE, AUDIT AND ADMINISTRATION COMMITTEE CHARTER**

**I. PURPOSE**

The Finance, Audit and Administration Committee (the “FAA Committee”) has been established by the Capital Metropolitan Transportation Authority (“Capital Metro”) Board of Directors (the “Board”) to assist in fulfilling its oversight responsibilities for accounting and financial reporting processes, the system of internal controls, the audit processes, and systems for monitoring compliance with laws, regulations, and the Capital Metro Code of Ethics.

Executive management is responsible for preparing complete and accurate financial statements, managing business and financial risk, and for monitoring internal controls and compliance with all applicable laws, regulations, and internal policies and procedures. The Board of Directors has oversight responsibility in these areas and is charged with establishing and supporting an adequate control environment within the organization for ensuring accountability and demonstrating proper stewardship over public funds.

**II. AUTHORITY**

The FAA Committee has authority to conduct or authorize investigations into and study any matter within its scope of responsibility and make recommendations for action to the full Board. It is empowered to:

1. Ensure the independence of any registered public accounting firm employed by Capital Metro.
2. Resolve any disagreements between management and the auditor regarding financial reporting.
3. Provide oversight and direction of the internal audit function.
4. Use independent counsel, accountants, auditors, or others to advise the FAA Committee or to assist in the conduct of an investigation.
5. Seek any information it requires from employees—all of whom are directed to cooperate with FAA Committee requests—or external parties.

**III. MEMBERSHIP**

The FAA Committee shall consist of at least three (3) members of the Board of Directors. The Chairperson of the Board will nominate the FAA Committee Chairperson and members annually, subject to confirmation by the Board. The FAA Committee shall elect a Committee Vice Chairperson from among its members at its first meeting of the year to perform the duties of the Chairperson in case of the absence, disability or disqualification of the Committee Chairperson.

Each member of the FAA Committee must be financially literate, as the Board interprets such qualification in its business judgment, or must become financially literate within a reasonable period of time after his or her appointment. In addition, one member of the FAA Committee must be a metropolitan planning organization appointee with at least 10 years of experience as a financial or accounting professional.

Committee members shall be free of any relationship that would interfere with his or her individual exercise of independent judgment in accordance with Capital Metro’s Code of Ethics and applicable law.

**IV. EDUCATION**

Capital Metro executive management is responsible for providing the FAA Committee with educational resources related to accounting principles and procedures, risk management, ethics, and other information that may be requested by the FAA Committee. Capital Metro executive management shall assist the FAA Committee in maintaining appropriate financial and compliance literacy.

## V. MEETINGS

The FAA Committee will meet at least four (4) times a year, with authority to convene additional meetings, as circumstances require. All meetings will be conducted in accordance with the Texas Open Meetings Act, as applicable. FAA Committee members are expected to attend each meeting. The FAA Committee may direct members of management, auditors, or others to attend meetings and provide pertinent information, as necessary. CapMetro staff will post meeting agendas and backup materials for Board members and the public to view no later than seven (7) calendar days before the committee meeting.

## VI. RESPONSIBILITIES

The FAA Committee will carry out the following responsibilities:

1. Financial & Other Reporting: *The FAA Committee shall provide reasonable assurance to the Board that financial information reported by management substantively portrays Capital Metro's financial condition, results of operations, plans, and long-term commitments. The FAA Committee may review other reports requiring Board approval prior to submission to public sector entities. The FAA Committee will:*
  - Review fiscal, investments, and other financial management policies and practices including but not limited to:
    - Operating & Capital Budgeting
    - Procurement and contracting
    - Revenue (e.g., grants, fare structure, new revenue opportunities including partnerships with external entities)
    - Debt and investments
    - Disadvantaged Business Enterprise (DBE) Program
    - Insurance and risk management
  - Review financial statements, including interim financial statements, auditor's opinions and management letters and consider whether they are complete, consistent with information known to FAA Committee members, and reflect appropriate accounting principles.
2. Internal Control: *The FAA Committee shall understand Capital Metro's key financial reporting risk areas and the internal control structure. The FAA Committee will:*
  - Consider the effectiveness of Capital Metro's internal control systems, including information technology security and control.
  - Understand the scope of internal and external auditors' review of internal controls over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.
  - Review and provide oversight for technology investments and processes that support the Authority's strategic financial goals and objectives.

- Review the reports and results of internal and external audits.
3. Internal Audit: *The FAA Committee shall provide direct oversight of Capital Metro's internal audit function. To facilitate the effectiveness and independence of the internal audit function, the internal audit function is ultimately accountable to the Board of Directors and the FAA Committee. The FAA Committee will:*
- Make recommendations to the full Board of Directors regarding the appointment and removal of the Chief Audit Executive (CAE).
  - Review annually with management and the CAE the charter, audit plans, activities, staffing, and organizational structure of the internal audit function.
  - Ensure there are no unjustified restrictions or limitations on the internal audit function.
  - Review audit results, reports, and recommendations and ensure adequate management follow-up and resolution.
  - Meet with the CAE to discuss any matters that the FAA Committee or internal audit believes should be discussed.
  - Request internal auditors to perform special studies, investigations, or other services in matters of interest or concern to the FAA Committee or Board that may be outside the scope of the approved Audit Services Plan. Such projects could include investigation of areas of high control risk, potential or suspected fraud or other irregularities, compliance with laws, regulations, policies and procedures, or evaluation of external auditors.
  - Conduct an annual performance review and evaluation of the CAE.
  - Review the effectiveness of the internal audit function through periodic external quality assurance reviews.
4. External Audit: *The FAA Committee shall assure independence in fact and in appearance of all external financial assurance services. External auditors are ultimately accountable to the Board of Directors and the FAA Committee. The FAA Committee will:*
- Review the external auditors' proposed audit scope and approach, including coordination of audit effort with internal audit.
  - Consider the facts and circumstances of each case in order to determine if firm or audit partner rotation is needed in order to ensure an independent financial audit in accordance with the Policy on Rotation of Auditors.
  - Approve in advance any non-audit services by external auditors or their consulting practice/affiliates.
  - Ensure that external auditors do not (1) provide non-audit services that involve performing management functions or making management decisions, or (2) audit their own work or provide non-audit services that are significant or material to the subject matter of the audits.
  - Meet with the external auditors to discuss any matters that the FAA Committee or auditors believe should be discussed in detail.
  - Review with management and the external auditors the results of the audit, including any serious difficulties or disputes with management encountered during assurance work.
5. Compliance: *The FAA Committee shall provide reasonable assurance to the Board of Directors that its policies are being carried out and that systems are in place to ensure compliance with laws and regulations. The FAA Committee will:*

- Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.
  - Review the findings of any examinations by regulatory agencies, and any auditor observations.
  - Review the process for communicating the Code of Ethics to company personnel and for monitoring compliance therewith.
  - Obtain regular updates from the Board Ethics Officer and the Staff Ethics Officer regarding ethics and compliance matters.
6. Reporting Responsibilities: *The FAA Committee will:*
- Report and recommend action, as appropriate to the Board of Directors about FAA Committee activities, issues, and related recommendations.
  - Provide an open avenue of communication between internal audit, the external auditors, and the Board of Directors.
  - Review any other reports Capital Metro issues that relate to FAA Committee responsibilities.
7. Other Responsibilities: *The FAA Committee will:*
- Perform other activities related to this charter as requested by the Capital Metro Board of Directors.
  - Review and assess the adequacy of the FAA Committee Charter annually, requesting Board approval for proposed changes, and ensure appropriate disclosure as may be required by law or regulation.
  - Confirm annually that all responsibilities outlined in this charter have been carried out.

**CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY  
BOARD OF DIRECTORS  
FINANCE, AUDIT AND ADMINISTRATION COMMITTEE CHARTER**

**I. PURPOSE**

The Finance, Audit and Administration Committee (the “FAA Committee”) has been established by the Capital Metropolitan Transportation Authority (“~~Capital Metro~~CapMetro”) Board of Directors (the “Board”) to assist in fulfilling its oversight responsibilities for accounting and financial reporting processes, the system of internal controls, the audit processes, and systems for monitoring compliance with laws, regulations, and the ~~Capital Metro~~CapMetro Code of Ethics.

Executive management is responsible for preparing complete and accurate financial statements, managing business and financial risk, and for monitoring internal controls and compliance with all applicable laws, regulations, and internal policies and procedures. The Board of Directors has oversight responsibility in these areas and is charged with establishing and supporting an adequate control environment within the organization for ensuring accountability and demonstrating proper stewardship over public funds.

**II. AUTHORITY**

The FAA Committee has authority to conduct or authorize investigations into and study any matter within its scope of responsibility and make recommendations for action to the full Board. It is empowered to:

1. Ensure the independence of any registered public accounting firm employed by ~~Capital Metro~~CapMetro.
2. Resolve any disagreements between management and the external auditor regarding financial reporting.
3. Provide oversight and direction of the internal audit function.
4. Use independent counsel, accountants, auditors, or others to advise the FAA Committee or to assist in the conduct of an investigation.
5. Seek any information it requires from ~~CapMetro employees~~staff—all of whom are directed to cooperate with FAA Committee requests—or external parties.

**III. MEMBERSHIP**

The FAA Committee shall consist of at least three (3) members of the Board of Directors.

The Chairperson of the Board will nominate the FAA Committee Chairperson and members annually, subject to confirmation by the Board. The FAA Committee shall elect a Committee Vice Chairperson from among its members at its first meeting of the year to perform the duties of the Chairperson in case of the absence, disability or disqualification of the Committee Chairperson.

Each member of the FAA Committee must be financially literate, as the Board interprets such qualification in its business judgment, or must become financially literate within a reasonable period of time after his or her appointment. In addition, one member of the FAA Committee must be a metropolitan planning organization appointee with at least 10 years of experience as a financial or accounting professional.

Committee members shall be free of any relationship that would interfere with his or her individual exercise of independent judgment in accordance with ~~Capital Metro~~CapMetro’s Code of Ethics and applicable law.

#### IV. EDUCATION

~~Capital Metro~~CapMetro executive management is responsible for providing the FAA Committee with educational resources related to accounting principles and procedures, risk management, ethics, employee health and benefit plans and other information that may be requested by the FAA Committee. ~~Capital Metro~~CapMetro executive management shall assist the FAA Committee in maintaining appropriate financial and compliance literacy.

#### V. MEETINGS

The FAA Committee will meet at least four (4) times a year, with authority to convene additional meetings, as circumstances require. All meetings will be conducted in accordance with the Texas Open Meetings Act, as applicable. FAA Committee members are expected to attend each meeting. The FAA Committee may direct members of management, auditors, or others to attend meetings and provide pertinent information, as necessary. CapMetro staff will post meeting agendas and backup materials for Board members and the public to view no later than seven (7) calendar days before the committee meeting.

#### VI. RESPONSIBILITIES

The FAA Committee will carry out the following responsibilities:

1. Financial & Other Reporting: *The FAA Committee shall provide reasonable assurance to the Board that financial information reported by management substantively portrays ~~Capital Metro~~CapMetro's financial condition, results of operations, plans, and long-term commitments. The FAA Committee may review other reports requiring Board approval prior to submission to public sector entities. The FAA Committee will:*
  - Review fiscal, investments, and other financial management policies and practices including but not limited to:
    - Operating & Capital Budgeting
    - Procurement and contracting
    - Revenue (e.g., grants, fare structure, new revenue opportunities including partnerships with external entities)
    - Debt and investments
    - Disadvantaged Business Enterprise (DBE) Program
    - Insurance and risk management
  - Review financial statements, including interim financial statements, auditor's opinions and management letters, and consider whether they are complete and, consistent with information known to FAA Committee members, and reflect appropriate accounting principles.
2. Internal Control: *The FAA Committee shall understand ~~Capital Metro~~CapMetro's key financial reporting risk areas and the internal control structure. The FAA Committee will:*
  - Consider the effectiveness of ~~Capital Metro~~CapMetro's internal control systems, including information technology security and control.
  - Understand the scope of internal and external auditors' review of internal controls over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.

- Review and provide oversight for technology investments and processes that support the Authority's strategic financial goals and objectives.
  - Review the reports and results of internal and external audits.
3. Internal Audit: *The FAA Committee shall provide direct oversight of Capital MetroCapMetro's internal audit function. To facilitate the effectiveness and independence of the internal audit function, the internal audit function is ultimately accountable to the Board of Directors and the FAA Committee. The FAA Committee will:*
- Make recommendations to the full Board of Directors regarding the appointment and removal of the Chief Audit Executive (CAE).
  - Review annually with management and the CAE the charter, audit plans, activities, staffing, and organizational structure of the internal audit function.
  - Ensure there are no unjustified restrictions or limitations on the internal audit function.
  - Review audit results, reports, and recommendations and ensure adequate management follow-up and resolution.
  - Meet with the CAE to discuss any matters that the FAA Committee or internal audit believes should be discussed.
  - Request internal auditors to perform special studies, investigations, or other services in matters of interest or concern to the FAA Committee or Board that may be outside the scope of the approved Audit Services Plan. Such projects could include investigation of areas of high control risk, potential or suspected fraud or other irregularities, compliance with laws, regulations, policies and procedures, or evaluation of external auditors.
  - Conduct an annual performance review and evaluation of the CAE.
  - Review the effectiveness of the internal audit function through periodic external quality assurance reviews.
4. External Audit: *The FAA Committee shall assure independence in fact and in appearance of all external financial assurance services. External auditors are ultimately accountable to the Board of Directors and the FAA Committee. The FAA Committee will:*
- Review the external auditors' proposed audit scope and approach, including coordination of audit effort with internal audit.
  - Consider the facts and circumstances of each case in order to determine if firm or audit partner rotation is needed in order to ensure an independent financial audit in accordance with the Policy on Rotation of Auditors.
  - Approve in advance any non-audit services by external auditors or their consulting practice/affiliates.
  - Ensure that external auditors do not (1) provide non-audit services that involve performing management functions or making management decisions, or (2) audit their own work or provide non-audit services that are significant or material to the subject matter of the audits.
  - Meet with the external auditors to discuss any matters that the FAA Committee or auditors believe should be discussed in detail.
  - Review with management and the external auditors the results of the audit, including any serious difficulties or disputes with management encountered during assurance work.

5. Compliance: *The FAA Committee shall provide reasonable assurance to the Board of Directors that its policies are being carried out and that systems are in place to ensure compliance with laws and regulations. The FAA Committee will:*
  - Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.
  - Review the findings of any examinations by regulatory agencies, and any auditor observations.
  - Review the process for communicating the Code of Ethics to company personnel and for monitoring compliance therewith.
  - Obtain regular updates from the Board Ethics Officer and the Staff Ethics Officer regarding ethics and compliance matters.
  
6. Reporting Responsibilities: *The FAA Committee will:*
  - Report and recommend action, as appropriate to the Board of Directors about FAA Committee activities, issues, and related recommendations.
  - Provide an open avenue of communication between internal audit, the external auditors, and the Board of Directors.
  - Review any other reports ~~Capital Metro~~CapMetro issues that relate to FAA Committee responsibilities.
  
7. Other Responsibilities: *The FAA Committee will:*
  - Perform other activities related to this charter as requested by the ~~Capital Metro~~CapMetro Board of Directors.
  - Review and assess the adequacy of the FAA Committee Charter annually, requesting Board approval for proposed changes, and ensure appropriate disclosure as may be required by law or regulation.
  - Confirm annually that all responsibilities outlined in this charter have been carried out.

**History:**

~~See most recent FAA Committee approvals at:  
2015-56~~

~~DOCUMENT\_RECORDS\_MGT #335187-2009 Board Resolutions Nos. 057-068 (Resolution CMTA-2009-60 p. 23/29)~~

~~DOCUMENT\_RECORDS\_MGT #209034-2007 Board Resolution November Nos. 084-089~~

**CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY  
BOARD OF DIRECTORS  
FINANCE, AUDIT AND ADMINISTRATION COMMITTEE CHARTER**

**I. PURPOSE**

The Finance, Audit and Administration Committee (the “FAA Committee”) has been established by the Capital Metropolitan Transportation Authority (“CapMetro”) Board of Directors (the “Board”) to assist in fulfilling its oversight responsibilities for accounting and financial reporting processes, the system of internal controls, the audit processes, and systems for monitoring compliance with laws, regulations, and the CapMetro Code of Ethics.

Executive management is responsible for preparing complete and accurate financial statements, managing business and financial risk, and for monitoring internal controls and compliance with all applicable laws, regulations, and internal policies and procedures. The Board of Directors has oversight responsibility in these areas and is charged with establishing and supporting an adequate control environment within the organization for ensuring accountability and demonstrating proper stewardship over public funds.

**II. AUTHORITY**

The FAA Committee has authority to conduct or authorize investigations into and study any matter within its scope of responsibility and make recommendations for action to the full Board. It is empowered to:

1. Ensure the independence of any registered public accounting firm employed by CapMetro.
2. Resolve any disagreements between management and the external auditor regarding financial reporting.
3. Provide oversight and direction of the internal audit function.
4. Use independent counsel, accountants, auditors, or others to advise the FAA Committee or to assist in the conduct of an investigation.
5. Seek any information it requires from CapMetro staff—all of whom are directed to cooperate with FAA Committee requests—or external parties.

**III. MEMBERSHIP**

The FAA Committee shall consist of at least three (3) members of the Board of Directors.

The Chairperson of the Board will nominate the FAA Committee Chairperson and members annually, subject to confirmation by the Board. The FAA Committee shall elect a Committee Vice Chairperson from among its members at its first meeting of the year to perform the duties of the Chairperson in case of the absence, disability or disqualification of the Committee Chairperson.

Each member of the FAA Committee must be financially literate, as the Board interprets such qualification in its business judgment, or must become financially literate within a reasonable period of time after his or her appointment. In addition, one member of the FIAA Committee must be a metropolitan planning organization appointee with at least 10 years of experience as a financial or accounting professional.

Committee members shall be free of any relationship that would interfere with his or her individual exercise of independent judgment in accordance with CapMetro’s Code of Ethics and applicable law.

#### **IV. EDUCATION**

CapMetro executive management is responsible for providing the FAA Committee with educational resources related to accounting principles and procedures, risk management, ethics, employee health and benefit plans and other information that may be requested by the FAA Committee. CapMetro executive management shall assist the FAA Committee in maintaining appropriate financial and compliance literacy.

#### **V. MEETINGS**

The FAA Committee will meet at least four (4) times a year, with authority to convene additional meetings as circumstances require. All meetings will be conducted in accordance with the Texas Open Meetings Act, as applicable. FAA Committee members are expected to attend each meeting. The FAA Committee may direct members of management, auditors, or others to attend meetings and provide pertinent information, as necessary. CapMetro staff will post meeting agendas and backup materials for Board members and the public to view no later than seven (7) calendar days before the committee meeting.

#### **VI. RESPONSIBILITIES**

The FAA Committee will carry out the following responsibilities:

1. Financial & Other Reporting: *The FAA Committee shall provide reasonable assurance to the Board that financial information reported by management substantively portrays CapMetro's financial condition, results of operations, plans, and long-term commitments. The FAA Committee may review other reports requiring Board approval prior to submission to public sector entities. The FAA Committee will:*
  - Review fiscal, investment, and other financial management policies and practices including but not limited to:
    - Operating & Capital Budgeting
    - Procurement and contracting
    - Revenue (e.g., grants, fare structure, new revenue opportunities including partnerships with external entities)
    - Debt and investments
    - Disadvantaged Business Enterprise (DBE) Program
    - Insurance and risk management
  - Review financial statements, including interim financial statements, auditor's opinions and management letters, and consider whether they are complete and consistent with information known to FAA Committee members, and reflect appropriate accounting principles.
2. Internal Control: *The FAA Committee shall understand CapMetro's key financial reporting risk areas and the internal control structure. The FAA Committee will:*
  - Consider the effectiveness of CapMetro's internal control systems, including information technology security and control.
  - Understand the scope of internal and external auditors' review of internal controls over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.

- Review and provide oversight for technology investments and processes that support the Authority's strategic financial goals and objectives.
  - Review the reports and results of internal and external audits.
3. Internal Audit: *The FAA Committee shall provide direct oversight of CapMetro's internal audit function. To facilitate the effectiveness and independence of the internal audit function, the internal audit function is ultimately accountable to the Board of Directors and the FAA Committee. The FAA Committee will:*
- Make recommendations to the full Board of Directors regarding the appointment and removal of the Chief Audit Executive (CAE).
  - Review annually with management and the CAE the charter, audit plans, activities, staffing, and organizational structure of the internal audit function.
  - Ensure there are no unjustified restrictions or limitations on the internal audit function.
  - Review audit results, reports, and recommendations and ensure adequate management follow-up and resolution.
  - Meet with the CAE to discuss any matters that the FAA Committee or internal audit believes should be discussed.
  - Request internal auditors to perform special studies, investigations, or other services in matters of interest or concern to the FAA Committee or Board that may be outside the scope of the approved Audit Services Plan. Such projects could include investigation of areas of high control risk, potential or suspected fraud or other irregularities, compliance with laws, regulations, policies and procedures, or evaluation of external auditors.
  - Conduct an annual performance review and evaluation of the CAE.
  - Review the effectiveness of the internal audit function through periodic external quality assurance reviews.
4. External Audit: *The FAA Committee shall assure independence in fact and in appearance of all external financial assurance services. External auditors are ultimately accountable to the Board of Directors and the FAA Committee. The FAA Committee will:*
- Review the external auditors' proposed audit scope and approach, including coordination of audit effort with internal audit.
  - Consider the facts and circumstances of each case in order to determine if firm or audit partner rotation is needed in order to ensure an independent financial audit in accordance with the Policy on Rotation of Auditors.
  - Approve in advance any non-audit services by external auditors or their consulting practice/affiliates.
  - Ensure that external auditors do not (1) provide non-audit services that involve performing management functions or making management decisions, or (2) audit their own work or provide non-audit services that are significant or material to the subject matter of the audits.
  - Meet with the external auditors to discuss any matters that the FAA Committee or auditors believe should be discussed in detail.
  - Review with management and the external auditors the results of the audit, including any serious difficulties or disputes with management encountered during assurance work.

5. Compliance: *The FAA Committee shall provide reasonable assurance to the Board of Directors that its policies are being carried out and that systems are in place to ensure compliance with laws and regulations. The FAA Committee will:*
  - Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.
  - Review the findings of any examinations by regulatory agencies, and any auditor observations.
  - Review the process for communicating the Code of Ethics to company personnel and for monitoring compliance therewith.
  - Obtain regular updates from the Board Ethics Officer and the Staff Ethics Officer regarding ethics and compliance matters.
  
6. Reporting Responsibilities: *The FAA Committee will:*
  - Report and recommend action, as appropriate to the Board of Directors about FAA Committee activities, issues, and related recommendations.
  - Provide an open avenue of communication between internal audit, the external auditors, and the Board of Directors.
  - Review any other reports CapMetro issues that relate to FAA Committee responsibilities.
  
7. Other Responsibilities: *The FAA Committee will:*
  - Perform other activities related to this charter as requested by the CapMetro Board of Directors.
  - Review and assess the adequacy of the FAA Committee Charter annually, requesting Board approval for proposed changes, and ensure appropriate disclosure as may be required by law or regulation.
  - Confirm annually that all responsibilities outlined in this charter have been carried out.

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Board of Directors

Item #: AI-2023-1003

Agenda Date: 11/20/2023

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**SUBJECT:**

Approval of a resolution affirming the Internal Audit Charter.

**FISCAL IMPACT:**

This action has no fiscal impact.

**STRATEGIC PLAN:**

**Strategic Goal Alignment:**

1. Internal/External Customer Service Excellence     2. Stakeholder Engagement  
 3. Financial and Environmental Sustainability     4. Staff Development     5. Agency Growth Management

**Strategic Objectives:**

- 1.1 Safety & Risk     1.2 Continuous improvement     1.3 Dynamic Change  
 1.4 Culture of Innovation     2.1 Be an Employer of Choice     2.2 Organization Development  
 2.3 Organization Culture     3.1 Resource optimization     3.2 Safety Culture  
 3.3 Environmental Leadership     4.1 Educate & Call to Action     4.2 Build Partnerships  
 4.3 Value of Transit     4.4 Project Connect

**EXPLANATION OF STRATEGIC ALIGNMENT:** The mission of the Internal Audit department is to enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight. The internal audit activity helps CapMetro accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes.

**BUSINESS CASE:** Does not apply.

**COMMITTEE RECOMMENDATION:** This item was presented and recommended for approval by the Finance, Audit and Administration Committee on November 7, 2023.

**EXECUTIVE SUMMARY:** The Internal Audit Charter identifies the purpose, authority, and responsibility of the CapMetro Internal Audit function, consistent with professional auditing. When it adopted the Internal Audit

Charter, the Board of Directors asked that the Charter be reviewed periodically and updated as necessary. The last of these reviews was performed in February, 2022.

After a careful review, staff is recommending only minor updates to the document format for this charter, which no substantive changes suggested.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply.

RESPONSIBLE DEPARTMENT: Internal Audit

**RESOLUTION  
OF THE  
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY  
BOARD OF DIRECTORS**

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**AI-2023-1003**

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors has adopted an Internal Audit Charter that identifies the purpose, authority, and responsibility of the CapMetro Internal Audit function, consistent with professional auditing standards.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the Internal Audit Charter attached hereto is formally affirmed.

Date: \_\_\_\_\_

\_\_\_\_\_  
**Secretary of the Board  
Becki Ross**



<b>Internal Audit Charter</b>	
<b>Approved by FAA Committee:</b>	<b>Last Approved: 2/28/2022</b> <b>CMTA Resolution #:</b> <b>AI-2022-351</b>

### **INTERNAL AUDIT MISSION**

To enhance and protect organizational value by providing risk-based and objective assurance, advice and insight.

### **ROLE**

Internal Audit assists the organization in accomplishing its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. Internal auditors have no direct responsibilities or any authority over any of the activities or operations they review. They should not develop and install procedures, prepare records, or engage in activities which would normally be reviewed by internal auditors. This does not preclude internal auditors from serving in an advisory capacity in the implementation of improvements or the establishment or re-designing of activities, policies, procedures, or information systems. Additionally, this restriction shall not prevent internal auditors from performing analysis and recommending alternative courses of action to management.

### **INDEPENDENCE AND ORGANIZATIONAL REPORTING**

Internal Auditors should be free both in fact and appearance from personal, external, and organizational impairments to independence.

In order to be free of all operational and management responsibilities that would impair the ability to review independently all aspects of the Authority's operations, the Chief Audit Executive (CAE) shall report functionally to the Board of Directors (BOD) through the Finance, Audit and Administration (FAA) Committee. The CAE shall report to the FAA Committee as needed to discuss audit issues and results. At least annually, the CAE will confirm to the FAA Committee, the organizational independence of the internal audit activity and, as necessary, revise the Internal Audit and/or the FAA Charters.

### **PROFESSIONAL STANDARDS**

Internal Audit must follow Generally Accepted Government Auditing Standards (GAGAS), as issued by the U.S. General Accountability Office (GAO). Also, Internal Audit conforms to the International Professional Practices Framework (IPPF) consisting of the Core Principles for the Professional Practice of Internal Auditing, the Definition of Internal Auditing, the Code of Ethics, and the Standards as promulgated and periodically revised by the Institute of Internal Auditors. These core principles include:

1. Demonstrates integrity
2. Demonstrates competence and due professional care
3. Is objective and free from undue influence (independent)
4. Aligns with the strategies, objectives, and risks of the organization
5. Is appropriately positioned and adequately resourced
6. Demonstrates quality and continuous improvement
7. Communicates effectively
8. Provides risk-based assurance
9. Is insightful, proactive, and future-focused
10. Promotes organizational improvement

## **ASSURANCE SERVICES**

Assurance services provide an objective evaluation of evidence for the purpose of providing an independent assessment on governance, risk management, and control processes for the organization.

These activities may include:

- Reviewing the reliability and integrity of financial and operating information and the means used to identify, measure, classify, and report such information.
- Reviewing the systems established to ensure compliance with those policies, plans, procedures, laws, and regulations which could have a significant impact on operations and whether the Authority is in compliance.
- Reviewing the means of safeguarding assets and, as appropriate, verifying the existence of assets.
- Reviewing and appraising the efficiency with which resources are employed.
- Reviewing operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned.
- Reviewing information systems throughout the system development lifecycle.
- Assessing management's actions taken in response to reported audit findings.
- Reviewing and evaluating the organization's governance processes.
- Reviewing and evaluating the organization's risk management processes.
- Receiving and investigating allegations of fraud, waste and abuse.
- Reporting periodically on the Internal Audit activity's purpose, authority, responsibility, and performance relative to its plan.

## **NON-AUDIT SERVICES (ADVISORY & CONSULTING)**

Consulting services include advisory and related client service activities, the nature and scope of which are agreed with the client and are intended to add value and improve the Authority's governance, risk management, and control processes.

These services may range from formal engagements, defined by written agreements, to advisory activities, such as training, facilitation, and participating in standing or temporary management committees or project teams as an "ex-officio" member.

Internal Audit may perform advisory services where the services do not create a personal impairment either in fact or appearance, detract from other obligations to the FAA Committee, or require the assumption of management responsibilities.

Internal Audit does not perform remediation services. Remediation services are those in which the auditor assumes a direct role designed to prevent or remediate known or suspected problems on behalf of a client. Remediation services require making management decisions and, thus, are not appropriate according to GAGAS.

## **AUTHORITY**

Authorization is granted for full and free access to all records (either manual or electronic), physical properties, activities, and personnel relevant to a review. This includes full access to all systems that input, process, store, and report any and all information of the operations of the Authority which are not limited or otherwise restricted. Documents and information given to internal auditors will be handled in the same prudent manner as by those employees normally accountable for them.

## **QUALITY ASSURANCE AND IMPROVEMENT PROGRAM**

Internal Audit maintains a Quality Assurance and Improvement Program (QAIP) to evaluate the operations of the internal auditing function. The QAIP includes audit supervision / review to ensure conformance with internal auditing standards, policies, and audit programs. Internal assessments will be performed at least annually to assess conformance with the Internal Audit Charter, the Standards, Code of Ethics, GAGAS, and the efficiency and effectiveness of internal audit in meeting the needs of its various stakeholders. In addition, an independent external quality assurance review will be performed at least once every three years. The results of the QAIP activities, including both internal and external assessments, will be provided to the FAA Committee.

## **CONTINUING PROFESSIONAL DEVELOPMENT**

Each fiscal year, the Internal Audit Department will be allocated a budget for training and educational materials to comply with internal auditing professional standards and ensure current audit techniques, policies, and practices.

## **INTERNAL AUDIT RESULTS**

Audit results are reported to the FAA Committee and President / CEO at the conclusion of each audit project and may include management's responses and corrective action plans (CAPs). The FAA Committee accepts audit reports/results and, when appropriate, authorizes their distribution.

In certain instances, a report may be of limited interest or of a sensitive nature. In these circumstances, the results will be shared only with those persons designated by the FAA Committee. No internal audit report shall directly reference or quote confidential information that is protected under the Texas Public Information Act.

## **INTERNAL AUDIT FOLLOW-UP**

The CAE shall monitor the disposition of CAPs. Audit follow-ups shall verify the resolution status of all significant recommendations resulting from past internal audits. The CAE shall report, at least annually, on implementation status to the FAA Committee.

## **FINANCE, AUDIT & ADMINISTRATION COMMITTEE**

The Finance, Audit & Administration (FAA) Committee shall provide guidance and oversight of both internal and external audit activities. FAA Committee responsibilities include the following duties, based upon standard corporate and governmental practices:

Responsibilities for Internal Audit:

- Review and approve Internal Audit Charter.
- Review Internal Audit risk assessment, plans and budgets.
- Review and/or approve requests for internal audit projects and significant interim changes to the internal audit plan.

- Monitor internal audit results and follow-up reports on previously reported recommendations and CAPs.
- Conduct an annual performance review and evaluation of the CAE.
- Inform and advise the full BOD on internal audit results and recommendations.

Responsibilities for External Audit:

- Monitor external auditor coverage, activities, and contracts for external audits.
- Monitor financial and regulatory reporting decisions.

### **BOARD ACCESS TO INTERNAL AUDIT**

The FAA Committee shall be the access point for all requests for internal audits. Individual Board members desiring specific audit projects should coordinate requests through this committee for review, approval, and scheduling.

### **INTERNAL AUDITOR ACCESS TO THE BOARD**

The CAE shall meet with the FAA Committee on a regular basis, but no less than once per quarter. In addition, the BOD and/or the FAA Committee may request that Internal Audit be available as an informational resource at regular BOD or FAA Committee meetings.

The CAE will have direct access to the BOD and/or the FAA Committee about issues or concerns. The intent of this provision is to emphasize the independence of internal auditing and provide the CAE with direct access to the BOD should serious matters arise which are beyond the course of normal operations.

### **INTERNAL AUDIT SERVICES PLAN**

The CAE shall present for approval to the BOD, a risk-based audit plan which documents the priorities of the internal audit function and is consistent with the Authority's strategic goals and objectives. A risk/opportunity assessment shall be used to identify and justify internal audit resources, audit priority, and scheduling of audit projects. Audit planning will consider the risk of fraud and abuse.

The Internal Audit Services Plan will be reviewed at least annually and proposed plan revisions will be presented to the FAA Committee which has the authority to approve plan modifications. The intent is to provide flexibility to ensure that the most significant risks and opportunities can be addressed in a timely fashion.

### **CAE APPOINTMENT, EVALUATION & REMOVAL**

The BOD shall appoint a qualified, professionally certified individual to perform internal auditing services for a term of five years. The BOD will be responsible for conducting an annual personnel evaluation of the CAE. However, the BOD may delegate this responsibility to the FAA Committee. The BOD may remove the CAE only on the affirmative vote of at least three-fourths of the members of the BOD.

### **EFFECTIVE DATE**

This charter and the policies therein became effective immediately upon adoption by the Board of Directors of the Capital Metropolitan Transportation Authority.

History:

See most recent FAA Committee approvals at: CMTA Resolution #: AI-2018-797, dated September 17, 2018  
CMTA-2015-56, dated June, 22, 2015



Internal Audit Charter	
<b>Approved by FAA Committee:</b>	<b>Last Approved: <del>112/2820/20232</del></b> <b>CMTA Resolution #:</b> <b>AI-202<del>32</del>-<del>1003351</del></b>

### INTERNAL AUDIT MISSION

To enhance and protect organizational value by providing risk-based and objective assurance, advice and insight.

### ROLE

Internal Audit assists the organization in accomplishing its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. Internal auditors have no direct responsibilities or any authority over any of the activities or operations they review. They should not develop and install procedures, prepare records, or engage in activities which would normally be reviewed by internal auditors. This does not preclude internal auditors from serving in an advisory capacity in the implementation of improvements or the establishment or re-designing of activities, policies, procedures, or information systems. Additionally, this restriction shall not prevent internal auditors from performing analysis and recommending alternative courses of action to management.

### INDEPENDENCE AND ORGANIZATIONAL REPORTING

Internal Auditors should be free both in fact and appearance from personal, external, and organizational impairments to independence.

In order to be free of all operational and management responsibilities that would impair the ability to review independently all aspects of the Authority's operations, the Chief Audit Executive (CAE) shall report functionally to the Board of Directors (BOD) through the Finance, Audit and Administration (FAA) Committee. The CAE shall report to the FAA Committee as needed to discuss audit issues and results. At least annually, the CAE will confirm to the FAA Committee, the organizational independence of the internal audit activity and, as necessary, revise the Internal Audit and/or the FAA Charters.

### PROFESSIONAL STANDARDS

Internal Audit must follow Generally Accepted Government Auditing Standards (GAGAS), as issued by the U.S. General Accountability Office (GAO). Also, Internal Audit conforms to the International Professional Practices Framework (IPPF) consisting of the Core Principles for the Professional Practice of Internal Auditing, the Definition of Internal Auditing, the Code of Ethics, and the Standards as promulgated and periodically revised by the Institute of Internal Auditors. These core principles include:

1. Demonstrates integrity
2. Demonstrates competence and due professional care
3. Is objective and free from undue influence (independent)
4. Aligns with the strategies, objectives, and risks of the organization
5. Is appropriately positioned and adequately resourced
6. Demonstrates quality and continuous improvement
7. Communicates effectively
8. Provides risk-based assurance
9. Is insightful, proactive, and future-focused
10. Promotes organizational improvement

## **ASSURANCE SERVICES**

Assurance services provide an objective evaluation of evidence for the purpose of providing an independent assessment on governance, risk management, and control processes for the organization.

These activities may include:

- Reviewing the reliability and integrity of financial and operating information and the means used to identify, measure, classify, and report such information.
- Reviewing the systems established to ensure compliance with those policies, plans, procedures, laws, and regulations which could have a significant impact on operations and whether the Authority is in compliance.
- Reviewing the means of safeguarding assets and, as appropriate, verifying the existence of assets.
- Reviewing and appraising the efficiency with which resources are employed.
- Reviewing operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned.
- Reviewing information systems throughout the system development lifecycle.
- Assessing management's actions taken in response to reported audit findings.
- Reviewing and evaluating the organization's governance processes.
- Reviewing and evaluating the organization's risk management processes.
- Receiving and investigating allegations of fraud, waste and abuse.
- Reporting periodically on the Internal Audit activity's purpose, authority, responsibility, and performance relative to its plan.

## **NON-AUDIT SERVICES (ADVISORY & CONSULTING)**

Consulting services include advisory and related client service activities, the nature and scope of which are agreed with the client and are intended to add value and improve the Authority's governance, risk management, and control processes.

These services may range from formal engagements, defined by written agreements, to advisory activities, such as training, facilitation, and participating in standing or temporary management committees or project teams as an "ex-officio" member.

Internal Audit may perform advisory services where the services do not create a personal impairment either in fact or appearance, detract from other obligations to the FAA Committee, or require the assumption of management responsibilities.

Internal Audit does not perform remediation services. Remediation services are those in which the auditor assumes a direct role designed to prevent or remediate known or suspected problems on behalf of a client. Remediation services require making management decisions and, thus, are not appropriate according to GAGAS.

## **AUTHORITY**

Authorization is granted for full and free access to all records (either manual or electronic), physical properties, activities, and personnel relevant to a review. This includes full access to all systems that input, process, store, and report any and all information of the operations of the Authority which are not limited or otherwise restricted. Documents and information given to internal auditors will be handled in the same prudent manner as by those employees normally accountable for them.

## **QUALITY ASSURANCE AND IMPROVEMENT PROGRAM**

Internal Audit maintains a Quality Assurance and Improvement Program (QAIP) to evaluate the operations of the internal auditing function. The QAIP includes audit supervision / review to ensure conformance with internal auditing standards, policies, and audit programs. Internal assessments will be performed at least annually to assess conformance with the Internal Audit Charter, the Standards, Code of Ethics, GAGAS, and the efficiency and effectiveness of internal audit in meeting the needs of its various stakeholders. In addition, an independent external quality assurance review will be performed at least once every three years. The results of the QAIP activities, including both internal and external assessments, will be provided to the FAA Committee.

## **CONTINUING PROFESSIONAL DEVELOPMENT**

Each fiscal year, the Internal Audit Department will be allocated a budget for training and educational materials to comply with internal auditing professional standards and ensure current audit techniques, policies, and practices.

## **INTERNAL AUDIT RESULTS**

Audit results are reported to the FAA Committee and President / CEO at the conclusion of each audit project and may include management's responses and corrective action plans (CAPs). The FAA Committee accepts audit reports/results and, when appropriate, authorizes their distribution.

In certain instances, a report may be of limited interest or of a sensitive nature. In these circumstances, the results will be shared only with those persons designated by the FAA Committee. No internal audit report shall directly reference or quote confidential information that is protected under the Texas Public Information Act.

## **INTERNAL AUDIT FOLLOW-UP**

The CAE shall monitor the disposition of CAPs. Audit follow-ups shall verify the resolution status of all significant recommendations resulting from past internal audits. The CAE shall report, at least annually, on implementation status to the FAA Committee.

## **FINANCE, AUDIT & ADMINISTRATION COMMITTEE**

The Finance, Audit & Administration (FAA) Committee shall provide guidance and oversight of both internal and external audit activities. FAA Committee responsibilities include the following duties, based upon standard corporate and governmental practices:

Responsibilities for Internal Audit:

- Review and approve Internal Audit Charter.
- Review Internal Audit risk assessment, plans and budgets.
- Review and/or approve requests for internal audit projects and significant interim changes to the internal audit plan.

- Monitor internal audit results and follow-up reports on previously reported recommendations and CAPs.
- Conduct an annual performance review and evaluation of the CAE.
- Inform and advise the full BOD on internal audit results and recommendations.

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- Monitor external auditor coverage, activities, and contracts for external audits.
- Monitor financial and regulatory reporting decisions.

## **BOARD ACCESS TO INTERNAL AUDIT**

The FAA Committee shall be the access point for all requests for internal audits. Individual Board members desiring specific audit projects should coordinate requests through this committee for review, approval, and scheduling.

## **INTERNAL AUDITOR ACCESS TO THE BOARD**

The CAE shall meet with the FAA Committee on a regular basis, but no less than once per quarter. In addition, the BOD and/or the FAA Committee may request that Internal Audit be available as an informational resource at regular BOD or FAA Committee meetings.

The CAE will have direct access to the BOD and/or the FAA Committee about issues or concerns. The intent of this provision is to emphasize the independence of internal auditing and provide the CAE with direct access to the BOD should serious matters arise which are beyond the course of normal operations.

## **INTERNAL AUDIT SERVICES PLAN**

The CAE shall present for approval to the BOD, a risk-based audit plan which documents the priorities of the internal audit function and is consistent with the Authority's strategic goals and objectives. A risk/opportunity assessment shall be used to identify and justify internal audit resources, audit priority, and scheduling of audit projects. Audit planning will consider the risk of fraud and abuse.

The Internal Audit Services Plan will be reviewed at least annually and proposed plan revisions will be presented to the FAA Committee which has the authority to approve plan modifications. The intent is to provide flexibility to ensure that the most significant risks and opportunities can be addressed in a timely fashion.

## **CAE APPOINTMENT, EVALUATION & REMOVAL**

The BOD shall appoint a qualified, professionally certified individual to perform internal auditing services for a term of five years. The BOD will be responsible for conducting an annual personnel evaluation of the CAE. However, the BOD may delegate this responsibility to the FAA Committee. The BOD may remove the CAE only on the affirmative vote of at least three-fourths of the members of the BOD.

## **EFFECTIVE DATE**

This charter and the policies therein became effective immediately upon adoption by the Board of Directors of the Capital Metropolitan Transportation Authority.

~~History:~~

~~See most recent FAA Committee approvals at: CMTA Resolution #: AI 2018-797, dated September 17, 2018  
CMTA-2015-56, dated June, 22, 2015~~

<b>Internal Audit Charter</b>	
<b>Approved by FAA Committee:</b>	<b>Last Approved: 11/20/2023</b> <b>CMTA Resolution #:</b> <b>AI-2023-1003</b>

**INTERNAL AUDIT MISSION**

To enhance and protect organizational value by providing risk-based and objective assurance, advice and insight.

**ROLE**

Internal Audit assists the organization in accomplishing its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. Internal auditors have no direct responsibilities or any authority over any of the activities or operations they review. They should not develop and install procedures, prepare records, or engage in activities which would normally be reviewed by internal auditors. This does not preclude internal auditors from serving in an advisory capacity in the implementation of improvements or the establishment or re-designing of activities, policies, procedures, or information systems. Additionally, this restriction shall not prevent internal auditors from performing analysis and recommending alternative courses of action to management.

**INDEPENDENCE AND ORGANIZATIONAL REPORTING**

Internal Auditors should be free both in fact and appearance from personal, external, and organizational impairments to independence.

In order to be free of all operational and management responsibilities that would impair the ability to review independently all aspects of the Authority’s operations, the Chief Audit Executive (CAE) shall report functionally to the Board of Directors (BOD) through the Finance, Audit and Administration (FAA) Committee. The CAE shall report to the FAA Committee as needed to discuss audit issues and results. At least annually, the CAE will confirm to the FAA Committee, the organizational independence of the internal audit activity and, as necessary, revise the Internal Audit and/or the FAA Charters.

**PROFESSIONAL STANDARDS**

Internal Audit must follow Generally Accepted Government Auditing Standards (GAGAS), as issued by the U.S. General Accountability Office (GAO). Also, Internal Audit conforms to the International Professional Practices Framework (IPPF) consisting of the Core Principles for the Professional Practice of Internal Auditing, the Definition of Internal Auditing, the Code of Ethics, and the Standards as promulgated and periodically revised by the Institute of Internal Auditors. These core principles include:

1. Demonstrates integrity
2. Demonstrates competence and due professional care
3. Is objective and free from undue influence (independent)
4. Aligns with the strategies, objectives, and risks of the organization
5. Is appropriately positioned and adequately resourced
6. Demonstrates quality and continuous improvement
7. Communicates effectively
8. Provides risk-based assurance
9. Is insightful, proactive, and future-focused
10. Promotes organizational improvement

## **ASSURANCE SERVICES**

Assurance services provide an objective evaluation of evidence for the purpose of providing an independent assessment on governance, risk management, and control processes for the organization.

These activities may include:

- Reviewing the reliability and integrity of financial and operating information and the means used to identify, measure, classify, and report such information.
- Reviewing the systems established to ensure compliance with those policies, plans, procedures, laws, and regulations which could have a significant impact on operations and whether the Authority is in compliance.
- Reviewing the means of safeguarding assets and, as appropriate, verifying the existence of assets.
- Reviewing and appraising the efficiency with which resources are employed.
- Reviewing operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned.
- Reviewing information systems throughout the system development lifecycle.
- Assessing management's actions taken in response to reported audit findings.
- Reviewing and evaluating the organization's governance processes.
- Reviewing and evaluating the organization's risk management processes.
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### **EFFECTIVE DATE**

This charter and the policies therein became effective immediately upon adoption by the Board of Directors of the Capital Metropolitan Transportation Authority.

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Board of Directors

Item #: AI-2023-1010

Agenda Date: 11/20/2023

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**SUBJECT:**

Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a Purchase and Sale Agreement in Lieu of Condemnation with the City of Austin, for the sale of 1.385 acre (60,349 square feet) of land out of the 20.554 acres of land owned by CapMetro, out of the J.C. Tannehill Survey 29, Abstract 22, located at the southwest corner of Loyola Lane and Johnny Morris Road, Austin, Travis County, Texas, in exchange for compensation to CapMetro in the amount of \$1,499,673.

**FISCAL IMPACT:**

Refer to executive summary for clarification.

**STRATEGIC PLAN:**

**Strategic Goal Alignment:**

- 1. Customer       2. Community
- 3. Workforce       4. Organizational Effectiveness

**Strategic Objectives:**

- 1.1 Safe & Reliable Service       1.2 High Quality Customer Experience       1.3 Accessible System
- 2.1 Support Sustainable Regional Growth       2.2 Become a Carbon Neutral Agency
- 2.3 Responsive to Community and Customer Needs       2.4 Regional Leader in Transit Planning
- 3.1 Diversity of Staff       3.2 Employer of Choice       3.3 Expand Highly Skilled Workforce
- 4.1 Fiscally Responsible and Transparent       4.2 Culture of Safety       4.3 State of Good Repair

**EXPLANATION OF STRATEGIC ALIGNMENT:** The City of Austin (the “City”), one of Cap Metro’s community partners, seeks to construct an odor control facility to support the Walnut Creek Wastewater Interceptor, located along the west boundary line of CapMetro’s property located at Loyola Lane and Johnny Morris Road. The City deems the improvements are necessary to support the region’s growing population. Cap Metro sees this as an opportunity to support the region and foster its community partnership with the City of Austin.

**BUSINESS CASE:** The land is desired by the City for its construction of an odor control facility to support the Walnut Creek Wastewater Interceptor. The City has offered to compensate CapMetro for the purchase of this property based upon an appraisal completed on behalf of the City, which was submitted and reviewed by

CapMetro staff. The value is acceptable to CapMetro.

COMMITTEE RECOMMENDATION: This item will be presented to the full board on November 20, 2023.

EXECUTIVE SUMMARY: The City of Austin has advised CapMetro that it is planning to construct an odor control facility to support the Walnut Creek Wastewater Interceptor. To accommodate the proposed improvements, the City desires to purchase 60,346 square feet of fee simple property owned by CapMetro.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply.

RESPONSIBLE DEPARTMENT: Real Estate

**RESOLUTION  
OF THE  
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY  
BOARD OF DIRECTORS**

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**AI-2023-1010**

WHEREAS, the Capital Metropolitan Transportation Authority (CapMetro) Board of Directors (the “Board”) and CapMetro management endeavor to partner with communities to support regional growth; and

WHEREAS, the Board and CapMetro management recognize the City of Austin’s desire for fee simple title to 1.385 acre (60,349 square feet) out of property owned by CapMetro to construct an odor control facility to support the City of Austin’s Walnut Creek Wastewater Interceptor located along the western boundary of CapMetro’s property located at Loyola Lane and Johnny Morris Road; and

WHEREAS, the Board and CapMetro management are willing to sell to the City of Austin the parcel of land owned by CapMetro so long as the City of Austin’s wastewater plant improvement project not impair or delay CapMetro’s development of its property.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the President & CEO, or her designee, to finalize and execute a Purchase and Sale Agreement in Lieu of Condemnation with the City of Austin, for the conveyance of 1.385 acre (60,349 square feet) of land out of the 20.554 acres of land owned by CapMetro, out of the J.C. Tannehill Survey 29, Abstract 22, located at the southwest corner of Loyola Lane and Johnny Morris Road, Austin, Travis County, Texas, in exchange for compensation to CapMetro in the amount of \$1,499,673 on the terms and conditions presented to the Board; and that the President & CEO, or her designee, is authorized to finalize and execute all agreement necessary to carry out the conveyance.

**Date:** \_\_\_\_\_

\_\_\_\_\_  
**Secretary of the Board  
Becki Ross**



# FINANCIAL SERVICES DEPARTMENT

Real Estate • PO Box 1088 Austin, TX 78767

*Rec'd  
8/23/2023*

**Via Certified Mail Return Receipt Requested#:7020009000002247256**

August 10, 2023

Capital Metropolitan Transportation Authority  
ATTN: Vincent Sandoval- Real Estate & Right-of-Way  
2910 E 5<sup>th</sup> Street  
Austin, TX 78702-4817

Re: **INITIAL OFFER**  
**Project: Walnut Creek Corrosion Improvements**  
**Owner: Capital Metropolitan Transportation Authority**  
**File #: 5288.01**

Dear Vincent Sandoval:

By previous correspondence, you were informed that the City of Austin needs a 60,349 sq. ft. parcel of land for a wastewater project on your property for the Project Improvements. A field note description of the proposed acquisition is attached as **EXHIBIT "A" "Parcel"**.

An independent appraisal firm, Hornsby & Company, was retained to determine the fair market value of property being acquired. The value shown in the subsequent appraisal report is as follows:

- **60,349 Square Feet of Fee Simple Acquisition** **\$ 1,499,673.00**

This is a formal offer to purchase the land owned by you at Loyola Lane and Johnny Morris Road, Austin, Texas 78724 (TCAD# 545903) for the total amount of **\$1,499,673,00**, which includes the value of the Fee Simple purchase based on the appraisal inspection of August 2, 2023. The amount offered is considered fair compensation based on the appraiser's valuation analysis. Enclosed please find (1) a copy of the appraisal.

A contract offering the full-appraised value of the Fee Simple rights being acquired is enclosed for your consideration. If the terms of the contract are acceptable, please have each owner of record sign where indicated on both documents and return them to my attention within **thirty (30) days** from the date of this letter. Please understand that City Management must approve all contracts. The amount of this offer can be recommended for approval.

**You are hereby advised that the property being sought by the City of Austin is under the imminence of condemnation, as that term is used in the United States Internal Revenue Code. This statement is being included to retain certain tax benefits that you should discuss with your attorney or accountant.**

You may be entitled to additional payments and services under the City of Austin's Relocation Assistance Program. It is emphasized, however, that any benefits to which you may be



## FINANCIAL SERVICES DEPARTMENT

Real Estate • PO Box 1088 Austin, TX 78767

entitled under this program will be handled entirely separate from and in addition to the acquisition process. You will be contacted separately if you are entitled to such assistance.

You have the right to discuss with others any offer or agreement regarding the City of Austin's acquisition of the subject property, or you may (but are not required to) keep the offer or agreement confidential from others, subject to the provisions of Chapter 552, Government Code (the Public Records Act) as it may apply to the City of Austin.

Finally, we enclosed a Notice of 10-Year appraisal search that, other than the appraisal on which this offer is based, we have found no appraisal reports relating to your property being acquired which were prepared in the ten (10) years preceding the date of this offer and produced or acquired by the City of Austin.

Again, please inform me of your decision within **thirty (30) days** from the date of this letter. Your cooperation in this matter is greatly appreciated. I am available at (512) 974-1401 to address any questions that you may have.

Sincerely,

A handwritten signature in blue ink that reads "Kurt B. Kool".

Kurt B. Kool

Property Agent Sr

**FSD-REAL ESTATE**

ENCLOSURE(S): Contract, FN's, No Appraisal Found letter, Appraisal Report



City of Austin

[www.austintexas.gov](http://www.austintexas.gov)

**Financial Services Department**

**Real Estate**

505 Barton Springs Rd Ste. 1350 13th Floor Austin, Texas 78704  
P.O. Box 1088 Austin, Texas 78767

**Kurt Kool**

*Property Agent Senior*

Office: 512-974-1401 Fax: 512-974-7088

*Kurt.Kool@[austintexas.gov](mailto:Kurt.Kool@austintexas.gov)*

Printed on recycled paper

EXHIBIT "A"

PARCEL 5288.01 (1.385 ACRES)  
J..C. TANNEHILL SURVEY NO. 29  
ABSTRACT NO. 22  
AUSTIN, TRAVIS COUNTY, TEXAS

DESCRIPTION OF PARCEL 5288.01 (1.385 ACRES)

DESCRIPTION OF A 1.385 ACRE (60,349 SQUARE FOOT) PARCEL, OUT OF THE J.C. TANNEHILL SURVEY NO. 29, ABSTRACT NO. 22, TRAVIS COUNTY, TEXAS, BEING A PORTION OF THAT TRACT DESCRIBED AS 20.554 ACRES (TRACT 1) CONVEYED TO CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY (CMTA) BY SPECIAL WARRANTY DEED DATED SEPTEMBER 27, 2006, AS RECORDED IN DOCUMENT NO. 2006188973, OFFICIAL PUBLIC RECORDS, TRAVIS COUNTY, TEXAS; SAID 1.385 ACRE (60,349 SQUARE FOOT) PARCEL BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 1/2-inch iron rod with "McGray McGray" cap set at the northeast corner of this parcel, being in the north line of said 20.554 acre CMTA tract, and in the existing south right-of-way line of Loyola Lane (120 foot width), from which a 1/2-inch iron rod with "Survcon" cap found in the north line of said 20.554 acre CMTA tract, and the existing south right-of-way line of Loyola Lane, bears South 63°19'10" East 571.74 feet, said POINT OF BEGINNING having Grid Coordinates of N=10,083,675.57, E=3,142,715.36;

- 1) THENCE, along the east line of this parcel, crossing said 20.554 acre CMTA tract, **South 26°54'28" West 356.52 feet** to a 1/2-inch iron rod with "McGray McGray" cap set at the southeast corner of this parcel;
- 2) THENCE, along the south line of this parcel, crossing said 20.554 acre CMTA tract, **North 63°05'32" West 153.89 feet** to a 1/2-inch iron rod with "SDHTP" cap found at an angle point in the west line of said 20.554 acre CMTA tract, being at an angle point in the east line of that tract described as 85.439 acres (Part Two) conveyed to the State of Texas by Special Warranty Deed, as recorded in Volume 11339, Page 205, Real Property Records, Travis County, Texas;
- 3) THENCE, continuing along the south line of this parcel, the west line of said 20.554 acre CMTA tract, and the east line of said 85.439 acre State of Texas tract, **North 53°50'21" West 49.87 feet** to a 1/2-inch iron rod with "McGray McGray" cap set at the southwest corner of this parcel, being at an angle point in the west line of said 20.554 acre CMTA tract, and at an angle point in the east line of said 85.439 acre State of Texas tract, from which a 1/2-inch iron rod found bears North 39°14'17" East 6.45 feet;

**EXHIBIT "A"**

PARCEL 5288.01 (1.385 ACRES)

THENCE, along the west line of this parcel and said 20.554 acre CMTA tract, and the east line of said 85.439 acre State of Texas tract, the following two (2) courses, numbered 4 and 5:

- 4) with a curve to the right, whose delta angle is **02°28'47"**, radius is **1,860.00 feet**, an arc distance of **80.50 feet**, and the chord of which bears **North 36°31'34" East 80.49 feet** to a 1/2-inch iron rod with "McGray McGray" cap set, and
  
- 5) **North 38°54'47" East 274.62 feet** to a 1/2-inch iron rod with "SAM" cap found at the northwest corner of this parcel and said CMTA tract, being in the existing south right-of-way line of Loyola Lane, from which a 1/2-inch iron rod with "SDHTP" cap found in the west line of said 85.439 acre State of Texas tract, being in the east line of that tract described as 4.55 acres conveyed to Austin Rugby Land Corporation by General Warranty Deed, as recorded in Volume 11350, Page 436, Real Property Records, Travis County, Texas, bears North 63°19'10" West 101.74 feet, and South 38°54'47" West 254.02 feet, and from which a 1/2-inch iron rod with "SDHTP" cap found at an angle point in the west line of said 85.439 acre State of Texas tract, and the east line of said 4.55 acre Austin Rugby Land Corporation tract, bears, with a curve to the left, whose delta angle is 02°26'59", radius is 1,960.00 feet, an arc distance of 83.80 feet, and the chord of which bears South 36°34'14" West 83.79 feet;

**EXHIBIT "A"**

PARCEL 5288.01 (1.385 ACRES)

- 6) THENCE, along the north line of this parcel and said 20.554 acre CMTA tract, and the existing south right-of-way line of Loyola Lane, **South 63°19'10" East 132.54 feet** to the POINT OF BEGINNING and containing 1.385 acres (60,349 square feet) of land within these metes and bounds.

Bearing Basis Note

The bearings described herein are based on the Texas Coordinate System, Texas Central Zone (4203), NAD83 (2011) Epoch 2010.00.

SURVEYED BY:

**McGRAY & McGRAY LAND SURVEYORS, INC.**

3301 Hancock Dr., Ste. 6

Austin, TX 78731 (512) 451-8591

TBPELS Survey Firm# 10095500



12/13/2022

Chris Conrad, Reg. Professional Land Surveyor No. 5623

Date

Note: There is a plat to accompany this description.

M:/Parsons~22-124~Walnut Odor Control/Description/1.385 Ac Parcel-Rev1

Issued 11/30/2022, Revised 12/13/2022

AUSTIN GRID N-25

TCAD# 0219301110

FIELD NOTES REVIEWED

BY  DATE: 01/03/23

CITY OF AUSTIN  
PUBLIC WORKS DEPARTMENT

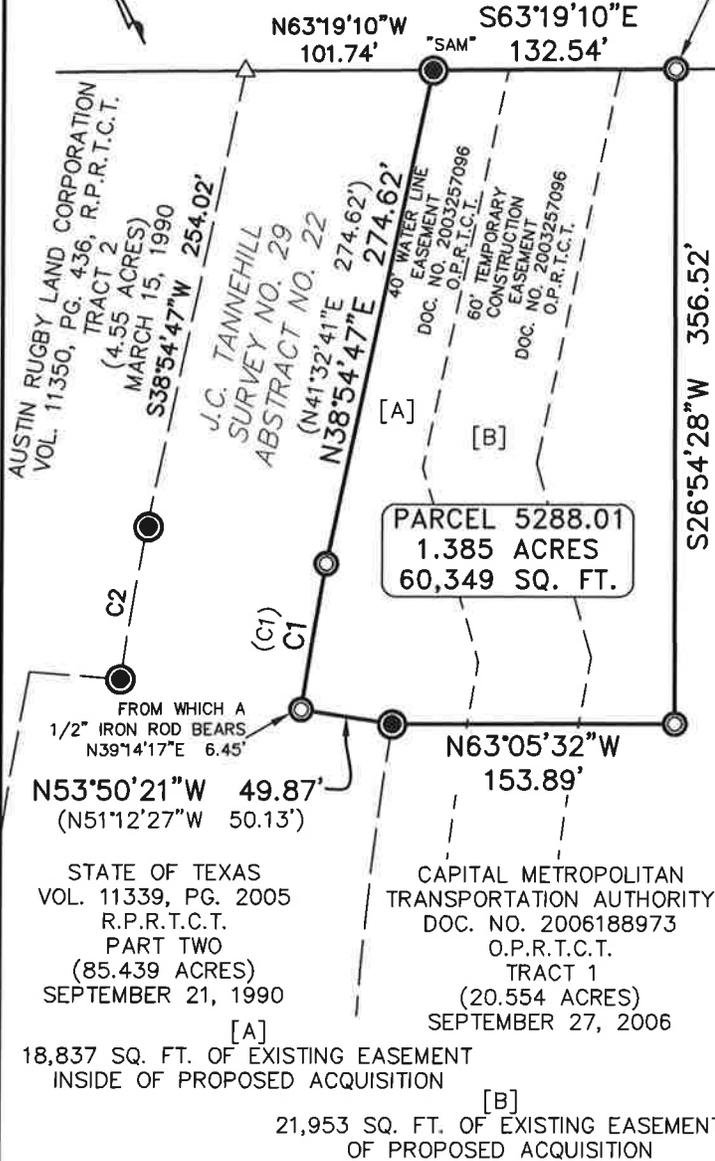
EXHIBIT "A"

SKETCH TO ACCOMPANY DESCRIPTION  
OF PARCEL NO. 5288.01, 1.385 AC. OR 60,349 SQ. FT. OF  
LAND OUT OF J.C. TANNEHILL SURVEY NO. 29, ABSTRACT NO. 22  
AUSTIN, TRAVIS COUNTY, TEXAS

SCALE 1" = 100'

P.O.B. GRID COORDINATES  
N = 10,083,675.57'  
E = 3,142,715.36'

LOYOLA LANE  
(120' R.O.W. WIDTH)



CURVE TABLE					
CURVE#	LENGTH	RADIUS	DELTA	BEARING	DISTANCE
C1	80.50'	1,860.00'	02°28'47"	N36°31'34"E	80.49'
(C1)	(80.35')	(1,071.74')	(04°17'44")	(N39°09'43"E)	(80.33')
C2	83.80'	1,960.00'	02°26'59"	S36°34'14"W	83.79'

TITLE COMMITMENT:

TITLE COMPANY: CHICAGO TITLE INSURANCE COMPANY  
EFFECTIVE DATE: MAY 9, 2022  
ISSUED DATE: MAY 20, 2022  
OF NO. 202202153

LEGAL DESCRIPTION:

TITLE VESTED: CITY OF AUSTIN  
1. THE FOLLOWING RESTRICTIVE COVENANTS OF RECORD ITEMIZED BELOW (WE MUST EITHER INSERT SPECIFIC RECORDING DATA OR DELETE THIS EXCEPTION): DELETED  
10. THE FOLLOWING MATTERS AND ALL TERMS OF THE DOCUMENTS CREATING OR OFFERING EVIDENCE OF THE MATTERS (WE MUST INSERT MATTERS OR DELETE THIS EXCEPTION):  
A. ELECTRIC EASEMENT GRANTED TO TEXAS POWER & LIGHT COMPANY DATED AUGUST 28, 1936, BY INSTRUMENT RECORDED IN VOLUME 559, PAGE 18 OF THE DEED RECORDS OF TRAVIS COUNTY, TEXAS. [UNABLE TO DETERMINE LOCATION FROM DEED - POSSIBLY SUBJECT TO]  
B. ELECTRIC EASEMENT GRANTED TO THE CITY OF AUSTIN DATED DECEMBER 5, 1995, BY INSTRUMENT RECORDED IN VOLUME 1853, PAGE 44 OF THE DEED RECORDS OF TRAVIS COUNTY, TEXAS. [UNABLE TO DETERMINE LOCATION FROM DEED - POSSIBLY SUBJECT TO]  
C. WATER AND WASTEWATER EASEMENT GRANTED TO THE CITY OF AUSTIN DATED NOVEMBER 5, 1986 BY INSTRUMENT RECORDED IN VOLUME 10016, PAGE 178 OF THE REAL PROPERTY RECORDS OF TRAVIS COUNTY, TEXAS, AS SHOWN ON SURVEY DATED MARCH 20, 2006, LAST REVISED APRIL 17, 2006, PREPARED BY JOE D. WEBBER, JR., REGISTERED PROFESSIONAL LAND SURVEYOR NO. 4552 ("THE SURVEY"). [DOES NOT AFFECT]  
D. TERMS, CONDITIONS AND STIPULATIONS OF THAT CERTAIN WATER UTILITY AND ACCESS EASEMENT AGREEMENT DATED OCTOBER 23, 2003, RECORDED UNDER DOCUMENT NO. 2003257096 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS, AS SHOWN ON THE SURVEY. [SUBJECT TO - SHOWN ON SURVEY]

LEGEND

- 1/2" IRON ROD CAP STAMPED "SDHTP" FOUND (UNLESS NOTED) VOL./PG. VOLUME/PAGE
- 1/2" IRON ROD FOUND P.O.B. POINT OF BEGINNING
- 1/2" IRON ROD WITH CAP "MCGRAY & MCGRAY" SET R.O.W. RIGHT OF WAY
- DOC. NO. DOCUMENT NUMBER
- (.....) RECORD INFORMATION
- O.P.R.T.C.T. OFFICIAL PUBLIC RECORDS TRAVIS COUNTY, TEXAS D.R.T.C.T. DEED RECORDS TRAVIS COUNTY, TEXAS
- R.P.R.T.C.T. REAL PROPERTY RECORDS TRAVIS COUNTY, TEXAS

TCAD# 0219301110

REVISED: 12/13/22  
ISSUED: 11/30/22

NOTES:

- ALL COORDINATES SHOWN HEREON ARE GRID COORDINATES AND IN U.S. SURVEY FEET. ALL DISTANCES ARE GRID
- THIS PROJECT IS REFERENCED, FOR ALL BEARING AND COORDINATE BASIS, TO THE TEXAS COORDINATE SYSTEM, CENTRAL ZONE (4203), NORTH AMERICAN DATUM OF 1983 (2011) EPOCH 2010.00.

I HEREBY CERTIFY THAT THIS PLAT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND THAT THE PROPERTY SHOWN HEREIN WAS DETERMINED BY A SURVEY MADE ON THE GROUND UNDER MY DIRECTION AND SUPERVISION.

12/13/22



CHRIS CONRAD, REG. PROF. LAND SURVEYOR NO. 5623 DATE  
Note: There is a description to accompany this plat.

**McGRAY & McGRAY**  
LAND SURVEYORS, INC.  
3301 HANCOCK DRIVE #6  
AUSTIN, TEXAS 78731  
MCGRAY.COM (512) 451-8591  
TBPELS SURVEY FIRM #10095500

SCALE:	1" = 100'	AUSTIN GRID#	N25
DATE:	11/30/22	TECH:	EAN
PROJECT:	22-124	FIELD:	NG/DS
FIELD BOOK:	BK/PG	SHEET:	4 OF 4

**PURCHASE AND SALE AGREEMENT  
IN LIEU OF CONDEMNATION**

THE STATE OF TEXAS           §  
  §  
COUNTY OF §

THIS PURCHASE AND SALE AGREEMENT (this “*Agreement*”) is between Capital Metropolitan Transportation Authority (“*Seller*”), and the City of Austin, a home rule municipal corporation located in Hays, Travis and Williamson Counties, State of Texas (“*Buyer*”).

I.

Sale and Purchase; Property

1.01 **Sale and Purchase.** Seller agrees to sell and Buyer agrees to purchase the following described real property (the “Property”):

- (a) The land and improvements situated in Travis County, Texas, more particularly described on **Exhibit “A”** attached and incorporated for all purposes, with a physical address of Johnny Morris Road, Austin TX 78724;
- (b) All interest Seller owns in land lying in the street or road to the centerline of the street or road; and
- (c) All other rights and appurtenances owned by Seller.

II.

Consideration

2.01 **Purchase Price.** The purchase price (the “*Purchase Price*”) for the Property will be **\$1,499,673.00**. The Purchase Price will be paid by Buyer to Seller at the Closing. The Purchase Price will be proportionately divided among the Seller/owners in proportion to their ownership interests in the Property at Closing, as defined below.

2.02 **Eminent Domain.** Seller and the Buyer agree that the Property is being sold and conveyed to the City under the imminence of condemnation, as that term is used in the Internal Revenue Code, Title 26, United States Code

III.

Title and Survey

3.01 **Survey.** Buyer may, at its sole expense, obtain a survey of the Property.

3.02 **Title Commitment.** Buyer may obtain a title commitment for an owner's policy of title insurance at its sole cost and expense. Buyer will choose a title company to close the sale and purchase of the Property ("Title Company").

3.03 **Liens against the Property.** All liens and mortgages recorded against the Property must be paid and released at or prior to Closing.

#### IV. Closing

4.01 **Closing of the Property.** Seller and Buyer agree that the sale and purchase of the Property will occur no later than 60 days from the Effective Date as defined in 5.03 below (the "Closing"). The Closing date may be extended upon written agreement signed by Buyer and Seller.

4.02 **Closing Matters.** At the Closing Seller will execute and deliver to Buyer a Special Warranty Deed or a conveyance in the form attached as **Exhibit "B"** and incorporated for all purposes ("Warranty Deed"). Permitted exceptions to title of the Property will be listed in the Warranty Deed on Exhibit "B".

Seller will sign and deliver to Buyer and Title Company all documents that are required to close the sale of the Property. Buyer will deliver the Purchase Price for the Property, and sign and deliver to Seller and Title Company all documents that are required to close the sale of the Property.

4.03 **Closing Costs.** At the Closing, Buyer will pay all closing costs, including the cost of an owner's title policy issued by the Title Company. Seller will pay Seller's legal expenses, if any.

4.04 **Prorations.** Ad valorem property taxes, if any, in connection with the Property for the year of Closing shall be prorated to the date of Closing.

4.05 **Brokerage Commission.** Seller and Buyer each warrant and represent to the other that neither of them has dealt with any real estate agent or broker in connection with the sale and purchase of the Property, and Seller and Buyer each agree reimburse the innocent party for any loss, liability, or expense suffered by the other caused by breach of this warranty and representation.

#### V. Miscellaneous

5.01 **Entire Agreement.** This Agreement contains the entire agreement of the parties. This Agreement can be amended or assigned only by written agreement signed by Seller and Buyer.

5.02 **Binding.** This Agreement is binding upon the heirs, executors, administrators, personal representatives, successors and assigns of Buyer and Seller. The validity of this Purchase Contract is contingent upon City Council approval.

5.03 **Effective Date.** This Agreement is effective on the last date that both Seller and Buyer have signed and executed this Agreement.

5.04 **Addresses.** The addresses of Buyer and Seller are:

Seller: Capital Metropolitan Transportation Authority  
2910 E 5<sup>th</sup> Street  
Austin, TX 78702-4817

Buyer: City of Austin  
PO Box 1088  
Austin, TX 78767  
Fax: 512-974-7088  
Attn: FSD-Real Estate

5.05 **Law and Venue.** This Agreement is governed by the laws of the State of Texas, and is performable in Travis County, Texas.

This Sale and Purchase Agreement has been signed by Buyer and Seller on the dates appearing below each signature.

**SELLER:**  
**Capital Metropolitan  
Transportation Authority**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Social Security or Tax ID Number

Date: \_\_\_\_\_

**BUYER:**

CITY OF AUSTIN, a Texas home rule municipal corporation

By: \_\_\_\_\_  
Michael Gates, Real Estate Officer  
FINANCIAL SERVICES DEPARTMENT

Date: \_\_\_\_\_

**JOINDER BY TENANT**

The undersigned owner of certain leasehold interests in the property described in the attached **EXHIBIT "A"** consents and subordinates tenant's interest to the conveyance of said property to the City of Austin as set out in the foregoing contract.

EXECUTED THIS \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Print Leaseholder's Name

By: \_\_\_\_\_  
(Signature)

Print Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Phone No.: (\_\_\_\_) \_\_\_\_\_

**If there are NO leasehold interests, written or verbal, please sign here.**

\_\_\_\_\_  
Seller Date

EXHIBIT "A"

PARCEL 5288.01 (1.385 ACRES)  
J..C. TANNEHILL SURVEY NO. 29  
ABSTRACT NO. 22  
AUSTIN, TRAVIS COUNTY, TEXAS

DESCRIPTION OF PARCEL 5288.01 (1.385 ACRES)

DESCRIPTION OF A 1.385 ACRE (60,349 SQUARE FOOT) PARCEL, OUT OF THE J.C. TANNEHILL SURVEY NO. 29, ABSTRACT NO. 22, TRAVIS COUNTY, TEXAS, BEING A PORTION OF THAT TRACT DESCRIBED AS 20.554 ACRES (TRACT 1) CONVEYED TO CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY (CMTA) BY SPECIAL WARRANTY DEED DATED SEPTEMBER 27, 2006, AS RECORDED IN DOCUMENT NO. 2006188973, OFFICIAL PUBLIC RECORDS, TRAVIS COUNTY, TEXAS; SAID 1.385 ACRE (60,349 SQUARE FOOT) PARCEL BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 1/2-inch iron rod with "McGray McGray" cap set at the northeast corner of this parcel, being in the north line of said 20.554 acre CMTA tract, and in the existing south right-of-way line of Loyola Lane (120 foot width), from which a 1/2-inch iron rod with "Survcon" cap found in the north line of said 20.554 acre CMTA tract, and the existing south right-of-way line of Loyola Lane, bears South 63°19'10" East 571.74 feet, said POINT OF BEGINNING having Grid Coordinates of N=10,083,675.57, E=3,142,715.36;

- 1) THENCE, along the east line of this parcel, crossing said 20.554 acre CMTA tract, **South 26°54'28" West 356.52 feet** to a 1/2-inch iron rod with "McGray McGray" cap set at the southeast corner of this parcel;
- 2) THENCE, along the south line of this parcel, crossing said 20.554 acre CMTA tract, **North 63°05'32" West 153.89 feet** to a 1/2-inch iron rod with "SDHTP" cap found at an angle point in the west line of said 20.554 acre CMTA tract, being at an angle point in the east line of that tract described as 85.439 acres (Part Two) conveyed to the State of Texas by Special Warranty Deed, as recorded in Volume 11339, Page 205, Real Property Records, Travis County, Texas;
- 3) THENCE, continuing along the south line of this parcel, the west line of said 20.554 acre CMTA tract, and the east line of said 85.439 acre State of Texas tract, **North 53°50'21" West 49.87 feet** to a 1/2-inch iron rod with "McGray McGray" cap set at the southwest corner of this parcel, being at an angle point in the west line of said 20.554 acre CMTA tract, and at an angle point in the east line of said 85.439 acre State of Texas tract, from which a 1/2-inch iron rod found bears North 39°14'17" East 6.45 feet;

**EXHIBIT "A"**

PARCEL 5288.01 (1.385 ACRES)

THENCE, along the west line of this parcel and said 20.554 acre CMTA tract, and the east line of said 85.439 acre State of Texas tract, the following two (2) courses, numbered 4 and 5:

- 4) with a curve to the right, whose delta angle is **02°28'47"**, radius is **1,860.00 feet**, an arc distance of **80.50 feet**, and the chord of which bears **North 36°31'34" East 80.49 feet** to a 1/2-inch iron rod with "McGray McGray" cap set, and
- 5) **North 38°54'47" East 274.62 feet** to a 1/2-inch iron rod with "SAM" cap found at the northwest corner of this parcel and said CMTA tract, being in the existing south right-of-way line of Loyola Lane, from which a 1/2-inch iron rod with "SDHTP" cap found in the west line of said 85.439 acre State of Texas tract, being in the east line of that tract described as 4.55 acres conveyed to Austin Rugby Land Corporation by General Warranty Deed, as recorded in Volume 11350, Page 436, Real Property Records, Travis County, Texas, bears North 63°19'10" West 101.74 feet, and South 38°54'47" West 254.02 feet, and from which a 1/2-inch iron rod with "SDHTP" cap found at an angle point in the west line of said 85.439 acre State of Texas tract, and the east line of said 4.55 acre Austin Rugby Land Corporation tract, bears, with a curve to the left, whose delta angle is 02°26'59", radius is 1,960.00 feet, an arc distance of 83.80 feet, and the chord of which bears South 36°34'14" West 83.79 feet;

**EXHIBIT "A"**

PARCEL 5288.01 (1.385 ACRES)

- 6) THENCE, along the north line of this parcel and said 20.554 acre CMTA tract, and the existing south right-of-way line of Loyola Lane, **South 63°19'10" East 132.54 feet** to the POINT OF BEGINNING and containing 1.385 acres (60,349 square feet) of land within these metes and bounds.

Bearing Basis Note

The bearings described herein are based on the Texas Coordinate System, Texas Central Zone (4203), NAD83 (2011) Epoch 2010.00.

SURVEYED BY:

**McGRAY & McGRAY LAND SURVEYORS, INC.**

3301 Hancock Dr., Ste. 6

Austin, TX 78731 (512) 451-8591

TBPELS Survey Firm# 10095500



A handwritten signature in blue ink, appearing to read "Chris Conrad".

12/13/2022

Chris Conrad, Reg. Professional Land Surveyor No. 5623

Date

Note: There is a plat to accompany this description.

M:/Parsons-22-124-Walnut Odor Control/Description/1.385 Ac Parcel-Rev 1

Issued 11/30/2022, Revised 12/13/2022

AUSTIN GRID N-25

TCAD# 0219301110

FIELD NOTES REVIEWED

BY:  DATE: 01/03/23

CITY OF AUSTIN

PUBLIC WORKS DEPARTMENT

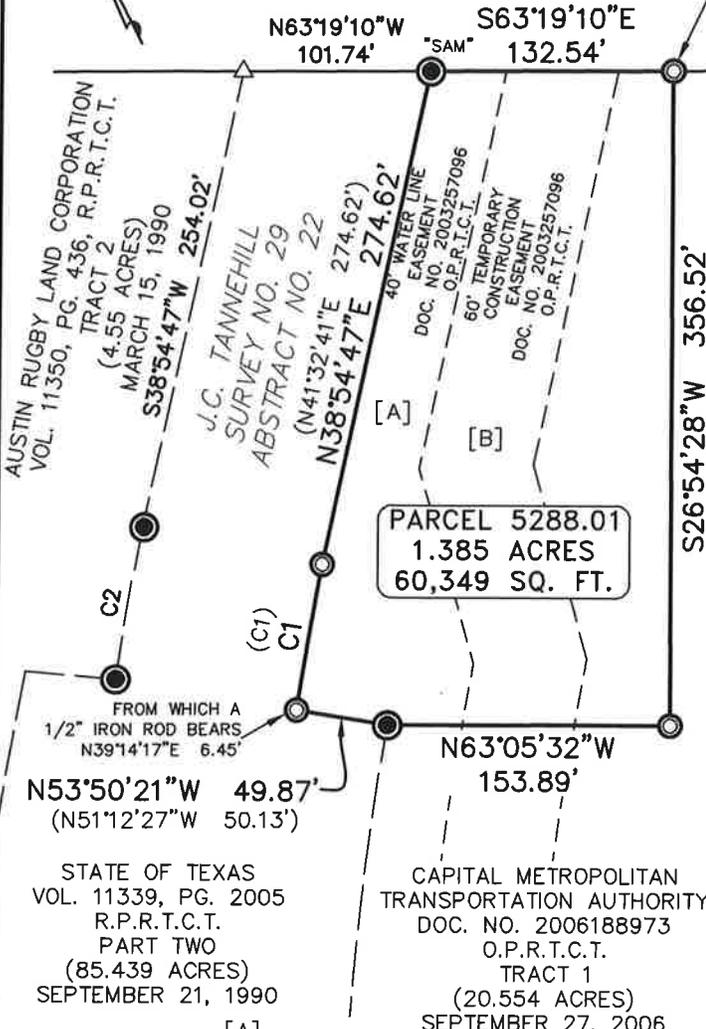
**EXHIBIT "A"**

**SKETCH TO ACCOMPANY DESCRIPTION  
OF PARCEL NO. 5288.01, 1.385 AC. OR 60,349 SQ. FT. OF  
LAND OUT OF J.C. TANNEHILL SURVEY NO. 29, ABSTRACT NO. 22  
AUSTIN, TRAVIS COUNTY, TEXAS**

SCALE 1" = 100'

P.O.B. GRID COORDINATES  
N = 10,083,675.57'  
E = 3,142,715.36'  
(S60°40'56"E 704.16')

LOYOLA LANE  
(120' R.O.W. WIDTH)



CURVE TABLE					
CURVE#	LENGTH	RADIUS	DELTA	BEARING	DISTANCE
C1	80.50'	1,860.00'	02°28'47"	N36°31'34"E	80.49'
(C1)	(80.35')	(1,071.74')	(04°17'44")	(N39°09'43"E)	(80.33')
C2	83.80'	1,960.00'	02°26'59"	S36°34'14"W	83.79'

**TITLE COMMITMENT:**  
**TITLE COMPANY:** CHICAGO TITLE INSURANCE COMPANY  
**EFFECTIVE DATE:** MAY 9, 2022  
**ISSUED DATE:** MAY 20, 2022  
**GF NO.** 202202153  
**LEGAL DESCRIPTION:**  
**TITLE VESTED:** CITY OF AUSTIN  
 1. THE FOLLOWING RESTRICTIVE COVENANTS OF RECORD ITEMIZED BELOW (WE MUST EITHER INSERT SPECIFIC RECORDING DATA OR DELETE THIS EXCEPTION): DELETED  
 10. THE FOLLOWING MATTERS AND ALL TERMS OF THE DOCUMENTS CREATING OR OFFERING EVIDENCE OF THE MATTERS (WE MUST INSERT MATTERS OR DELETE THIS EXCEPTION):  
 A. ELECTRIC EASEMENT GRANTED TO TEXAS POWER & LIGHT COMPANY DATED AUGUST 28, 1936, BY INSTRUMENT RECORDED IN VOLUME 559, PAGE 18 OF THE DEED RECORDS OF TRAVIS COUNTY, TEXAS.  
 [UNABLE TO DETERMINE LOCATION FROM DEED - POSSIBLY SUBJECT TO]  
 B. ELECTRIC EASEMENT GRANTED TO THE CITY OF AUSTIN DATED DECEMBER 5, 1995, BY INSTRUMENT RECORDED IN VOLUME 1853, PAGE 44 OF THE DEED RECORDS OF TRAVIS COUNTY, TEXAS.  
 [UNABLE TO DETERMINE LOCATION FROM DEED - POSSIBLY SUBJECT TO]  
 C. WATER AND WASTEWATER EASEMENT GRANTED TO THE CITY OF AUSTIN DATED NOVEMBER 5, 1986 BY INSTRUMENT RECORDED IN VOLUME 10016, PAGE 178 OF THE REAL PROPERTY RECORDS OF TRAVIS COUNTY, TEXAS, AS SHOWN ON SURVEY DATED MARCH 20, 2006, LAST REVISED APRIL 17, 2006, PREPARED BY JOE D. WEBBER, JR., REGISTERED PROFESSIONAL LAND SURVEYOR NO. 4552 ("THE SURVEY"). [DOES NOT AFFECT]  
 D. TERMS, CONDITIONS AND STIPULATIONS OF THAT CERTAIN WATER UTILITY AND ACCESS EASEMENT AGREEMENT DATED OCTOBER 23, 2003, RECORDED UNDER DOCUMENT NO. 2003257096 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS, AS SHOWN ON THE SURVEY.  
 [SUBJECT TO - SHOWN ON SURVEY]

18,837 SQ. FT. OF EXISTING EASEMENT INSIDE OF PROPOSED ACQUISITION [A]  
 21,953 SQ. FT. OF EXISTING EASEMENT OF PROPOSED ACQUISITION [B]

**NOTES:**  
 1. ALL COORDINATES SHOWN HEREON ARE GRID COORDINATES AND IN U.S. SURVEY FEET. ALL DISTANCES ARE GRID  
 2. THIS PROJECT IS REFERENCED, FOR ALL BEARING AND COORDINATE BASIS, TO THE TEXAS COORDINATE SYSTEM, CENTRAL ZONE (4203), NORTH AMERICAN DATUM OF 1983 (2011) EPOCH 2010.00.

I HEREBY CERTIFY THAT THIS PLAT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND THAT THE PROPERTY SHOWN HEREIN WAS DETERMINED BY A SURVEY MADE ON THE GROUND UNDER MY DIRECTION AND SUPERVISION.

12/13/22



CHRIS CONRAD, REG. PROF. LAND SURVEYOR NO. 5623 DATE  
 Note: There is a description to accompany this plat.

**LEGEND**

- 1/2" IRON ROD CAP STAMPED VOL./PG. VOLUME/PAGE  
"SDHTP" FOUND (UNLESS NOTED) P.O.B. POINT OF BEGINNING
- 1/2" IRON ROD FOUND R.O.W. RIGHT OF WAY
- ⊙ 1/2" IRON ROD WITH CAP DOC. NO. DOCUMENT NUMBER  
"MCGRAY & MCGRAY" SET (.....) RECORD INFORMATION
- O.P.R.T.C.T. OFFICIAL PUBLIC RECORDS TRAVIS COUNTY, TEXAS D.R.T.C.T. DEED RECORDS TRAVIS COUNTY, TEXAS
- R.P.R.T.C.T. REAL PROPERTY RECORDS TRAVIS COUNTY, TEXAS

TCAD# 0219301110 REVISED: 12/13/22  
 ISSUED: 11/30/22

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 3301 HANCOCK DRIVE #6  
 AUSTIN, TEXAS 78731  
 MCGRAY.COM (512) 451-8591  
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SCALE:	1" = 100'	AUSTIN GRID#	N25
DATE:	11/30/22	TECH:	EAN
PROJECT:	22-124	FIELD:	NG/DS
FIELD BOOK:	BK/PG	SHEET:	4 OF 4



**EXHIBIT "B"**

and assigns to warrant and forever defend all and singular the Property to Grantee and Grantee's successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, when the claim is made by, through or under Grantor, but not otherwise.

**RESERVATIONS FROM AND EXCEPTONS TO CONVEYANCE AND WARRANTY:**

The items shown in the attached and incorporated **Exhibit "B"**, but only to the extent the same are valid, in existence and affect the Property or the use thereof by Grantee. Easements to the City of Austin must not be deemed merged with the title to the Property conveyed herein.

When the context requires, singular nouns and pronouns, include the plural.

**IN WITNESS WHEREOF**, Grantors have caused this instrument to be executed on \_\_\_\_\_, 20\_\_.

**GRANTORS:**

**By:** \_\_\_\_\_

**STATE OF TEXAS           §  
  §  
COUNTY OF TRAVIS    §**

This instrument was acknowledged before me on \_\_\_\_\_, 20\_\_ by \_\_\_\_\_.

[SEAL]

\_\_\_\_\_  
Notary Public, State of Texas

**EXHIBIT "B"**

**AFTER RECORDING, RETURN TO CITY OF AUSTIN:**

City of Austin – FSD-Real Estate  
Attn: Cathy Curtis – ORES 13<sup>th</sup> Floor  
P.O. Box 1088  
Austin, Texas 78767

File#: 5288.01/KK  
Project Name: Walnut Creek Interceptor  
GEO ID:

EXHIBIT "A"

PARCEL 5288.01 (1.385 ACRES)  
J..C. TANNEHILL SURVEY NO. 29  
ABSTRACT NO. 22  
AUSTIN, TRAVIS COUNTY, TEXAS

DESCRIPTION OF PARCEL 5288.01 (1.385 ACRES)

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- 1) THENCE, along the east line of this parcel, crossing said 20.554 acre CMTA tract, **South 26°54'28" West 356.52 feet** to a 1/2-inch iron rod with "McGray McGray" cap set at the southeast corner of this parcel;
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PARCEL 5288.01 (1.385 ACRES)

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- 4) with a curve to the right, whose delta angle is **02°28'47"**, radius is **1,860.00 feet**, an arc distance of **80.50 feet**, and the chord of which bears **North 36°31'34" East 80.49 feet** to a 1/2-inch iron rod with "McGray McGray" cap set, and
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SURVEYED BY:

**McGRAY & McGRAY LAND SURVEYORS, INC.**

3301 Hancock Dr., Ste. 6

Austin, TX 78731 (512) 451-8591

TBPELS Survey Firm# 10095500



A handwritten signature in blue ink, appearing to read "Chris Conrad".

12/13/2022

Chris Conrad, Reg. Professional Land Surveyor No. 5623

Date

Note: There is a plat to accompany this description.

M:/Parsons~22-124-Walnut Odor Control/Description/1.385 Ac Parcel-Rev1

Issued 11/30/2022, Revised 12/13/2022

AUSTIN GRID N-25

TCAD# 0219301110

FIELD NOTES REVIEWED

BY  DATE: 01/03/23

CITY OF AUSTIN  
PUBLIC WORKS DEPARTMENT

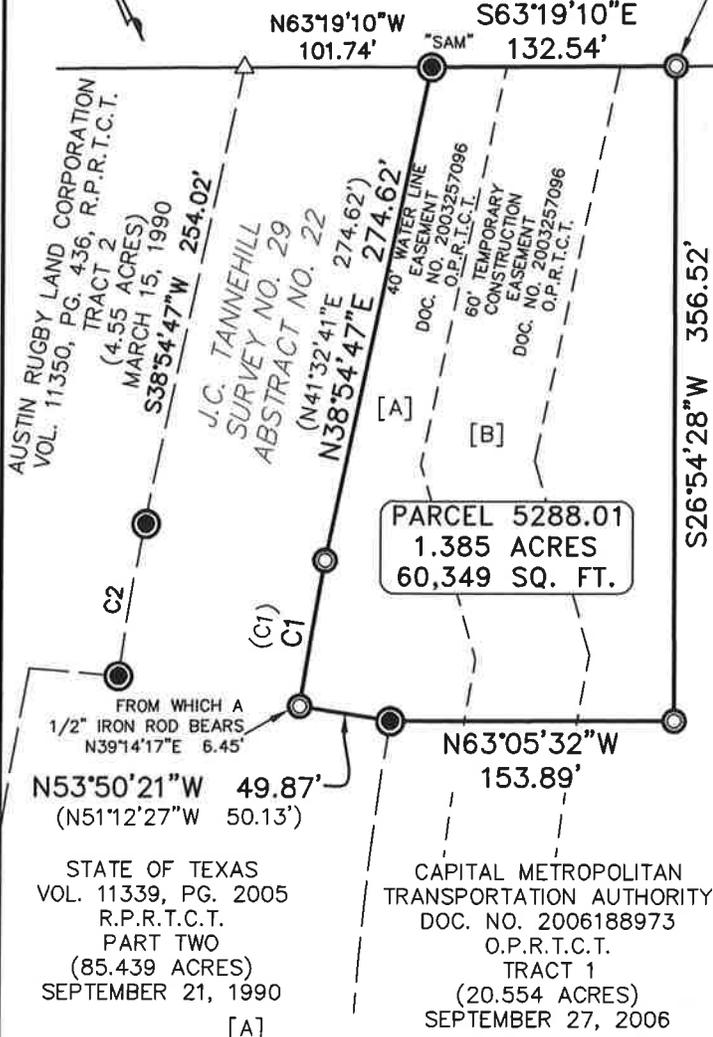
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SCALE 1" = 100'

P.O.B. GRID COORDINATES  
N = 10,083,675.57'  
E = 3,142,715.36'

LOYOLA LANE  
(120' R.O.W. WIDTH)



CURVE TABLE					
CURVE#	LENGTH	RADIUS	DELTA	BEARING	DISTANCE
C1	80.50'	1,860.00'	02°28'47"	N36°31'34"E	80.49'
(C1)	(80.35')	(1,071.74')	(04°17'44")	(N39°09'43"E)	(80.33')
C2	83.80'	1,960.00'	02°26'59"	S36°34'14"W	83.79'

**TITLE COMMITMENT:**  
**TITLE COMPANY:** CHICAGO TITLE INSURANCE COMPANY  
**EFFECTIVE DATE:** MAY 9, 2022  
**ISSUED DATE:** MAY 20, 2022  
**GF NO.** 202202153  
**LEGAL DESCRIPTION:**  
**TITLE VESTED:** CITY OF AUSTIN  
 1. THE FOLLOWING RESTRICTIVE COVENANTS OF RECORD ITEMIZED BELOW (WE MUST EITHER INSERT SPECIFIC RECORDING DATA OR DELETE THIS EXCEPTION): DELETED  
 10. THE FOLLOWING MATTERS AND ALL TERMS OF THE DOCUMENTS CREATING OR OFFERING EVIDENCE OF THE MATTERS (WE MUST INSERT MATTERS OR DELETE THIS EXCEPTION):  
 A. ELECTRIC EASEMENT GRANTED TO TEXAS POWER & LIGHT COMPANY DATED AUGUST 28, 1936, BY INSTRUMENT RECORDED IN VOLUME 559, PAGE 18 OF THE DEED RECORDS OF TRAVIS COUNTY, TEXAS. [UNABLE TO DETERMINE LOCATION FROM DEED - POSSIBLY SUBJECT TO]  
 B. ELECTRIC EASEMENT GRANTED TO THE CITY OF AUSTIN DATED DECEMBER 5, 1995, BY INSTRUMENT RECORDED IN VOLUME 1853, PAGE 44 OF THE DEED RECORDS OF TRAVIS COUNTY, TEXAS. [UNABLE TO DETERMINE LOCATION FROM DEED - POSSIBLY SUBJECT TO]  
 C. WATER AND WASTEWATER EASEMENT GRANTED TO THE CITY OF AUSTIN DATED NOVEMBER 5, 1986 BY INSTRUMENT RECORDED IN VOLUME 10016, PAGE 178 OF THE REAL PROPERTY RECORDS OF TRAVIS COUNTY, TEXAS, AS SHOWN ON SURVEY DATED MARCH 20, 2006, LAST REVISED APRIL 17, 2006, PREPARED BY JOE D. WEBBER, JR., REGISTERED PROFESSIONAL LAND SURVEYOR NO. 4552 ("THE SURVEY"). [DOES NOT AFFECT]  
 D. TERMS, CONDITIONS AND STIPULATIONS OF THAT CERTAIN WATER UTILITY AND ACCESS EASEMENT AGREEMENT DATED OCTOBER 23, 2003, RECORDED UNDER DOCUMENT NO. 2003257096 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS, AS SHOWN ON THE SURVEY. [SUBJECT TO - SHOWN ON SURVEY]

**LEGEND**

- 1/2" IRON ROD CAP STAMPED VOL./PG. VOLUME/PAGE  
"SDHTP" FOUND (UNLESS NOTED) P.O.B. POINT OF BEGINNING
  - 1/2" IRON ROD FOUND R.O.W. RIGHT OF WAY
  - ⊙ 1/2" IRON ROD WITH CAP DOC. NO. DOCUMENT NUMBER  
"MCGRAY & MCGRAY" SET (.....) RECORD INFORMATION
  - O.P.R.T.C.T. OFFICIAL PUBLIC RECORDS TRAVIS COUNTY, TEXAS D.R.T.C.T. DEED RECORDS TRAVIS COUNTY, TEXAS
  - R.P.R.T.C.T. REAL PROPERTY RECORDS TRAVIS COUNTY, TEXAS
- REVISED: 12/13/22  
ISSUED: 11/30/22

18,837 SQ. FT. OF EXISTING EASEMENT INSIDE OF PROPOSED ACQUISITION [A]  
 21,953 SQ. FT. OF EXISTING EASEMENT OF PROPOSED ACQUISITION [B]

**NOTES:**

- ALL COORDINATES SHOWN HEREON ARE GRID COORDINATES AND IN U.S. SURVEY FEET. ALL DISTANCES ARE GRID
- THIS PROJECT IS REFERENCED, FOR ALL BEARING AND COORDINATE BASIS, TO THE TEXAS COORDINATE SYSTEM, CENTRAL ZONE (4203), NORTH AMERICAN DATUM OF 1983 (2011) EPOCH 2010.00.

I HEREBY CERTIFY THAT THIS PLAT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND THAT THE PROPERTY SHOWN HEREIN WAS DETERMINED BY A SURVEY MADE ON THE GROUND UNDER MY DIRECTION AND SUPERVISION.

12/13/22



CHRIS CONRAD, REG. PROF. LAND SURVEYOR NO. 5623 DATE  
 Note: There is a description to accompany this plat.

**McGRAY & McGRAY  
LAND SURVEYORS, INC.**  
 3301 HANCOCK DRIVE #6  
 AUSTIN, TEXAS 78731  
 MCGRAY.COM (512) 451-8591  
 TBPELS SURVEY FIRM #10095500

SCALE:	1" = 100'	AUSTIN GRID#	N25
DATE:	11/30/22	TECH:	EAN
PROJECT:	22-124	FIELD:	NG/DS
FIELD BOOK:	BK/PG	SHEET:	4 OF 4



# FINANCIAL SERVICES DEPARTMENT

Real Estate • PO Box 1088 Austin, TX 78767

## NOTICE OF 10- YEAR APPRAISAL SEARCH

This Notice relates to Senate Bill 18, 82nd Legislature (SB 18). The City of Austin conducted an appraisal search on the following property as required by SB 18:

Address: ABS 22 SUR 29 TANNEHILL J ACR 20.5440

No appraisals were found.



# HORNSBY & COMPANY

APPRAISERS AND CONSULTANTS

Paul Hornsby, MAI, SRA  
Chris Hornsby, MAI, Principal  
Kimberly Hussey, Analyst, Principal  
Eli Hanslik, MAI  
Katie Daniewicz, MAI  
Justin Sims, State Certified  
Jake Kane, State Certified

Tanner Cole, Analyst  
Lindsey Berry, Analyst  
Scott Nevil, Analyst  
Leann Juengerman, Analyst  
Roel Jaramillo, Researcher  
Terri Bowden Nolker, Business Manager  
Beth Boyd & Stefanie Alvarez, Administrative Support

August 2, 2023

Joseph McAweeney, EDFP, MRICS,  
Real Estate Appraisal Supervisor  
FSD - Real Estate  
City of Austin  
505 Barton Springs Road  
Austin, Texas 78704

Re: Appraisal of a proposed ±1.385 acre (±60,349 square feet) fee acquisition out of a ±30.313-acre parent tract located along the south line of Loyola Lane, Austin, Travis County, Texas 78724, for the Walnut Interceptor Odor and Corrosion Improvements project.

---

Project:	Walnut Interceptor Odor and Corrosion Improvements
File #:	5288.01
Assignment Number:	52-203
Property Owner:	Capital Metropolitan Transportation Authority
TCAD Parcel Numbers:	545903 & 545925
Property Description:	Fee acquisition of 60,349 SF 9 1.385 Acres)
Legal Description:	A 1.385 ACRE (60,349 SQUARE FOOT) PARCEL, OUT OF THE J.C. TANNEHILL SURVEY NO. 29, ABSTRACT NO. 22, TRAVIS COUNTY, TEXAS, BEING A PORTION OF THAT TRACT DESCRIBED AS 20.554 ACRES (TRACT 1) CONVEYED TO CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY (CMTA) BY SPECIAL WARRANTY DEED DATED SEPTEMBER 27, 2006, AS RECORDED IN DOCUMENT NO. 2006188973, OFFICIAL

---

Dear Mr. McAweeney:

Pursuant to your request, we have undertaken an appraisal of the above-referenced property, the conclusions of which are set forth in this appraisal report. This report is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice (USPAP) for an appraisal report. It presents only summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop our opinions of value. Detailed supporting documentation concerning the data, reasoning, and analyses is retained in our workfile. The depth of reporting is specific to the needs of the client and for the intended use stated below. We are not responsible for unauthorized use of this report.

The purpose of our assignment is to provide market value opinions: (1) the fee simple interest in the whole property/economic unit; (2) proposed acquisition; (3) remainder before and after the acquisition; and, (4) damages or enhancements, if any, to the remainder.

The intended use of this report is to assist the Financial Services Department – Real Estate of the City of Austin in its determination of market value for the property. The effective date of our appraisal is July 8, 2023.

Based upon the data and analyses summarized herein, the market value opinions are as follows:

<b>Value Conclusion and Just Compensation Summary</b>		
	<u>Market Value</u>	<u>Just and Adequate Compensation</u>
Whole Property/Economic Unit Value	\$1,499,673	
Fee Acquisition	\$1,499,673	\$1,499,673
Remainder Before the Acquisition	\$0	
Remainder After the Acquisition	\$0	
Damages/(Enhancements) to the Remainder	\$0	
<b>Total Compensation</b>		<b>\$1,499,673</b>

Compiled by Hornsby and Co.

Based on our analyses, it is our opinion that the subject whole property/economic unit and remainder could have sold on the effective date had it been professionally marketed at a market asking price for the preceding 12 months.

This letter of transmittal and the pages which follow constitute our report. Should you have any questions, or if we can be of further assistance, please contact our office.

We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Practice of the Appraisal Institute.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

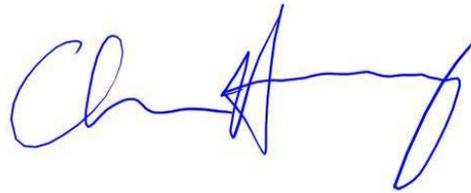


- Chris Hornsby performed an off-site inspection of the subject property. Paul Hornsby did not inspect the property.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- Scott Nevil has provided significant real property appraisal assistance to the persons signing this certification.
- As of the date of this report, Scott Nevil has completed the Standards and Ethics Education Requirements for Practicing Affiliates of the Appraisal Institute.
- As of the date of this report, Paul Hornsby and Chris Hornsby have completed the continuing education program for Designated Members of the Appraisal Institute.

**HORNSBY & COMPANY,**



Paul Hornsby, MAI, SRA  
Texas Certified Appraiser No. 1321761-G



Chris Hornsby, MAI  
Texas Certified Appraiser No. 1337460-G



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**HYPOTHETICAL CONDITION**

The appraisal of the whole property/economic unit was undertaken with no consideration of project influence, and the appraisal of the remainder excluded non-compensable elements. This methodology is consistent with Texas law and incorporated herein. Absent this condition, our value opinions could change.

**ASSIGNMENT SPECIFIC ASSUMPTIONS**

1. The subject is currently zoned SF-3 (Family Residence). Conversely, the highest and best use of the property is townhome or condominium development. This opinion is based in part on surrounding land uses, and conversations with the City of Austin Planning department. Therefore, we assume a zoning change to a GR-MU (Community Commercial – Mixed-use) designation would be permitted.
2. An off-site inspection was performed on July 8, 2023. We assume an on-site inspection would not have revealed relevant attributes of the property that were not observed from the surrounding streets and property boundaries.

Absent these assumptions, our value opinions could change.

**ORDINARY ASSUMPTIONS**

1. It is assumed that there are no easements or encroachments as of the effective date of this appraisal unless noted within the report.
2. It is assumed that there are no hidden or unapparent conditions of the property, sub-soils, or structures which would render them more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover such factors.
3. It is assumed that all necessary permits have been obtained and that there has been full compliance with all applicable federal, state, and local environmental regulations and laws unless non-compliance is stated, defined, and considered in the appraisal report.
4. It is assumed that all applicable zoning and use regulations and restrictions are complied with, unless a nonconformity has been stated, defined, and considered in the appraisal report.
5. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed. I have no knowledge of the existence of such materials on or in the property, and am not qualified to detect such substances. The presence of substances such as asbestos, radon gas, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimates are predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
6. Unless otherwise noted, it is assumed that the property is free of any environmental issues, including endangered species or their habitat (i.e., caves) which might preclude development or otherwise affect the value of the property. No responsibility is assumed regarding the presence or absence of such features and the client is urged to retain an expert in these fields, if desired, as the appraiser is not qualified to discover such conditions.



**LIMITING CONDITIONS**

1. The legal description furnished our firm is assumed to be correct. We assume no responsibility for matters legal in character, nor render any opinion as to the title, which is assumed to be good. The property has been appraised as if under responsible ownership and competent management.
2. We have made no survey and assume no responsibility in connection with such matters therefore, reference to a sketch, plat, diagram, or survey appearing in the report is only for the purpose of assisting the reader to visualize the property. The firm believes that the information contained in this report, although obtained from public record and other reliable sources and, where possible, carefully checked, is reliable, but assumes no responsibility for its accuracy.
3. The construction and condition of the property mentioned in the body of this report are based on observation and no engineering study has been made which could discover any possible latent defects. No certification as to any of the physical aspects could be given unless a proper engineering study is made.
4. We are not required to give testimony or attendance in court by reason of this appraisal with reference to the property in question, unless arrangements have been previously made.
5. Possession of this report or a copy thereof does not carry with it the right of publication. It may not be used for any purpose by anyone other than the addressee without the previous written consent of the appraiser(s).
6. Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media without the written consent and approval of the author(s), particularly as to valuation and conclusions, the identity of the appraiser or firm with which they are connected, or any reference to the Appraisal Institute, the SRA or the MAI designation.
7. The appraiser's liability regarding the statements and conclusions reported herein is limited to the fee charged for the assignment.



**SUMMARY OF IMPORTANT CONCLUSIONS**

Project Name: Walnut Interceptor Odor and Corrosion Improvements

Location: The south line of Loyola Lane, Austin, Travis County, Texas 78724

Legal Description: A 1.385 ACRE (60,349 SQUARE FOOT) PARCEL, OUT OF THE J.C. TANNEHILL SURVEY NO. 29, ABSTRACT NO. 22, TRAVIS COUNTY, TEXAS, BEING A PORTION OF THAT TRACT DESCRIBED AS 20.554 ACRES (TRACT 1) CONVEYED TO CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY (CMTA) BY SPECIAL WARRANTY DEED DATED SEPTEMBER 27, 2006, AS RECORDED IN DOCUMENT NO. 2006188973, OFFICIAL PUBLIC RECORDS, TRAVIS COUNTY, TEXAS

Assessor's Parcel Number: 545903 & 545925

Property Rights Appraised: Fee simple interest

Site Data:

Size: Parent Tract: ±30.313 acres; ±1,320,434 square feet  
Economic Unit: ±1.385 acres; ±60,349 square feet

Zoning: SF-3 (Family Residence)

Utilities: All available

Shape: Slightly irregular

Easements/Encumbrances: Refer to page 24.

Topography: Gently sloping to the northwest

Floodplain: According to FEMA Panel 48453C0470K, Travis County, Texas, effective January 6, 2016, the subject property is not encumbered by floodplain.

Highest and Best Use: Townhome and/or condominium development

Purpose of Appraisal: To provide market value opinions of: (1) the fee simple interest in the whole property/economic unit; (2) proposed acquisition; (3) remainder before and after the acquisition; and, (4) damages or enhancements, if any, to the remainder.

Effective Date of the Appraisal: July 8, 2023

Date of the Report: August 2, 2023

**Value Conclusion and Just Compensation Summary**

	<u>Market Value</u>	<u>Just and Adequate Compensation</u>
Whole Property/Economic Unit Value	\$1,499,673	
Fee Acquisition	\$1,499,673	\$1,499,673
Remainder Before the Acquisition	\$0	
Remainder After the Acquisition	\$0	
Damages/(Enhancements) to the Remainder	\$0	
<b>Total Compensation</b>		<b>\$1,499,673</b>

Compiled by Hornsby and Co.



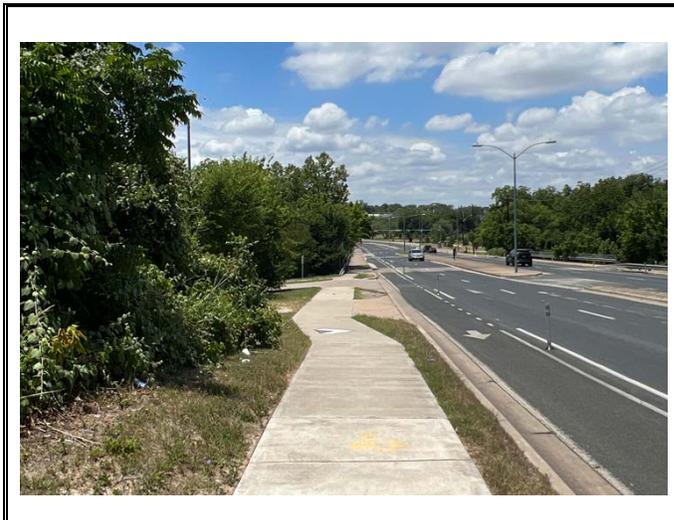
## **DESCRIPTIONS AND ANALYSES**

**SUBJECT PHOTOGRAPHS**



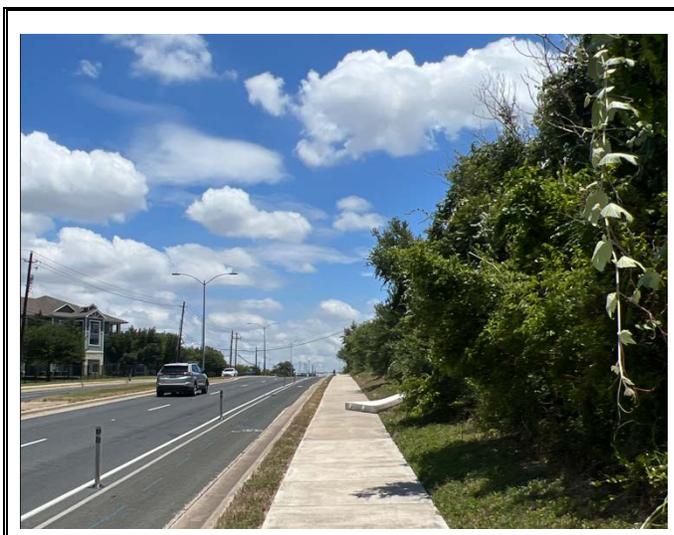
South view of acquisition area

Date of Photo: July 8, 2023



West view of Loyola Lane from the northwest property boundary, acquisition area to the left

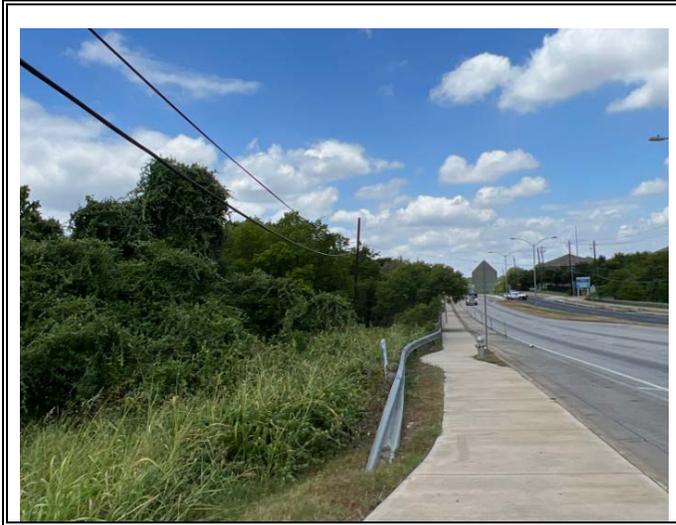
Date of Photo: July 8, 2023



East view of Loyola Lane from the northwest property boundary, acquisition area to the right

Date of Photo: July 8, 2023





West view of Loyola Lane from the parent tract's northeast property boundary

Date of Photo: July 8, 2023



South view of Johnny Morris Road from the parent tract's northeast property boundary

Date of Photo: July 8, 2023



Northwest view of interior from the parent tract's southeast property boundary

Date of Photo: July 8, 2023



**EFFECTIVE DATE OF VALUE**

July 8, 2023

**PURPOSE OF THE APPRAISAL**

The purpose of the appraisal is to provide market value opinions: (1) the fee simple interest in the whole property/economic unit; (2) proposed acquisition; (3) remainder before and after the acquisition; and, (4) damages or enhancements, if any, to the remainder.

**DISCUSSION OF ECONOMIC UNIT**

The parent tract is a ±30.313 acre tract of land at the southwest corner of Loyola Lane and Johnny Morris Road.

The proposed fee acquisition will encompass ±1.385 acres (±60,349 square feet) of land in the northwest corner of the parent tract. The fee acquisition will be used by the City of Austin in conjunction with the Walnut Interceptor Odor and Corrosion Improvements project which involves the construction of wastewater improvements. The proposed fee acquisition is an independent economic entity and is appraised as such. There were no contributory improvements noted at the time of inspection.

The following exhibit depicts the parent tract and economic unit:



**Property Component Summary**

	Land Area	Land Area	Loyola Lane
Whole Property/Economic Unit Size	±1.385 acres	±60,349 SF	±133 ft
Fee Acquisition	±1.385 acres	±60,349 SF	±133 ft
Remainder After Acquisition	±0.000 acres	±0 SF	±0 ft

Compiled by Hornsby and Co.



**CLIENT, INTENDED USE AND USERS OF THE APPRAISAL**

The client is the City of Austin. The client and/or its agents are the sole intended users of the report. Use of this report by others is not intended. This report is intended to assist the Financial Services Department – Real Estate of the City of Austin in its determination of market value for the property and is not intended for any other use.

**PROPERTY RIGHTS APPRAISED**

The property rights appraised are fee simple interest. Fee simple estate is “an interest in land that, being the broadest property interest allowed by law, endures until the current holder dies without heirs.”<sup>1</sup>

**DEFINITION OF MARKET VALUE**

“Market Value is the price which the property would bring when it is offered for sale by one who desires, but is not obliged to sell, and is bought by one who is under no necessity of buying it, taking into consideration all of the uses to which it is reasonably adaptable and for which it either is or in all reasonable probability will become available within the reasonable future.”<sup>2</sup>

**LEGAL DESCRIPTION**

A 1.385 ACRE (60,349 SQUARE FOOT) PARCEL, OUT OF THE J.C. TANNEHILL SURVEY NO. 29, ABSTRACT NO. 22, TRAVIS COUNTY, TEXAS, BEING A PORTION OF THAT TRACT DESCRIBED AS 20.554 ACRES (TRACT 1) CONVEYED TO CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY (CMTA) BY SPECIAL WARRANTY DEED DATED SEPTEMBER 27, 2006, AS RECORDED IN DOCUMENT NO. 2006188973, OFFICIAL PUBLIC RECORDS, TRAVIS COUNTY, TEXAS

**OWNER OF RECORD AND HISTORY OF THE PROPERTY**

According to the Travis Central Appraisal District and deed records, the owner of record is Capital Metropolitan Transportation Authority. The subject property was conveyed from The Loyola/Johnny Morris Partnership via Special Warranty Deed on September 27, 2006, as recorded in Document No. 2006188973, Official Deed Records, Travis County, Texas.

To our knowledge, no additional transfers, sales or offers to sell or purchase have occurred within the last three years, nor is the property actively listed for sale.

Please note that this information is included only to satisfy the requirements of USPAP. It is not intended as a guarantee to the chain of title, and a title search should be performed by a title company should a definitive abstract be desired.

**AD VALOREM TAXES**

The Travis Central Appraisal District's 2022 estimate of the parent tract's market value was \$427,373 or \$14,099/acre.

<sup>1</sup> Black's Law Dictionary, 8<sup>th</sup> ed. (St. Paul, MN: Thomson West, 2007), 648-649.

<sup>2</sup> City of Austin vs. Cannizzo, et.al., 267 S.W. 2d 808, 815 [1954].



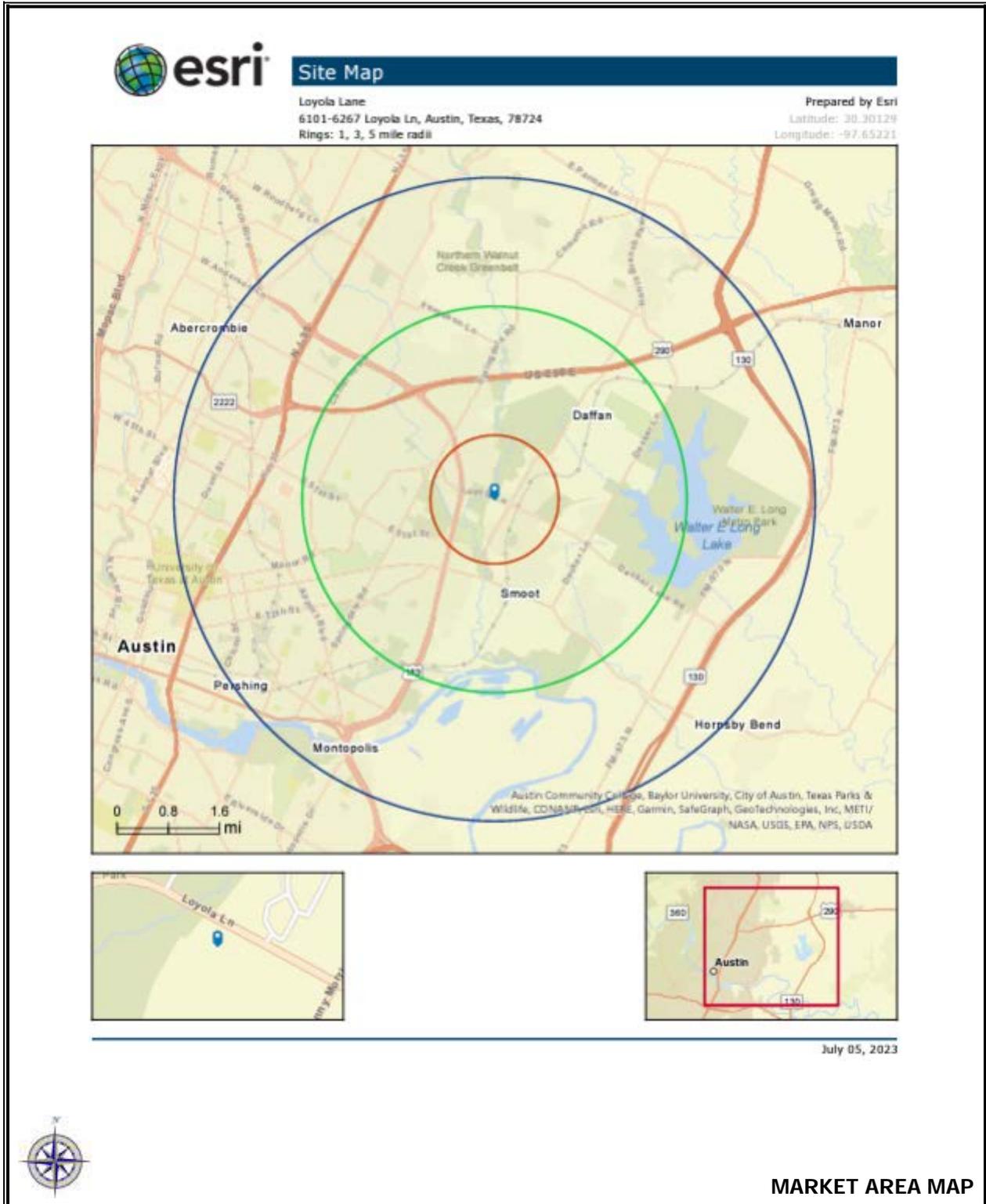
**SCOPE OF WORK**

The appraisal was undertaken jointly by Paul Hornsby, Chris Hornsby, and Scott Nevil. Under the direction of Paul Hornsby and Chris Hornsby, Scott Nevil gathered data, performed analysis, and contributed to the reporting. Paul Hornsby and Chris Hornsby provided oversight with respect to appraisal methodology, data selection, analytical processes and reporting. The final report is the result of this collaborative effort.

To complete the assignment, a number of steps were undertaken. The most salient of these are listed below.

- We attempted to contact the property owner's representative, Vincent Sandoval, via email and telephone, but did not receive responsive communication. Therefore, we performed an off-site inspection. Scott Nevil performed an off-site inspection of the property on July 8, 2023. Chris Hornsby also performed an off-site inspection. Paul Hornsby did not inspect the property.
- The neighborhood was inspected from numerous roads, and trends in residential and commercial development were noted.
- We reviewed documents and maps specific to the subject property such as acquisition surveys, title commitment, deed records, tax plat, floodplain map, topographical maps, and aerial photographs.
- A highest and best use analysis was performed to determine the physically possible uses, legally permissible uses, financial feasibility, and maximally productive use of the property.
- Consideration of Three Approaches – As the property is vacant land, we employed only the Sales Comparison Approach. The Cost Approach and Income Capitalization Approach were not applicable.
- Land-sale data were confirmed from county deed records, conversations with various real estate brokers and real estate professional active in the market; and two internet-based sale and listing services by subscription: Austin/Central Texas Realty Service (MLS) and CoStar Group. Sales research was inclusive of a date of sale range from 2020 through the effective date and limited to vacant land sales within a five-mile radius of the subject. The sales were inspected from perimeter roadways and were confirmed with parties directly involved with the transactions (buyer, seller or brokers and associates) or persons having special knowledge of the same.
- Valuations were performed for the whole property/economic unit, fee acquisition, remainder before the acquisition, and remainder after the acquisition, which provided a basis for our compensation estimate.







Executive Summary

Loyola Lane  
 6101-6267 Loyola Ln, Austin, Texas, 78724  
 Rings: 1, 3, 5 mile radii

Prepared by Esri  
 Latitude: 30.30129  
 Longitude: -97.65223

	1 mile	3 miles	5 miles
<b>Population</b>			
2010 Population	6,602	55,552	158,349
2020 Population	9,396	64,789	186,479
2023 Population	10,305	70,890	201,071
2028 Population	11,238	74,485	214,036
2010-2020 Annual Rate	0.89%	1.55%	1.65%
2020-2023 Annual Rate	2.88%	2.61%	2.35%
2023-2028 Annual Rate	1.75%	0.99%	1.26%
2023 Male Population	49.2%	51.1%	51.8%
2023 Female Population	50.8%	48.9%	48.2%
2023 Median Age	29.1	32.5	31.9

In the identified area, the current year population is 201,071. In 2020, the Census count in the area was 186,479. The rate of change since 2020 was 2.35% annually. The five-year projection for the population in the area is 214,036 representing a change of 1.26% annually from 2023 to 2028. Currently, the population is 51.8% male and 48.2% female.

**Median Age**

The median age in this area is 31.9, compared to U.S. median age of 39.1.

**Households**

	1 mile	3 miles	5 miles
<b>2023 Wealth Index</b>	51	73	68
2010 Households	2,522	18,503	59,959
2020 Households	2,947	23,307	76,033
2023 Households	3,423	25,836	83,214
2028 Households	3,797	27,587	90,451
2010-2020 Annual Rate	1.57%	2.94%	2.40%
2020-2023 Annual Rate	4.71%	3.22%	2.82%
2023-2028 Annual Rate	2.10%	1.32%	1.68%
2023 Average Household Size	3.00	2.65	2.36

The household count in this area has changed from 76,033 in 2020 to 83,214 in the current year, a change of 2.82% annually. The five-year projection of households is 90,451, a change of 1.68% annually from the current year total. Average household size is currently 2.36, compared to 2.39 in the year 2020. The number of families in the current year is 42,361 in the specified area.

	1 mile	3 miles	5 miles
<b>Mortgage Income</b>			
2023 Percent of Income for Mortgage	33.4%	38.7%	39.6%
<b>Median Household Income</b>			
2023 Median Household Income	\$52,810	\$66,556	\$68,125
2028 Median Household Income	\$57,872	\$77,025	\$78,971
2023-2028 Annual Rate	1.85%	2.96%	3.00%
<b>Average Household Income</b>			
2023 Average Household Income	\$77,085	\$100,367	\$100,214
2028 Average Household Income	\$88,683	\$115,179	\$115,061
2023-2028 Annual Rate	2.84%	2.79%	2.81%
<b>Per Capita Income</b>			
2023 Per Capita Income	\$25,740	\$36,507	\$41,419
2028 Per Capita Income	\$30,093	\$42,545	\$48,553
2023-2028 Annual Rate	3.17%	3.11%	3.23%
<b>GINI Index</b>			
2023 Gini Index	39.6	42.6	42.9

**Households by Income**

Current median household income is \$68,125 in the area, compared to \$72,603 for all U.S. households. Median household income is projected to be \$78,971 in five years, compared to \$82,410 for all U.S. households

Current average household income is \$100,214 in this area, compared to \$107,008 for all U.S. households. Average household income is projected to be \$115,061 in five years, compared to \$122,048 for all U.S. households

Current per capita income is \$41,419 in the area, compared to the U.S. per capita income of \$41,310. The per capita income is projected to be \$48,553 in five years, compared to \$47,525 for all U.S. households

**Housing**

	1 mile	3 miles	5 miles
<b>2023 Housing Affordability Index</b>	73	59	56
2010 Total Housing Units	2,650	20,510	67,152
2010 Owner Occupied Housing Units	1,421	9,262	23,436
2010 Renter Occupied Housing Units	1,102	9,241	36,522
2010 Vacant Housing Units	128	2,007	7,193
2020 Total Housing Units	3,098	25,145	83,517
2020 Vacant Housing Units	151	1,838	7,484
2023 Total Housing Units	3,687	28,139	92,181
2023 Owner Occupied Housing Units	1,944	14,369	34,976
2023 Renter Occupied Housing Units	1,479	11,467	48,238
2023 Vacant Housing Units	264	2,303	8,967
2028 Total Housing Units	4,014	29,909	99,995
2028 Owner Occupied Housing Units	2,204	15,008	35,972
2028 Renter Occupied Housing Units	1,593	12,579	54,479
2028 Vacant Housing Units	217	2,322	9,544

**Socioeconomic Status Index**

	1 mile	3 miles	5 miles
2023 Socioeconomic Status Index	39.7	42.2	43.9

Currently, 37.9% of the 92,181 housing units in the area are owner occupied; 52.3% are renter occupied; and 9.7% are vacant. Currently, in the U.S., 58.5% of the housing units in the area are owner occupied; 31.7% are renter occupied; and 9.8% are vacant. In 2020, there were 83,517 housing units in the area and 9.0% vacant housing units. The annual rate of change in housing units since 2020 is 3.08%. Median home value in the area is \$448,751, compared to a median home value of \$308,943 for the U.S. In five years, median value is projected to change by 1.01% annually to \$471,853.

Data Note: Income is expressed in current dollars. Housing Affordability Index and Percent of Income for Mortgage calculations are only available for areas with 50 or more owner-occupied housing units. The Gini Index measures the extent to which the distribution of income or consumption among individuals or households within an economy deviates from a perfectly equal distribution. A Gini Index of 0 represents perfect equality, while an index of 100 implies perfect inequality.

July 05, 2023



**AUSTIN AREA ANALYSIS**

As of first quarter 2023, the Austin MSA has largely recovered from the COVID era, with most underlying economic fundamentals returning to pre-pandemic levels. However, the rebound has recently been tempered by high inflation, rising interest rates, recession fears, and labor shortages.

By May 2021, Austin had recovered all jobs lost to the COVID pandemic. As of Q1 2023, non-agricultural employment has increased 4.8% over the last quarter and 7.0% for the trailing 12 months. Unemployment is a healthy 3.5%, but has increased from 2.7% at year end 2022 with recent layoffs in the tech sector. Continued layoffs may increase unemployment further.

Employment gains have been driven by corporate relocations and expansions, including Tesla, Oracle Samsung, Google, Apple and others. The concomitant population increase has fueled all real estate markets, but higher interest rates and recession expectations have resulted in a cooling of the unprecedented 2021 dynamics.

The **office market** is about 86% occupied, slightly lower than the 10-year average of 90%, and rents have increased about 1.7% over the past year. Corporate expansions and relocations have been tempered by the work-from-home paradigm and the prospect of a recession in the near term. This shift is evidenced by Meta (Facebook) choosing to sublease its 600,000 SF in downtown Austin rather than occupy. Sublease space has increased from 426,000 square feet in the first quarter of this year to 743,000 square feet, a 74% rise. However, Kastle System reports that Austin was leading the nation with a 58.9% office usage rate as of June 2022.

The **retail market** reflects occupancy of 97% and a trailing 12-month rent increase of 4.9%. Despite the “clicks vs. bricks” shopper sentiment, in-migration and job growth continue to drive this sector.

The **multi-family market** had seen one of the fastest rebounds in the country since early 2021. However, increased inventory (44,000 units under construction) and reduced absorption (7,200 units) have dampened rents and increased vacancy. Apartment rents have dropped 1.1% over the past 12 months. Occupancy is still high at 90.5%, but down slightly since last quarter. Despite the softening, Austin has fared better than most cities in the country. This is the result of in-migration, rising interest rates, and lack of affordability, which have caused many would-be home owners to become apartment dwellers.

The **single-family market** continues to experience healthy sales volume and prices, although rising interest rates have dampened the recent boom. Builders are buying down interest rates to facilitate sales to buyers who would not otherwise qualify for a mortgage. The inventory has risen to 2.7 months, but is still at only one-half the amount of housing inventory needed for a balanced market. The average time on market has



increased to 73 days, up from 26 days in October 2021. Overall, this market is in a more stable phase than in the boom period of 2020-2021.

The **industrial market** has benefited significantly from the COVID pandemic due to the increased demand for logistics hubs and distribution warehouses. This is the direct result of the stay-at-home lifestyle shift and the associated online ordering of goods and services. However, Amazon and others have recently pulled in their horns a bit, postponing delivery of new product due to potential overbuilding and rising inflation. The occupancy is still at a robust 94.9% with an 11.0% annual rent growth.

The **hospitality market** was negatively impacted by the pandemic, with less travel and attendant lower room rates and occupancies. However, in the second half of 2021, hospitality performance metrics began improving. This momentum has continued through 2022 and into 2023 with both ADR and RevPAR above pre-pandemic levels.

**EMPLOYMENT**

The following tables show employment statistics and changes in the Austin MSA.

Changes From Previous Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Civilian Employment	4.8%	3.4%	3.2%	4.5%	3.7%	2.6%	-0.3%	7.3%	3.5%
Non-agricultural employment	5.0%	6.0%	3.5%	3.4%	3.5%	2.7%	-0.8%	7.3%	6.7%

	Year End 2022	1st Q 2022	4th Q 2022	1st Q 2023	Trailing Year Change	YTD Change	Quarterly Change
Total Civilian Employment	1,372,624	1,355,186	1,355,596	1,393,903	2.9%	1.6%	2.8%
Non-agricultural employment	1,271,100	1,222,700	1,247,800	1,308,100	7.0%	2.9%	4.8%
Unemployment	2.7%	2.7%	2.8%	3.5%			

**SUMMARY**

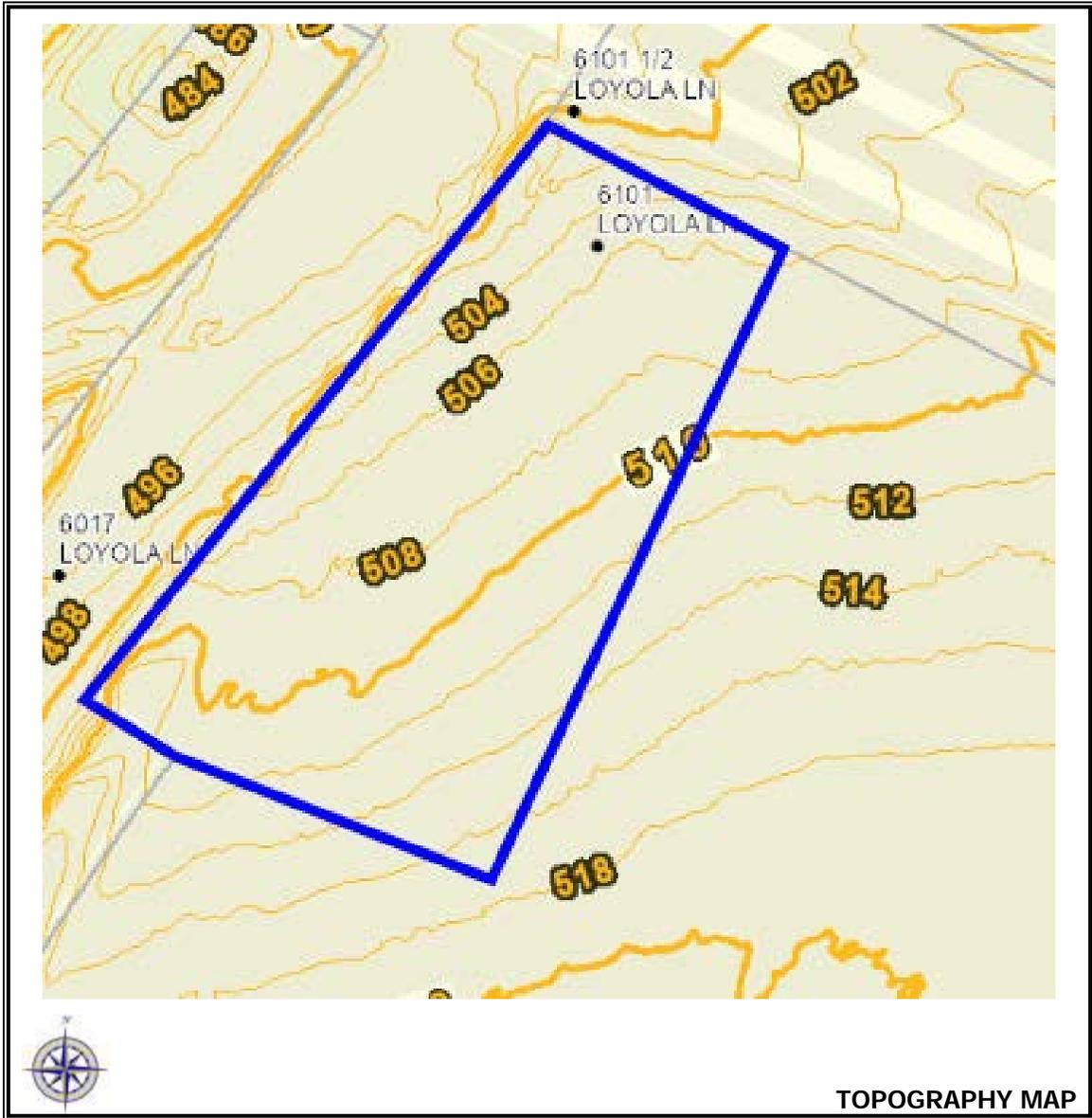
With a trailing-year 7.0% increase in non-agricultural employment and a 3.5% unemployment rate, Austin is performing better than most cities in the country. Corporate in-migration continues to fuel the market, coupled with associated population increases. Rising interest rates and relatively high inflation have temporarily curbed the boom enthusiasm, but market fundamentals remain sound and near-term economic prospects are favorable.



**SITE DESCRIPTION AND ANALYSIS**



Source: LandID GIS



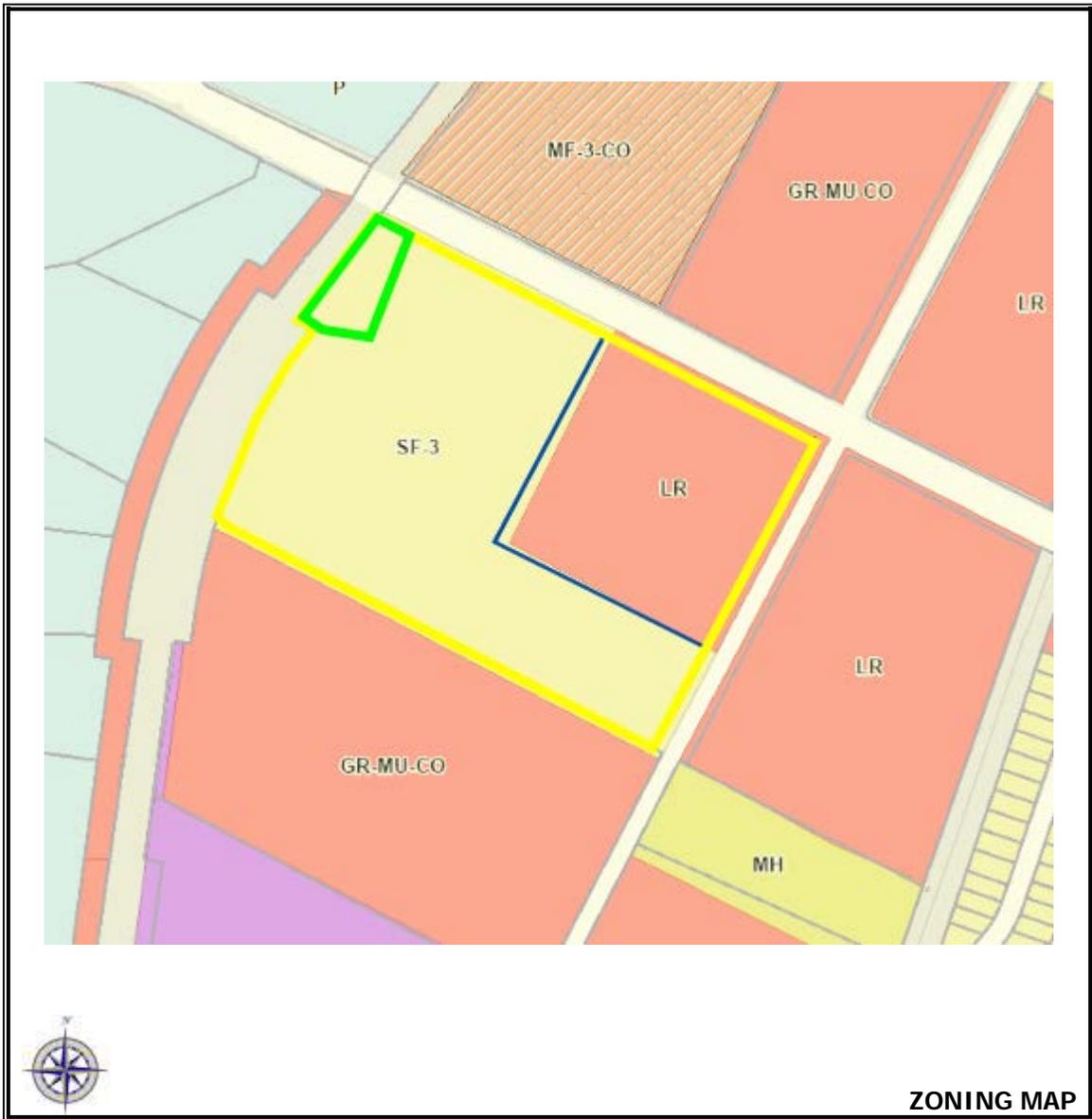
Source: City of Austin – Property Profile





Source: Travis CAD  
Parent Tract: Outlined in Yellow  
Subject: Outlined in Green





Source: City of Austin – Property Profile  
Parent Tract: Outlined in Yellow  
Subject: Outlined in Green





Source: Travis County Clerk



Location:	The south line of Loyola Lane, Austin, Travis County, Texas 78724
Gross Site Area:	±1.385 acres (±60,349 square feet)
Shape:	Slightly irregular
Frontage and Roadway Design:	±133 feet; Loyola Lane, a two-lane, two-way, undivided, asphalt-paved road
Access/Visibility:	The site is afforded adequate visibility and access from Loyola Lane.
Subsoil Conditions and Drainage:	An engineering study to determine the soil and subsoil conditions was not provided. The soil and subsoil conditions are assumed to be typical of those found in this area. We are not qualified to render an opinion as to the quality of the soils or feasibility for development. Upon inspection of the subject and surrounding improvements, soil conditions appear adequate to support development of the subject property with adequate engineering. The opinions of value stated herein are contingent upon the soils providing a stable base for improvements.
Topography:	The site is gently sloping to the northwest.
Flood Plain:	According to FEMA Panel 48453C0470K, Travis County, Texas, effective January 6, 2016, the subject property is not encumbered by floodplain.
Environmental/Toxic Waste:	We were not provided an environmental site assessment for the subject, and we did not observe during our inspection any evidence of recognized environmental conditions such as hazardous waste and/or toxic materials. We have no knowledge of the existence of any such substances on the property; however, we are not qualified to detect hazardous waste and/or toxic materials. An expert in these fields should be consulted for opinions on these matters. The appraisal is predicated on the assumption that no environmental hazards or special resources exist within or on the subject property.
Utilities:	Water and wastewater are available via a 12" water line along the northern property boundary and a 72" wastewater main along the western property boundary. Wastewater service would require a service line be constructed off the 72" main.
Political Boundaries:	City of Austin, State of Texas
Zoning/Entitlements:	The subject is zoned SF-3 (Family Residence). The subject would need to be rezoned for development in accordance with its highest and best use. Conversation with the City of Austin indicates that a GR-MU designation would be probable.



Land Use Restrictions: According to the title commitment provided by the client, our search of the Travis County public records, and the most recent Deed, there are no adverse land use restrictions.

Easements/Encumbrances: Documents specific to the subject indicate the following:

- A water and access easement granted to the City of Pflugerville, Texas dated October 23, 2003, by instrument recorded in Document No. 2003257096 of the Real Property Records of Travis County, Texas, as shown on survey dated May 28, 2003, prepared by Surveying and Mapping, Inc. (“the Survey”). The easement is located along the western property boundary, currently supports a 30” main line, and encumbers approximately 0.44 acre (19,166 SF) of the subject.
  - “Surface Use: Grantor hereby retains, reserves, and shall continue to enjoy the use of the surface of the Easement Tract for any and all purposes which do not interfere with or prevent the use by Grantee of the Easement herein granted.”

A search of the Travis County deed records and documents provided by the client did not reveal any adverse easements.

Encroachments: None noted

School District: Austin ISD

Public Services: Police, emergency and fire services are via the jurisdiction of the City of Austin and Travis County Sheriff’s Department.

Adjacent Properties:

North:	Multifamily/school
South:	Vacant land
East:	Vacant land/single-family residential
West:	Vacant land



### **HIGHEST AND BEST USE ANALYSIS**

Highest and best use is defined as: The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.<sup>3</sup>

Based on the information presented in the preceding sections of this report, the following analysis considers each of the factors of highest and best use in relation to the subject property. The most pertinent elements are summarized below.

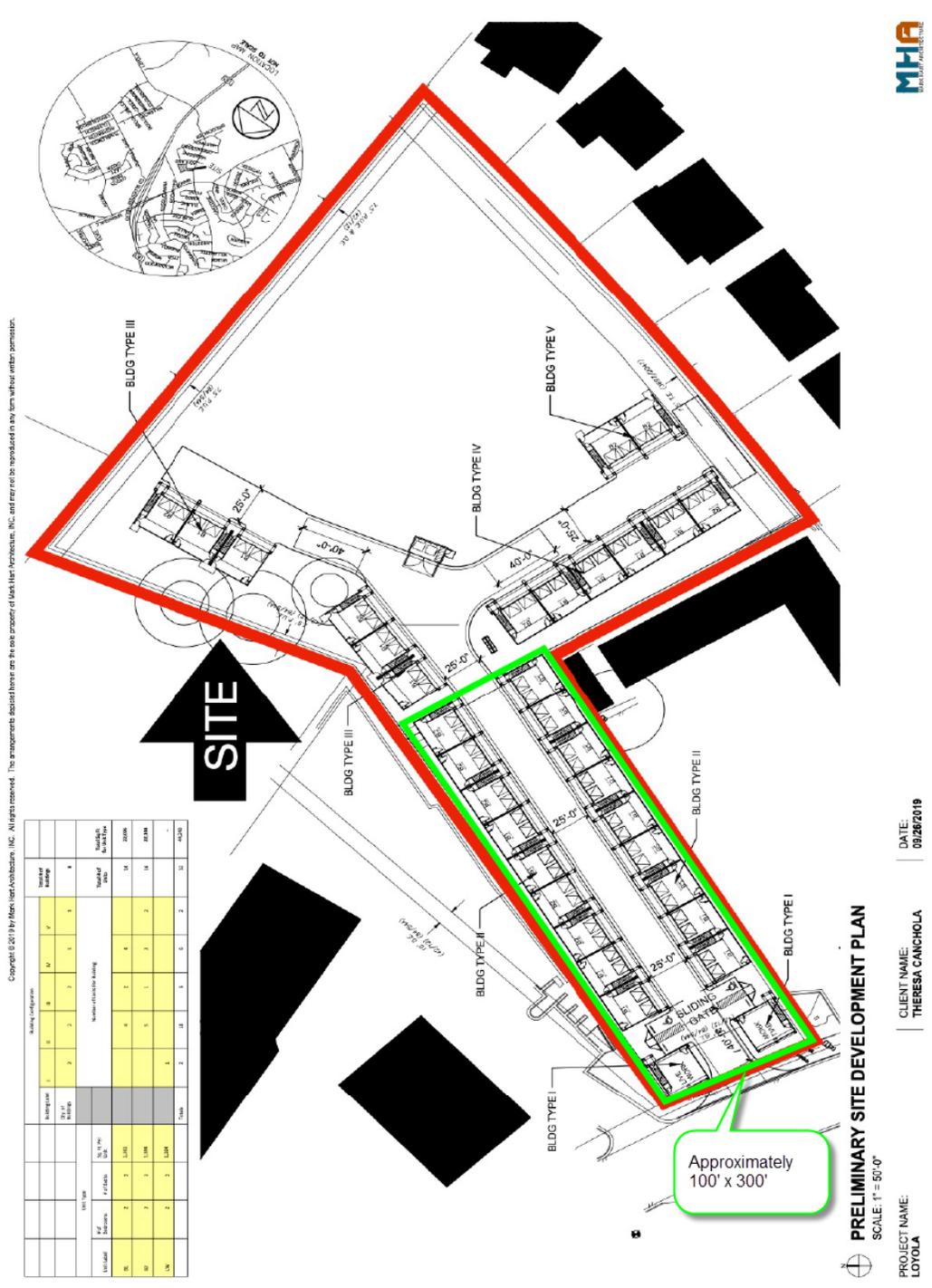
- The property is located in the City of Austin and is zoned SF-3 (Family Residence). However, the City of Austin Planning Department stated that a zoning redesignation to GR-MU would be probable.
- The site is of adequate size for several land uses, but townhome and/or condominium development is most probable as evidenced by the comparable sales used herein.
- The primary land uses in the vicinity are vacant land, single-family residential, and some commercial use, with an increasing amount of small-scale townhome and condominium developments.
- According to FEMA Panel 48453C0470K, Travis County, Texas, effective January 6, 2016, none of the site is encumbered by 100-year floodplain.
- The topography of the site is gently sloping to the northwest.
- All utilities are available at the site.
- A water line and access easement encumber approximately 24% of the site. However, our reading of the easement indicates that the underlying fee owner retains use of the surface so long as it does not interfere with the rights granted by the easement.

Given the physical characteristics of the site, conversations with the City of Austin Planning Department, and the land use trends near the subject, the highest and best use is for townhome and/or condominium development. An example of such development is set out on the following page.



Townhome/Condominium Example

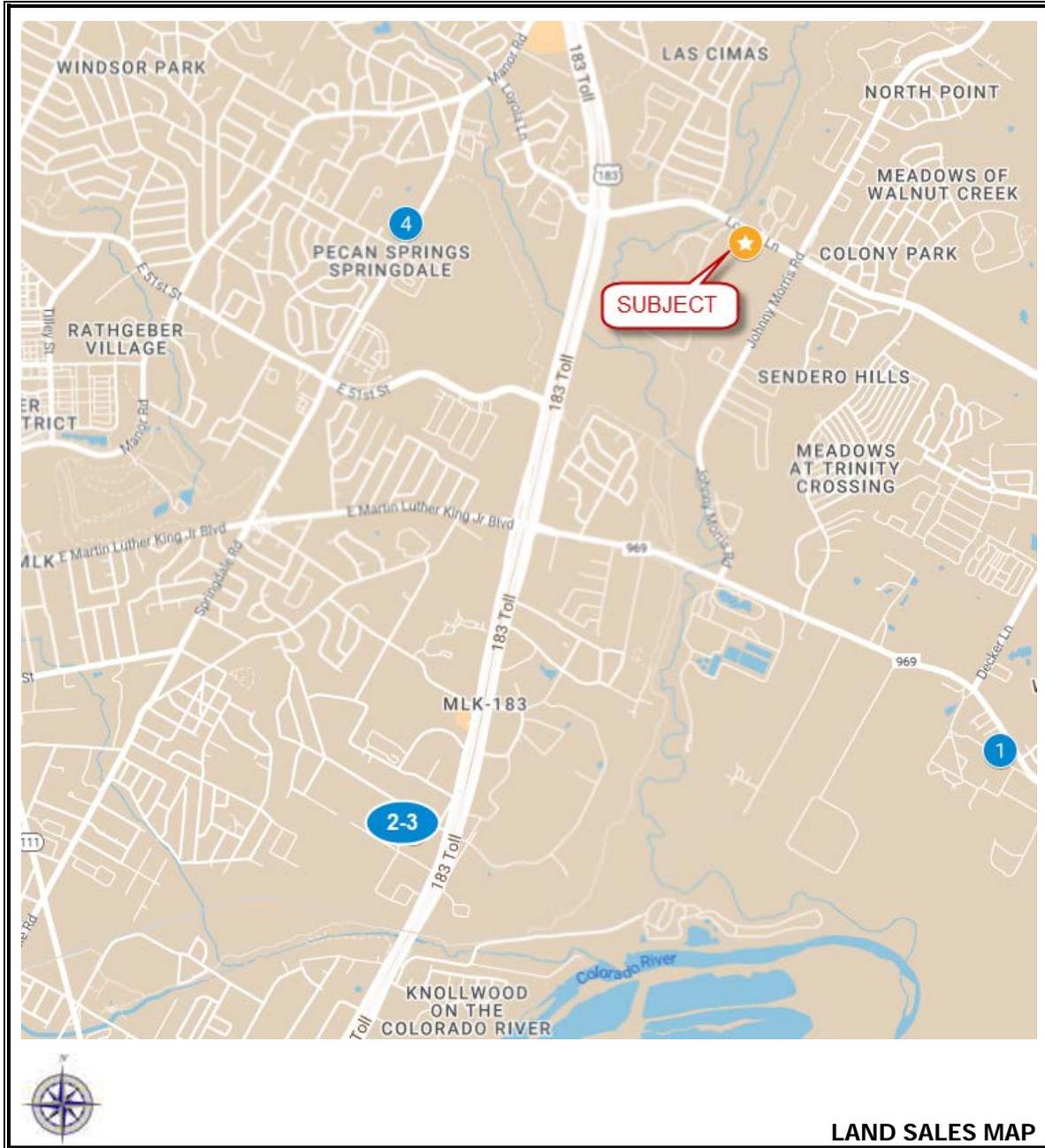
Our analysis of the subject's market area indicates a shift from single family use to townhome and condominium development. For example, a site at 4720 Loyola Lane, ABOR MLS No. 6475650, has a preliminary site development plan that depicts how the market may treat a site similar to the subject. Even considering the potential loss of developable area from the water line and access easement, the subject's remaining developable area would be similar in width and depth to the area outlined in green on the following preliminary site development plan.



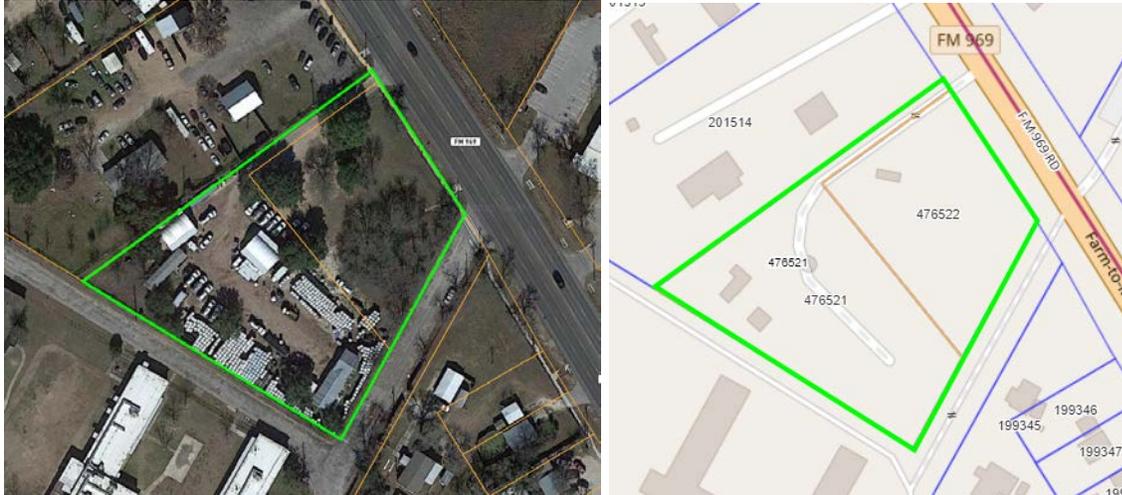
## **VALUATION OF THE PROPERTY**

**SALES COMPARISON APPROACH**

The Sales Comparison Approach was used to estimate the value of the whole property/economic unit. Detailed sale descriptions follow.



Land Sale No. 1



**Property Identification**

**Record ID** 6552  
**Property Type** Land  
**Address** 8809 and 8811 FM 969, Austin, Travis County, Texas 78724  
**Location** SW/ Line of FM 969  
**Tax ID** 476521 & 476522  
**Latitude, Longitude** W30.274000, N-97.639200  
**MSA** Austin-Round Rock  
**Market Type** Land

**Sale Data**

**Grantor** Pitts Construction, INC  
**Grantee** Decker 969, LLC  
**Sale Date** September 28, 2022  
**Deed Book/Page** 2022159700 – Read by Scott Nevil on July 6<sup>th</sup>, 2023  
**Recorded Plat** 19990039216  
**Property Rights** Fee Simple  
**Conditions of Sale** Typical  
**Financing** Cash to Seller  
**Date of Inspection** July 07, 2023  
**Verification** William Pitts; 512-964-3699, July 07, 2023; CoStar, Confirmed by Scott Nevil

**Sale Price** \$2,400,000  
**Cash Equivalent** \$2,400,000



**Land Sale No. 1 (Cont.)****Land Data**

<b>Zoning</b>	CS-CO
<b>Topography</b>	Generally level
<b>Utilities</b>	All available
<b>Shape</b>	Generally rectangular
<b>Flood Info</b>	None
<b>Easements</b>	None detrimental assumed
<b>Improvements</b>	Non-contributory
<b>Current/Intended Use</b>	Unknown

**Land Size Information**

<b>Gross Land Size</b>	2.310 Acres or 100,624 SF
<b>Front Footage</b>	205 ft FM 969;

**Indicators**

<b>Sale Price/Gross Acre</b>	\$1,038,961
<b>Sale Price/Gross SF</b>	\$23.85

**Legal Description**

Lots 1 and 2, Pitts Family Subdivision, according to the map or plat thereof, recorded in Document No. 199900392, Official Public Records, Travis County, Texas

**Remarks**

We were unable to reach the buyer, and the seller was unsure of the intended use.



Land Sale No. 2



**Property Identification**

**Record ID** 6561  
**Property Type** Land  
**Address** 6117 Hudson St, Austin, Travis County, Texas 78721  
**Location** S/L of Hudson St  
**Tax ID** 196437  
**Latitude, Longitude** W30.269700, N-97.672200  
**MSA** Austin-Round Rock  
**Market Type** Land

**Sale Data**

**Grantor** Arnold Sanchez and Saul Sanchez  
**Grantee** Ledgestone Development Group, LLC  
**Sale Date** September 30, 2022  
**Deed Book/Page** 2022161596 – Read by Scott Nevil on July 6<sup>th</sup>, 2023  
**Property Rights** Fee Simple  
**Conditions of Sale** Typical  
**Financing** Cash to Seller  
**Date of Inspection** July 07, 2023  
**Verification** Penn Bloxsom; 713-499-1024, July 07, 2023; MLS: 9432208, Confirmed by Scott Nevil

**Sale Price** \$1,725,000  
**Cash Equivalent** \$1,725,000



**Land Sale No. 2 (Cont.)****Land Data**

<b>Zoning</b>	MF-6-NP
<b>Utilities</b>	All available
<b>Shape</b>	Rectangular
<b>Flood Info</b>	None
<b>Easements</b>	None detrimental
<b>Improvements</b>	None
<b>Current/Intended Use</b>	Multi-family

**Land Size Information**

<b>Gross Land Size</b>	1.000 Acres or 43,560 SF
<b>Front Footage</b>	90 ft Hudson St;

**Indicators**

<b>Sale Price/Gross Acre</b>	\$1,725,000
<b>Sale Price/Gross SF</b>	\$39.60

**Legal Description**

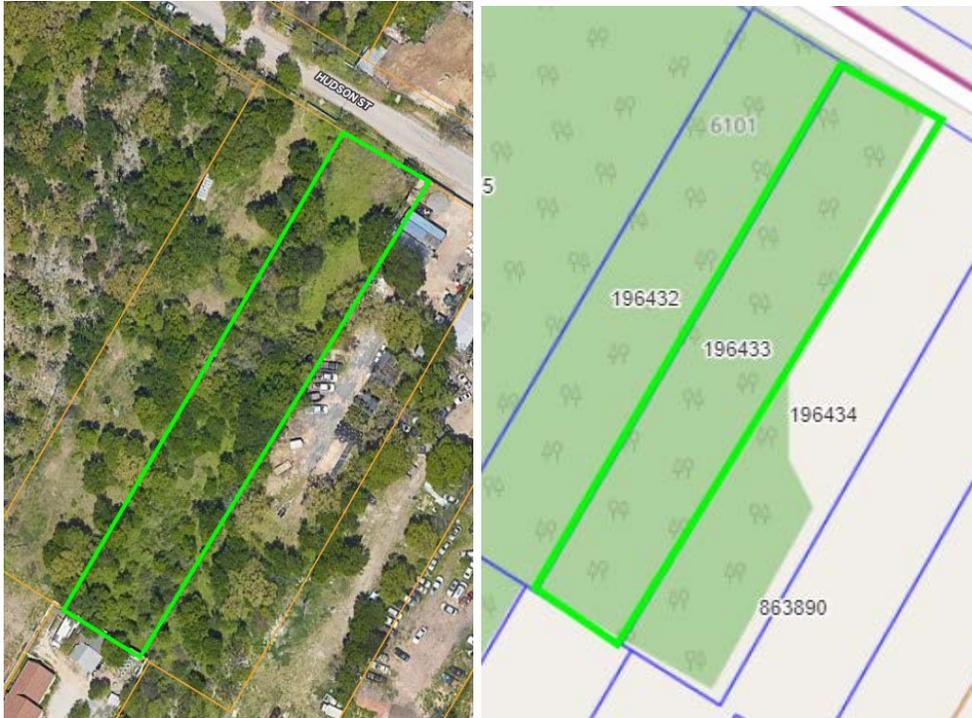
Being a 1.00 acre tract of land situated in Jesse C. Tannehill Survey, Block 29, Section 29, Abstract Number 22, Travis County, Texas.

**Remarks**

None



Land Sale No. 3



**Property Identification**

**Record ID** 6560  
**Property Type** Land  
**Address** 6103 Hudson St, Austin, Travis County, Texas 78721  
**Location** S/L of Hudson St  
**Tax ID** 196433  
**Latitude, Longitude** W30.302100, N-97.673000  
**MSA** Austin-Round Rock  
**Market Type** Land

**Sale Data**

**Grantor** Barrington Miles  
**Grantee** Gallant ATX II, LLC  
**Sale Date** May 08, 2023  
**Deed Book/Page** 2023050697 – Read by Scott Nevil on July 6<sup>th</sup>, 2023  
**Property Rights** Fee Simple  
**Conditions of Sale** Typical  
**Financing** Cash to Seller  
**Date of Inspection** July 07, 2023  
**Verification** Penn Bloxsum; 713-499-1024, July 07, 2023; MLS: 7400724, Confirmed by Scott Nevil

**Sale Price** \$1,950,000  
**Cash Equivalent** \$1,950,000



**Land Sale No. 3 (Cont.)****Land Data**

<b>Zoning</b>	GR-MU-NP
<b>Topography</b>	Gently sloping
<b>Utilities</b>	All available
<b>Shape</b>	Rectangular
<b>Flood Info</b>	None
<b>Easements</b>	None detrimental
<b>Improvements</b>	None
<b>Current/Intended Use</b>	Multi-family/mixed-use

**Land Size Information**

<b>Gross Land Size</b>	0.999 Acres or 43,525 SF
<b>Front Footage</b>	90 ft Hudson St;

**Indicators**

<b>Sale Price/Gross Acre</b>	\$1,951,952
<b>Sale Price/Gross SF</b>	\$44.81

**Legal Description**

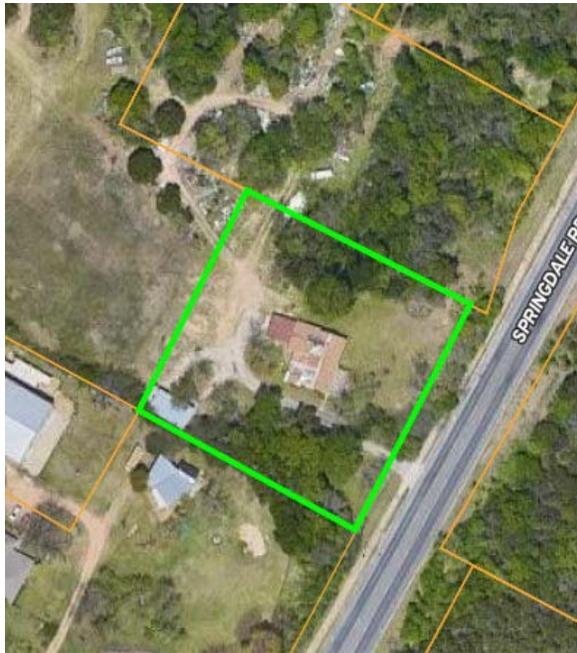
Being all of that certain .999ACRE (43,525 SQ. FT) Tract of Land situated in the Jesse C Tannehill Survey Number 29, Abstract Number 22, Travis County, Texas.

**Remarks**

None



Land Sale No. 4



**Property Identification**

**Record ID** 6559  
**Property Type** Land  
**Address** 5708 Springdale Rd, Austin, Travis County, Texas 78723  
**Location** E/L of Springdale Rd  
**Tax ID** 215200  
**Latitude, Longitude** W30.302100, N-97.673000  
**MSA** Austin-Round Rock  
**Market Type** Land

**Sale Data**

**Grantor** Springdale Alliance, LLC  
**Grantee** Richard Linklater  
**Sale Date** March 15, 2022  
**Deed Book/Page** 2022049319 – Read by Scott Nevil on July 6<sup>th</sup>, 2023  
**Recorded Plat** 89/372  
**Property Rights** Fee Simple  
**Conditions of Sale** Typical  
**Financing** Cash to Seller  
**Date of Inspection** July 07, 2023  
**Verification** Reinae Kessler; 512-983-8556, July 07, 2023; MLS: 7580784, Confirmed by Scott Nevil

**Sale Price** \$2,464,000  
**Cash Equivalent** \$2,464,000



**Land Sale No. 4 (Cont.)****Land Data**

<b>Zoning</b>	GR-MU-NP
<b>Topography</b>	Level
<b>Utilities</b>	All available
<b>Shape</b>	Rectangular
<b>Flood Info</b>	None
<b>Easements</b>	None detrimental
<b>Improvements</b>	Non-contributory
<b>Current/Intended Use</b>	Multi-family development

**Land Size Information**

<b>Gross Land Size</b>	1.284 Acres or 55,931 SF
<b>Front Footage</b>	245 ft Springdale Rd;

**Indicators**

<b>Sale Price/Gross Acre</b>	\$1,919,003
<b>Sale Price/Gross SF</b>	\$44.05

**Legal Description**

Lot Two (2, of Seiders Addition, a subdivision in Travis County, Texas, according to the map or plat thereof recorded in Volume 89, Page 372, of the Plat Records of Travis County, Texas.

**Remarks**

None



### Site Valuation

The acquisition area is appraised as an independent economic unit, as it is sufficient in size and functional in shape. The Sales Comparison Approach was used to estimate the market value of the whole property/economic unit. The methodology of this approach involves abstracting comparable data from the subject market area and comparing to the subject. The price per square foot of land area was the primary unit of comparison abstracted from the market and applied to the subject.

The following table summarizes the sales.

#### LAND SALES SUMMARY

No.	Property Location	Transaction		Zoning	Land Size (SF)	Land Size (AC)	Sale Price	Price per SF	Utilities	Intended Use
		Type	Date							
1	8809 & 8811 FM 969	Sale	9/28/2022	CS-CO	100,624	2.310	\$2,400,000	\$23.85	All available	Unknown
2	6117 Hudson St	Sale	9/30/2022	MF-6-NP	43,560	1.000	\$1,725,000	\$39.60	All available	Multifamily
3	6103 Hudson St	Sale	5/8/2023	GR-MU-NP	43,516	0.999	\$1,950,000	\$44.81	All available	Multifamily/ Mixed use
4	5708 Springsdale Road	Sale	3/15/2022	GR-MU-NP	55,931	1.284	\$2,464,000	\$44.05	All available	Multifamily
Subject	South line of Loyola Lane	---	---	SF-3	60,349	1.385	---	---	All available	---

Compiled by Hornsby and Co.

### ADJUSTMENT PROCESS

In the following analysis, we apply quantitative adjustments based on the degree of differential between the comparable properties and the subject for various property characteristics. This process is an extension of qualitative analysis wherein we employ a mathematical method to reflect our opinion of the amount of superiority or inferiority for the elements of comparison.

Our adjustments are based on one or more of the following methods:

- Paired sales analysis to include group comparisons of the sale data to each other;
- Cost-or income-based metrics;
- Regression analysis; and,
- Our prior experience with the subject property type and adjustments extracted in other assignments.

As required by the literature, the goal is to predict what each comparable would have sold for had it been exactly like the subject on the effective date. The imperfections of the real estate market result in a range of indicators. Absent numerical outliers, the test of proper adjustments is a tighter range of sale prices after adjustment than before. Each sale was compared to the subject for the following elements of comparison, and sale prices were adjusted where necessary to indicate value.

#### *Property Rights*

Each sale included the conveyance of fee simple interest subject to easements and other restrictions. Therefore, adjustments were not necessary.

#### *Terms of Sale/Financing*

The sales were based upon cash-to-seller transactions, which were rated as cash equivalent. Therefore, adjustments were not applied.

#### *Conditions of Sale*

Each sale was an arms-length transaction, and atypical conditions of sale were not noted. Therefore, adjustments were not applied.



***Market Conditions***

The sales occurred between March 2022 and May 2023. Although the COVID-19 pandemic has impacted some markets more than others, the commercial market of Austin and surrounding areas has continued to improve. However, our comparison of the 2022 sales to the 2023 sales indicates no appreciation. This level market trend is the result of the higher interest rate environment over the time period of the sales and to the present.

***Location/Access/Frontage***

The subject is located along the south line of Loyola Lane and is just east of Ed Bluestein Blvd. The surrounding area consists primarily of vacant land, single- and multifamily residential developments, as well as some commercial uses.

Sale 1 is located along the south line of FM 969 and is in a less commercially developed area with inferior linkage to Ed Bluestein Blvd. When pairing Sale 1 to Sale 2-4, sales that are west of Ed Bluestein Blvd are indicated to sell for more than those east of Ed Bluestein Blvd. As such, Sale 1 was adjusted upward.

Sales 2-4 are located west of Ed Bluestein Blvd in more densely populated and commercially developed areas. Those factors are considered superior to the subject, and Sales 2-4 were adjusted downward.

***Size***

Typically, there is an inverse relationship between unit price and size, as larger properties generally sell for less per acre/square foot than smaller tracts. With the exception of Sale 1, which is larger than the subject, all sales were considered similar in size to the subject and not adjusted. Sale 1 was larger and was adjusted upward.

***Zoning/Entitlements***

The subject is an unplatted tract in the City of Austin, is zoned SF-3 (Family Residence), and would require rezoning to achieve its highest and best use.

All sales have zoning designations that support uses consistent with the subject's highest and best use. As such, all sales were adjusted downward for their superior zoning designations and the subject's need for rezoning.

Sales 3 and 4 are zoned GR-MU-NP, which, when paired against Sales 1 and 2, is indicated to be superior to their classifications; this is attributable to GR-MU having fewer development restrictions. Therefore, Sales 3 and 4 were adjusted downward a greater amount than Sales 1 and 2.

Sales 1 and 4 are platted within subdivisions and were considered slightly superior. A downward adjustment was applied, recognizing the time, risk, and expense necessary to acquire the plat.

***Topography/Floodplain***

The subject is gently sloping and is not located within the floodplain. All of the sales are considered similar in regard to topography and are not encumbered by floodplain. No adjustments were applied.

***Utilities***

The subject and all sales have access to public water and sewer. As such, all sales are considered similar and not adjusted.

***Existing Easement***

The subject is encumbered by a variable-width waterline easement held by the City of Pflugerville. The easement is located along the western property boundary, and approximately 25% of the easement is located within the building setback area. The remaining easement area encumbers approximately 24% of the site. Any development within the easement area would have to be approved by the City of Pflugerville. It is typical to assign 50% of the fee value to water line easements due to the loss of rights within the easement area. All sales are unencumbered by any adverse easements. Therefore, we have adjusted all sales by -12% ( $50\% \times 24\% = 12\%$ ).



The following table summarizes the adjustments applied to the sales.

<b>ADJUSTMENT GRID</b>					
	<b>Subject</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
Transaction Type	---	Sale	Sale	Sale	Sale
Transaction Date	---	9/28/2022	9/30/2022	5/8/2023	3/15/2022
Size (Acre)	±1.385	±2.310	±1.000	±0.999	±1.284
Actual Sale Price	---	\$2,400,000	\$1,725,000	\$1,950,000	\$2,464,000
Unit Price/SF		\$23.85	\$39.60	\$44.81	\$44.05
Property Rights		0%	0%	0%	0%
Terms of Sale/Financing		0%	0%	0%	0%
Conditions of Sale		0%	0%	0%	0%
Market Conditions		0%	0%	0%	0%
Adjusted \$/SF		\$23.85	\$39.60	\$44.81	\$44.05
Location/Access/Frontage		+10%	-20%	-20%	-20%
Size		+10%	0%	0%	0%
Zoning/Entitlements		-7%	-5%	-10%	-12%
Topography/Flood		0%	0%	0%	0%
Utilities		0%	0%	0%	0%
Existing Easement		-12%	-12%	-12%	-12%
Net Adjustment		+1%	-37%	-42%	-44%
<b>Indicated Unit Value</b>		<b>\$24.09</b>	<b>\$24.95</b>	<b>\$25.99</b>	<b>\$24.67</b>

### Conclusion of Land Sales Analysis

In estimating the fee simple value of the site via this approach, four closed sales were considered. The data were analyzed and adjusted, suggesting a value range for the subject property between \$24.09/SF and \$25.99/SF, with a mean and median of \$24.93/SF and \$24.81/SF, respectively. Relying on the central tendency of the data, we have reconciled to a value of \$24.85/SF.

±1.385 Acres	60,349 SF	x	\$24.85/SF	=	\$1,499,673
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### Supplemental Data

In addition to the comparable sales analyzed above, we have researched active listings in the market area in order to test our reconciled value of the subject property.

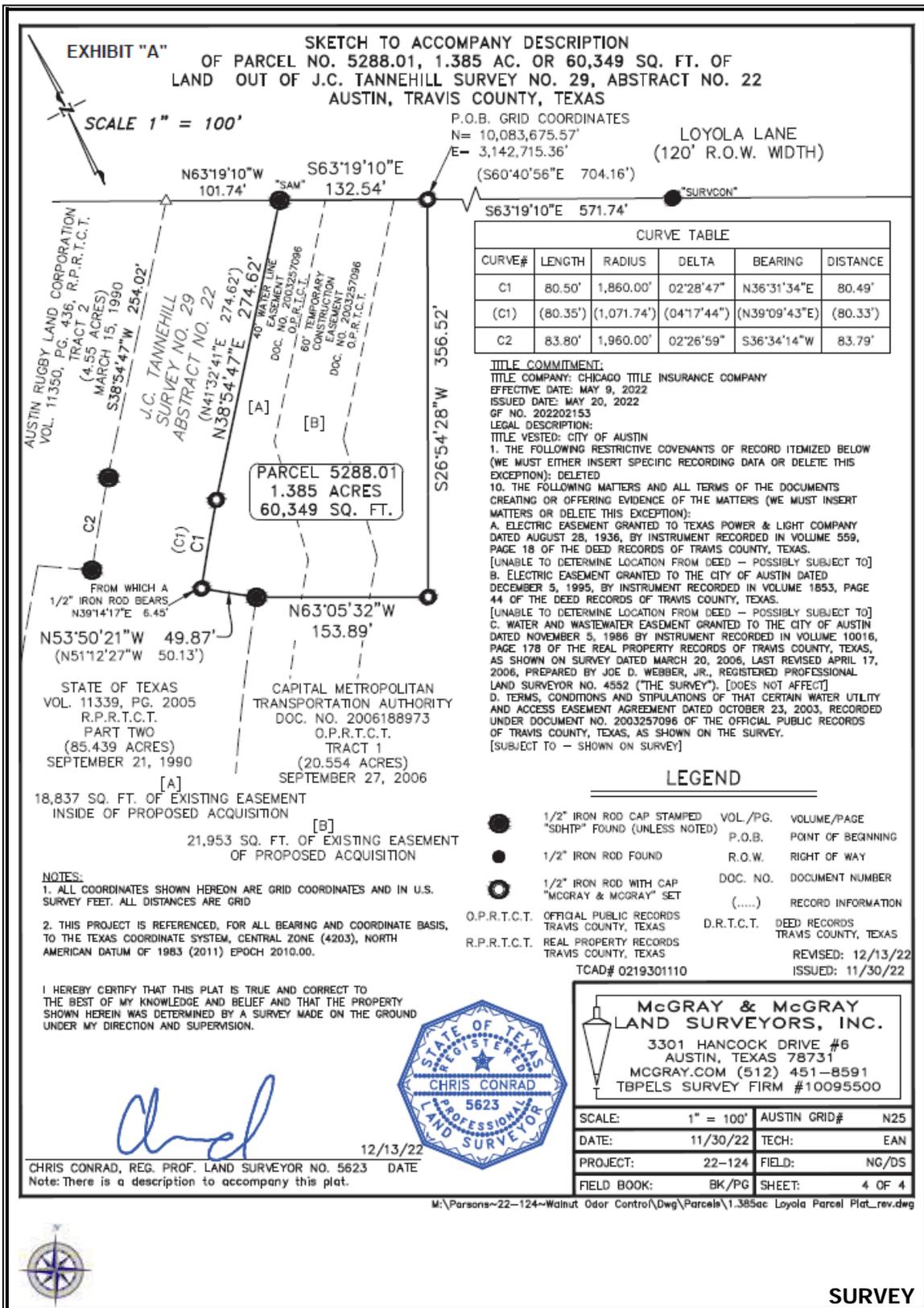
A 2.852-acre tract of land at 4720 Loyola Lane is currently under contract. The listing agent, Spence Collins, could not provide the exact contract price at this time. However, he did say that the contract price was very close to the listing price, which is \$2,250,000 or approximately \$18.10/SF. This tract is west of Ed Bluestein Blvd and has topography that slopes to the southwest. As of the date of this report, this tract is within its option period and is expected to close. It has similar utility access to the subject. Due to the site size, topography, and irregular shape, it is considered inferior to the subject.



**VALUATION AND HIGHEST AND BEST USE OF THE ACQUISITION**

WALNUT INTERCEPTOR (±1.385 ACRE; ±60,349 SQUARE FEET)





**LAND VALUE**

The Walnut Interceptor Odor and Corrosion Improvements project will provide wastewater improvements for the area. The proposed fee acquisition is appraised as an independent economic entity and will encompass ±1.385 acres (±60,349 square feet). The value of the acquisition is estimated as follows.

±1.385 Acres	60,349 SF	x \$24.85/SF	=	\$1,499,673
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**VALUATION OF THE REMAINDER BEFORE THE ACQUISITION**

The value of the remainder before the acquisition is calculated as the value of the whole property/economic unit minus the value of the acquisition.

Value of Remainder Before Acquisition	
Value of Whole Property	\$1,499,673
Fee Acquisition	(\$1,499,673)
Value of Remainder Before Acquisition	<b>\$0</b>

Property Component Summary			
	Land Area	Land Area	Loyola Lane
Whole Property/Economic Unit Size	±1.385 acres	±60,349 SF	±133 ft
Fee Acquisition	±1.385 acres	±60,349 SF	±133 ft
Remainder After Acquisition	±0.000 acres	±0 SF	±0 ft

Compiled by Hornsby and Co.

**VALUATION OF THE REMAINDER AFTER THE ACQUISITION**

As a result of the whole property/economic unit being acquired in its entirety, there is no remainder after the acquisition.

**SUMMARY OF CONCLUSIONS**

The value conclusions for the whole property/economic unit, fee acquisition, remainder before the acquisition, and remainder after the acquisition, are summarized in the following table, along with our estimate of compensation.

Value Conclusion and Just Compensation Summary		
	Market Value	Just and Adequate Compensation
Whole Property/Economic Unit Value	\$1,499,673	
Fee Acquisition	\$1,499,673	\$1,499,673
Remainder Before the Acquisition	\$0	
Remainder After the Acquisition	\$0	
Damages/(Enhancements) to the Remainder	\$0	
<b>Total Compensation</b>		<b>\$1,499,673</b>

Compiled by Hornsby and Co.



## **QUALIFICATIONS OF THE APPRAISERS**

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## **QUALIFICATIONS OF PAUL HORNSBY, MAI, SRA**



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**Experience:** Since 1980, Mr. Hornsby has been a practicing real estate appraiser with an office in Austin, Texas, specializing in the valuation of complex properties and in support of litigation proceedings. Mr. Hornsby also serves as an arbitrator in real estate disputes.

Mr. Hornsby often serves in the capacity of expert witness in cases involving eminent domain, bankruptcy, general commercial litigation and ad valorem tax appeal. He is qualified as an appraisal expert in numerous county courts, state district courts, Federal District Court, U.S. Bankruptcy Court, United States Tax Court and various commissioners' courts and appraisal district review boards. Mr. Hornsby has testified over 800 times in depositions, special commissioner's hearings and trials.

In addition to real property appraisal, Mr. Hornsby provides counseling services and separation of real estate, tangible personal property, and intangible assets. He is the owner of ph Business Advisors, a business valuation firm specializing in the appraisal of business enterprises, partnership interests, and the allocation of tangible and intangible assets. Land planning services are provided by our sister company, Alterra Design Group. Real estate brokerage is provided by Hornsby Realty ([www.hornsby-realty.com](http://www.hornsby-realty.com)).

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**Licenses and Designations:**

- MAI Designation - Appraisal Institute, Certificate No. 7305
- SRA Designation - Appraisal Institute
- State Certified General Real Estate Appraiser #TX-1321761-G
- Texas Broker License #283369-05

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**Associations and Activities:**

- Board Member, Foundation Appraisers Coalition of Texas
- Mentor, Texas Appraiser Licensing and Certification Board
- Arbitrator in real estate disputes
- Affiliate Member, Texas Association of Appraisal Districts
- Instructor, Appraisal Institute – Uniform Standards of Professional Appraisal Practice and Business Practices and Ethics
- Appraiser Qualifications Board (AQB) Certified USPAP Instructor
- REALTOR - National Association of Realtors

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**Education:** University of Texas at Austin, B.B.A. Degree in Finance, August 1977

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**Lectures and Publications:**

- 2021 IRWA's International Education Conference – Ground Leases in Eminent Domain, June 2021
- 2021 CLE Conference, Sale – Leasebacks and Build-to-Suit Sales, April 2021
- 2020 Eminent Domain Seminar, Chapter 74, Ground Leases in Eminent Domain, September 2020
- 2019 Eminent Domain Seminar, Chapter 74, Appraisal of Conservation Easements in Federal Court, September 2019

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- IRWA/AI Joint Meeting, Compensability, What's Legal and What's Questionable, 2019
  - CLE Eminent Domain, the Remainder Before...A Red-Headed Step Child, 2019
  - Intangible Assets in Eminent Domain, Transportation Symposium, 2019
  - National Media Corp & Acme Partnership v. City of Austin, IRWA/AI Joint Meeting, 2018
  - Choosing & Valuing an Economic Unit, IRWA/AI Joint Meeting, 2017
  - Shedding Light on Dark Store Theory, Metropolitan Council of Appraisal Districts (TAAD), 2017
  - Intangible Assets in Eminent Domain, Eminent Domain Conference, 2017
  - Sale, Sale, What's in a Sale!, Ad Valorem Tax Seminar, 2016
  - Fee (It Really Is) Simple; Texas Association of Appraisal Districts Conference, 2015
  - Separating Tangible & Intangible Asset Values in a Texas Refinery: A Case Study; Appraisal Institute, 2014
  - Transmission Lines: Acquisition, Valuation and Condemnation, Austin Chapter of the Appraisal Institute and IRWA Chapter 74, 2012
  - Responding to Daubert Challenges, Eminent Domain Conference, CLE® International, 2011
  - Equality and Uniformity-Commercial Properties, Appraisal Review Board, Travis Central Appraisal District, May 2009
  - Appraisal Values in an Unsettled Economy, Graves Dougherty Hearon & Moody – Banking & Real Estate Clients, October 2008
  - Fee Simple Estate - How Many Sticks in the Bundle?, 22nd Annual Legal Seminar on Ad Valorem Taxation in San Antonio, 2008
  - Real Estate Appraisal Issues and Ethics, Eminent Domain for Attorneys in Texas, 2007
  - Contemporary Appraisal Issues, Central Texas Commercial Property Exchange, 2007
  - Capitalization Theory & Techniques, Chartered Financial Analysts, 2007
  - Material and Substantial Impairment of Access, CLE® International, 2003
  - Fee Simple Versus Leased Fee Valuation: A Study of Appraisal Models, Downtown Austin Alliance, Institute of Real Estate Management, 2001
  - Regulatory Takings, International Right of Way Association, 2000
  - The Schmidt Opinion from the Appraiser's Perspective, Office of the Attorney General, State of Texas, 1993
  - Asbestos Abatement and Lead Paint: Effects on Real Estate Value, Texas Association of Appraisal Districts, 1992
  - The Endangered Species Act and Its Impact on Property Value, Texas Savings and Loan League, 1989
  - Valuation Theory, Real Estate Symposium, University of Texas, 1984
-

## QUALIFICATIONS OF CHRIS HORNSBY, MAI



Experience: Mr. Hornsby has been practicing real estate appraisal and consultation since 2003 in the Austin, TX office of Hornsby & Company. His experience includes the valuation of all property types and in support of litigation proceedings.

Mr. Hornsby often serves in the capacity of expert witness before special commissioners, in depositions and in appraisal review boards in multiple counties throughout Texas. Mr. Hornsby has testified on over 100 occasions.

Mr. Hornsby's experience includes appraisals for lending, litigation, eminent domain, conservation easements, consultation, and ad valorem tax appeal. Commercial valuations have included land (ranches, subdivision, rural, & urban), office, retail, industrial and special property types including golf courses, hotels, and convenience stores.

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- Licenses and Designations:
- MAI Designation - Appraisal Institute, Account No. 512673
  - State Certified General Real Estate Appraiser #TX-1337460-G
  - Texas Real Estate Salesperson License #636302

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- Associations and Activities:
- Member of the Appraisal Institute and Austin Chapter of the Appraisal Institute
  - Past President of the Austin Chapter of the Appraisal Institute
  - International Right of Way Association

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- Presentations/Lectures:
- 2021 IRWA International Conference – Ground Leases in Eminent Domain, June 2021
  - 2021 CLE Conference, Sale – Leasebacks and Build-to-Suit Sales, April 2021
  - Remainder Before, April 2019
  - Separating Intangible Assets, April 2019
  - Intangible Assets in Eminent Domain, 2017
  - Impact of HVTL on Property Values, January 2015
  - Separating Tangible and Intangible Asset Values in a Texas Refinery: A Case Study; Appraisal Institute, August 2015
  - Equal and Uniform - Commercial Properties, Appraisal Review Board, Travis Central Appraisal District, May 2014

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Education: University of Texas- Austin, Texas  
B.S. Degree in Biochemistry, May 2003

## **ADDENDA**

EXHIBIT “A”

PARCEL 5288.01 (1.385 ACRES)  
J..C. TANNEHILL SURVEY NO. 29  
ABSTRACT NO. 22  
AUSTIN, TRAVIS COUNTY, TEXAS

DESCRIPTION OF PARCEL 5288.01 (1.385 ACRES)

DESCRIPTION OF A 1.385 ACRE (60,349 SQUARE FOOT) PARCEL, OUT OF THE J.C. TANNEHILL SURVEY NO. 29, ABSTRACT NO. 22, TRAVIS COUNTY, TEXAS, BEING A PORTION OF THAT TRACT DESCRIBED AS 20.554 ACRES (TRACT 1) CONVEYED TO CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY (CMTA) BY SPECIAL WARRANTY DEED DATED SEPTEMBER 27, 2006, AS RECORDED IN DOCUMENT NO. 2006188973, OFFICIAL PUBLIC RECORDS, TRAVIS COUNTY, TEXAS; SAID 1.385 ACRE (60,349 SQUARE FOOT) PARCEL BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 1/2-inch iron rod with “McGray McGray” cap set at the northeast corner of this parcel, being in the north line of said 20.554 acre CMTA tract, and in the existing south right-of-way line of Loyola Lane (120 foot width), from which a 1/2-inch iron rod with “Survcon” cap found in the north line of said 20.554 acre CMTA tract, and the existing south right-of-way line of Loyola Lane, bears South 63°19’10” East 571.74 feet, said POINT OF BEGINNING having Grid Coordinates of N=10,083,675.57, E=3,142,715.36;

- 1) THENCE, along the east line of this parcel, crossing said 20.554 acre CMTA tract, **South 26°54’28” West 356.52 feet** to a 1/2-inch iron rod with “McGray McGray” cap set at the southeast corner of this parcel;
- 2) THENCE, along the south line of this parcel, crossing said 20.554 acre CMTA tract, **North 63°05’32” West 153.89 feet** to a 1/2-inch iron rod with “SDHTP” cap found at an angle point in the west line of said 20.554 acre CMTA tract, being at an angle point in the east line of that tract described as 85.439 acres (Part Two) conveyed to the State of Texas by Special Warranty Deed, as recorded in Volume 11339, Page 205, Real Property Records, Travis County, Texas;
- 3) THENCE, continuing along the south line of this parcel, the west line of said 20.554 acre CMTA tract, and the east line of said 85.439 acre State of Texas tract, **North 53°50’21” West 49.87 feet** to a 1/2-inch iron rod with “McGray McGray” cap set at the southwest corner of this parcel, being at an angle point in the west line of said 20.554 acre CMTA tract, and at an angle point in the east line of said 85.439 acre State of Texas tract, from which a 1/2-inch iron rod found bears North 39°14’17” East 6.45 feet;

**EXHIBIT "A"**

PARCEL 5288.01 (1.385 ACRES)

THENCE, along the west line of this parcel and said 20.554 acre CMTA tract, and the east line of said 85.439 acre State of Texas tract, the following two (2) courses, numbered 4 and 5:

- 4) with a curve to the right, whose delta angle is **02°28'47"**, radius is **1,860.00 feet**, an arc distance of **80.50 feet**, and the chord of which bears **North 36°31'34" East 80.49 feet** to a 1/2-inch iron rod with "McGray McGray" cap set, and
- 5) **North 38°54'47" East 274.62 feet** to a 1/2-inch iron rod with "SAM" cap found at the northwest corner of this parcel and said CMTA tract, being in the existing south right-of-way line of Loyola Lane, from which a 1/2-inch iron rod with "SDHTP" cap found in the west line of said 85.439 acre State of Texas tract, being in the east line of that tract described as 4.55 acres conveyed to Austin Rugby Land Corporation by General Warranty Deed, as recorded in Volume 11350, Page 436, Real Property Records, Travis County, Texas, bears North 63°19'10" West 101.74 feet, and South 38°54'47" West 254.02 feet, and from which a 1/2-inch iron rod with "SDHTP" cap found at an angle point in the west line of said 85.439 acre State of Texas tract, and the east line of said 4.55 acre Austin Rugby Land Corporation tract, bears, with a curve to the left, whose delta angle is 02°26'59", radius is 1,960.00 feet, an arc distance of 83.80 feet, and the chord of which bears South 36°34'14" West 83.79 feet;

**EXHIBIT "A"**

PARCEL 5288.01 (1.385 ACRES)

- 6) THENCE, along the north line of this parcel and said 20.554 acre CMTA tract, and the existing south right-of-way line of Loyola Lane, **South 63°19'10" East 132.54 feet** to the POINT OF BEGINNING and containing 1.385 acres (60,349 square feet) of land within these metes and bounds.

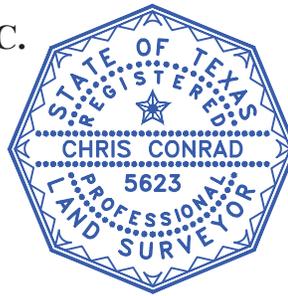
Bearing Basis Note

The bearings described herein are based on the Texas Coordinate System, Texas Central Zone (4203), NAD83 (2011) Epoch 2010.00.

SURVEYED BY:

**McGRAY & McGRAY LAND SURVEYORS, INC.**

3301 Hancock Dr., Ste. 6  
Austin, TX 78731 (512) 451-8591  
TBPELS Survey Firm# 10095500



12/13/2022

Chris Conrad, Reg. Professional Land Surveyor No. 5623

Date

Note: There is a plat to accompany this description.

M:/Parsons~22-124~Walnut Odor Control/Description/1.385 Ac Parcel-Rev1  
Issued 11/30/2022, Revised 12/13/2022

AUSTIN GRID N-25  
TCAD# 0219301110

FIELD NOTES REVIEWED  
BY:  DATE: 01/03/23  
CITY OF AUSTIN  
PUBLIC WORKS DEPARTMENT

**EXHIBIT "A"**

**SKETCH TO ACCOMPANY DESCRIPTION  
OF PARCEL NO. 5288.01, 1.385 AC. OR 60,349 SQ. FT. OF  
LAND OUT OF J.C. TANNEHILL SURVEY NO. 29, ABSTRACT NO. 22  
AUSTIN, TRAVIS COUNTY, TEXAS**

**SCALE 1" = 100'**

P.O.B. GRID COORDINATES

N= 10,083,675.57'

E= 3,142,715.36'

(S60°40'56"E 704.16')

**LOYOLA LANE  
(120' R.O.W. WIDTH)**

AUSTIN RUGBY LAND CORPORATION  
VOL. 11350, PG. 436, R.P.R.T.C.T.  
TRACT 2  
(4.55 ACRES)  
MARCH 15, 1990  
S38°54'47"W 254.02'

J.C. TANNEHILL  
SURVEY NO. 29  
ABSTRACT NO. 22  
(N41°32'41"E 274.62')

**PARCEL 5288.01  
1.385 ACRES  
60,349 SQ. FT.**

S26°54'28"W 356.52'

S63°19'10"E 571.74'

CURVE TABLE					
CURVE#	LENGTH	RADIUS	DELTA	BEARING	DISTANCE
C1	80.50'	1,860.00'	02°28'47"	N36°31'34"E	80.49'
(C1)	(80.35')	(1,071.74')	(04°17'44")	(N39°09'43"E)	(80.33')
C2	83.80'	1,960.00'	02°26'59"	S36°34'14"W	83.79'

**TITLE COMMITMENT:**

**TITLE COMPANY: CHICAGO TITLE INSURANCE COMPANY**

**EFFECTIVE DATE: MAY 9, 2022**

**ISSUED DATE: MAY 20, 2022**

**GF NO. 202202153**

**LEGAL DESCRIPTION:**

**TITLE VESTED: CITY OF AUSTIN**

**1. THE FOLLOWING RESTRICTIVE COVENANTS OF RECORD ITEMIZED BELOW (WE MUST EITHER INSERT SPECIFIC RECORDING DATA OR DELETE THIS EXCEPTION): DELETED**

**10. THE FOLLOWING MATTERS AND ALL TERMS OF THE DOCUMENTS CREATING OR OFFERING EVIDENCE OF THE MATTERS (WE MUST INSERT MATTERS OR DELETE THIS EXCEPTION):**

**A. ELECTRIC EASEMENT GRANTED TO TEXAS POWER & LIGHT COMPANY DATED AUGUST 28, 1936, BY INSTRUMENT RECORDED IN VOLUME 559, PAGE 18 OF THE DEED RECORDS OF TRAVIS COUNTY, TEXAS.**

[UNABLE TO DETERMINE LOCATION FROM DEED - POSSIBLY SUBJECT TO]  
**B. ELECTRIC EASEMENT GRANTED TO THE CITY OF AUSTIN DATED DECEMBER 5, 1995, BY INSTRUMENT RECORDED IN VOLUME 1853, PAGE 44 OF THE DEED RECORDS OF TRAVIS COUNTY, TEXAS.**

[UNABLE TO DETERMINE LOCATION FROM DEED - POSSIBLY SUBJECT TO]  
**C. WATER AND WASTEWATER EASEMENT GRANTED TO THE CITY OF AUSTIN DATED NOVEMBER 5, 1986 BY INSTRUMENT RECORDED IN VOLUME 10016, PAGE 178 OF THE REAL PROPERTY RECORDS OF TRAVIS COUNTY, TEXAS, AS SHOWN ON SURVEY DATED MARCH 20, 2006, LAST REVISED APRIL 17, 2006, PREPARED BY JOE D. WEBBER, JR., REGISTERED PROFESSIONAL LAND SURVEYOR NO. 4552 ("THE SURVEY"). [DOES NOT AFFECT]**

**D. TERMS, CONDITIONS AND STIPULATIONS OF THAT CERTAIN WATER UTILITY AND ACCESS EASEMENT AGREEMENT DATED OCTOBER 23, 2003, RECORDED UNDER DOCUMENT NO. 2003257096 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS, AS SHOWN ON THE SURVEY.**  
[SUBJECT TO - SHOWN ON SURVEY]

**LEGEND**

	1/2" IRON ROD CAP STAMPED "SDHTP" FOUND (UNLESS NOTED)	VOL./PG.	VOLUME/PAGE
	1/2" IRON ROD FOUND	P.O.B.	POINT OF BEGINNING
	1/2" IRON ROD WITH CAP "MCGRAY & MCGRAY" SET	R.O.W.	RIGHT OF WAY
		DOC. NO.	DOCUMENT NUMBER
		(.....)	RECORD INFORMATION
O.P.R.T.C.T.	OFFICIAL PUBLIC RECORDS TRAVIS COUNTY, TEXAS	D.R.T.C.T.	DEED RECORDS TRAVIS COUNTY, TEXAS
R.P.R.T.C.T.	REAL PROPERTY RECORDS TRAVIS COUNTY, TEXAS		

REVISED: 12/13/22  
ISSUED: 11/30/22

TCAD# 0219301110

**NOTES:**

**1. ALL COORDINATES SHOWN HEREON ARE GRID COORDINATES AND IN U.S. SURVEY FEET. ALL DISTANCES ARE GRID**

**2. THIS PROJECT IS REFERENCED, FOR ALL BEARING AND COORDINATE BASIS, TO THE TEXAS COORDINATE SYSTEM, CENTRAL ZONE (4203), NORTH AMERICAN DATUM OF 1983 (2011) EPOCH 2010.00.**

I HEREBY CERTIFY THAT THIS PLAT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND THAT THE PROPERTY SHOWN HEREIN WAS DETERMINED BY A SURVEY MADE ON THE GROUND UNDER MY DIRECTION AND SUPERVISION.



12/13/22

CHRIS CONRAD, REG. PROF. LAND SURVEYOR NO. 5623 DATE  
Note: There is a description to accompany this plat.



**McGRAY & McGRAY  
LAND SURVEYORS, INC.**

3301 HANCOCK DRIVE #6  
AUSTIN, TEXAS 78731  
MCGRAY.COM (512) 451-8591  
TBPELS SURVEY FIRM #10095500

SCALE:	1" = 100'	AUSTIN GRID#	N25
DATE:	11/30/22	TECH:	EAN
PROJECT:	22-124	FIELD:	NG/DS
FIELD BOOK:	BK/PG	SHEET:	4 121



# FINANCIAL SERVICES DEPARTMENT

Real Estate • PO Box 1088 Austin, TX 78767

May 2, 2023

Mr. Paul Hornsby, MAI, SRA  
Hornsby & Company  
7600 N. Capital of Texas Highway,  
Suite 210, Building B  
Austin, TX 78731

Project Name: Walnut Interceptor Odor and Corrosion Improvements  
File #: 5288.01  
Assignment Number: 52-203  
Property Owner: Capital Metropolitan Transportation Authority  
TCAD Parcel Number: 545903  
Property Description: Fee acquisition of 60,349 SF 9 1.385 Acres)  
Legal Description: A 1.385 ACRE (60,349 SQUARE FOOT) PARCEL, OUT OF THE J.C. TANNEHILL SURVEY NO. 29, ABSTRACT NO. 22, TRAVIS COUNTY, TEXAS, BEING A PORTION OF THAT TRACT DESCRIBED AS 20.554 ACRES (TRACT 1) CONVEYED TO CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY (CMTA) BY SPECIAL WARRANTY DEED DATED SEPTEMBER 27, 2006, AS RECORDED IN DOCUMENT NO. 2006188973, OFFICIAL PUBLIC RECORDS, TRAVIS COUNTY, TEXAS

Dear Mr. Hornsby,

Please proceed on the appraisal assignment regarding the above referenced property. The purpose of the appraisal is to develop an opinion of market value of the fee simple interest in the identified real property, as noted above.

The intended use of the appraisal is to assist the Financial Services Department – Real Estate of the City of Austin in its determination of market value for the property. The City of Austin is the client, and the intended user of the appraisal report is the City of Austin and/or its agents.

This appraisal assignment should be reported in an Appraisal Report format in compliance with current Uniform Standards of Professional Appraisal Practice (USPAP) and the attached Supplemental Appraisal Requirements for the City of Austin. Upon completion of the appraisal report, an unsigned draft should be provided for my review via e-mail in PDF format. Upon approval of the draft report, please provide three (3) copies of the completed appraisal report along with a digital copy in PDF format.

Please provide an adjustment grid and a narrative discussion explaining the amount or degree of adjustments applied to the comparable properties utilized in the market analysis section, if appropriate for this assignment. **(See COA Supplemental Appraisal Guidelines attached)**

Each appraisal performed must demonstrate the adjustment process for individual property characteristic line-item adjustments. This will include identifying the market data used to support the derivation of the adjustments and the method applied to calculate the adjustments. This discussion must be included in the body of the report or within the addenda. A copy of this notice to proceed should be included in

AWU – Loyola Lane  
File No: 5288.01

your report. Contact names for access and specific information regarding the property is as follows:

**Owner representatives:** To be provided by FSD - Real Estate

The following definition of “**Market Value**” should be used:

*“The price which the property would bring when it is offered for sale by one who desires, but is not obligated to sell, and is bought by one who is under no necessity of buying it, taking into consideration all of the uses to which it is reasonably adaptable and for which it either is or in all reasonable probability will become available within the reasonable future.” (City of Austin vs. Cannizzo, et al., 267 S.W.2d 808,815[1954]*

We have agreed on a fee not to exceed \$5,500, with a draft report delivery between 60 and 75 days from engagement and receipt of this email mail authorization, or between Saturday, July 1, 2023, through Friday, July 14, 2023. No one other than the undersigned is authorized to alter the scope of this assignment. If it becomes apparent during the assignment that the fee will exceed this amount, FSD- Real Estate is to be notified in writing for written authorization to amend the fee.

Regarding items of an administrative nature, your invoice for requested services and the letter of transmittal should contain the following information:

Address Report to:	Joseph McAweeney, EDFP, MRICS, Real Estate Appraisal Supervisor
Project Name:	Walnut Interceptor Odor and Corrosion Improvements
File #:	5288.01
Assignment Number:	52-203
Property Owner:	Capital Metropolitan Transportation Authority
TCAD Parcel Number:	545903
Property Description:	Fee acquisition of 60,349 SF 9 1.385 Acres)
Legal Description:	A 1.385 ACRE (60,349 SQUARE FOOT) PARCEL, OUT OF THE J.C. TANNEHILL SURVEY NO. 29, ABSTRACT NO. 22, TRAVIS COUNTY, TEXAS, BEING A PORTION OF THAT TRACT DESCRIBED AS 20.554 ACRES (TRACT 1) CONVEYED TO CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY (CMTA) BY SPECIAL WARRANTY DEED DATED SEPTEMBER 27, 2006, AS RECORDED IN DOCUMENT NO. 2006188973, OFFICIAL PUBLIC RECORDS, TRAVIS COUNTY, TEXAS

Should you have any questions or need additional information, please contact me at 512- 974-7797 or e-mail at [Joseph.mcaweeney@austintexas.gov](mailto:Joseph.mcaweeney@austintexas.gov)

Sincerely,



Joseph McAweeney, EDFP, MRICS  
Real Estate Appraisal Supervisor  
FSD – Real Estate.



# FINANCIAL SERVICES DEPARTMENT

Real Estate • PO Box 1088 Austin, TX 78767

## City of Austin Supplemental Appraisal Guidelines

1. Subject property inspections should be arranged within 7 to 10 days of the notice to proceed. If any property/owner issues arise, please contact COA Appraisal staff as soon as possible so that they can be addressed in a timely manner.
2. An on-site inspection of the subject property must be completed, except in cases where access has been denied by the property owner.
3. All comparable sales, and or rentals used must be inspected.
4. Photographs of improved sales and rentals must be included in the report.
5. Plat maps must be included for all comparable sales, as well as the subject property.
6. All comparables must be confirmed in-house.
7. Comparable sale data and rental data sheets must include:
  - a. Name of confirmation source and confirmation date.
  - b. Inspection date of the comparable sale and or rental.
  - c. The date when the deeds were read, and or lease read (If applicable).
8. Transactions where the City of Austin, or other condemning authority, is a party are not to be utilized.
9. Appraisers will read all deeds, including deeds pertaining to the subject property history (3 Years per USPAP) as well as those pertaining to the comparable sales. The link to Travis County Deeds online is <http://deed.co.travis.tx.us/>.

A brief written description must accompany all adjustments made to the comparable sales as well as an adjustment grid. Each appraisal performed must demonstrate the adjustment process for individual property characteristic line-item adjustments. This will include identifying the market data used to support the derivation of the adjustments and the method applied to calculate the adjustments. This discussion must be included in the body of the report or within the addenda.

For example, this process can include but not be limited to the use of the following to support adjustments made:

1. Rankings
  2. Pairings
  3. Statistical analysis
  4. Demographic data abstraction
  5. Other forms of market derived characteristic analysis
10. When contacted by the review appraiser, you will have 7 days to provide a response to the review. Once the draft has been approved, you will have 5 days to provide final reports to COA.
  11. SFR Appraisals may use URAR forms with supplemental pages addressing the partial acquisition and additional information.

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Board of Directors

Item #: AI-2023-999

Agenda Date: 11/20/2023

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**SUBJECT:**

Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with Perrone Robotics to provide an automated vehicle retrofit for vehicle automation in support of the CapMetro Yard Automation Research and Deployment (YARD) Project for a twelve (12) month base period with an option to require continued performance for up to an additional twelve (12) months in a total amount not to exceed \$420,000.

**FISCAL IMPACT:**

Funding for this action is available in the FY2024 Operating Budget.

**STRATEGIC PLAN:**

**Strategic Goal Alignment:**

- 1. Customer
- 2. Community
- 3. Workforce
- 4. Organizational Effectiveness

**Strategic Objectives:**

- 1.1 Safe & Reliable Service
- 1.2 High Quality Customer Experience
- 1.3 Accessible System
- 2.1 Support Sustainable Regional Growth
- 2.2 Become a Carbon Neutral Agency
- 2.3 Responsive to Community and Customer Needs
- 2.4 Regional Leader in Transit Planning
- 3.1 Diversity of Staff
- 3.2 Employer of Choice
- 3.3 Expand Highly Skilled Workforce
- 4.1 Fiscally Responsible and Transparent
- 4.2 Culture of Safety
- 4.3 State of Good Repair

**EXPLANATION OF STRATEGIC ALIGNMENT:** The CapMetro YARD Program aligned internal strategic goals with FTA Strategic Transit Automation Research (STAR) objectives by focusing on key benefits of fleet automation such as improved safety, efficiency, and potential cost savings. The Phase I goals listed below are the core foundation of the CapMetro YARD program and position the agency for success with a potential Phase II deployment. Test and assess the potential future benefits and challenges of automated battery electric buses (BEBs) through routine bus yard maneuvers. Share lessons learned from the automated vehicle demonstrations with CapMetro stakeholders and industry partners to improve the capabilities of the technology. Collaborate with CapMetro workforce to better understand the potential impacts to current positions supporting yard operations and identify what potential new positions may be required to operate

and maintain automated BEBs. Determine the long-term viability of fleet-wide bus yard automation for current and future CapMetro bus depots.

**BUSINESS CASE:** This grant project will help to assess transit automation technology readiness and effectiveness, address technical issues, identify benefits and costs, and measure impacts. Once completed, the Project will help demonstrate transit bus automation technologies in an active bus yard, establishing the feasibility of Automated Transit Bus Maintenance and Yard Operations use cases and improve understanding of the impacts. This project aligns with CapMetro's Long-term Sustainability Vision Plan and CapMetro's Strategic Plan's initiatives to transition net zero by 2040 and incorporate environmental sustainability into all aspects of the agency's operations.

**COMMITTEE RECOMMENDATION:** This item will be presented to the full board on November 20, 2023.

**EXECUTIVE SUMMARY:** CapMetro applied and received competitive funding from the FTA Strategic Transit Automation Research (STAR) Program for a Yard Automation Research and Deployment (YARD) project. This project is one of the first of its kind demonstrations of autonomous operations of a full size transit bus. The development of yard operations is the first step in the determination of the cost effective and safe operations of a transit bus in the parking storage, cleaning and charging areas of bus operations.

**DBE/SBE PARTICIPATION:** No SBE goal was placed on this project. This sole source procurement to provide automated vehicle retrofit for vehicle automation to support the CapMetro YARD had limited-service requirements that did not include subcontracting opportunities.

**PROCUREMENT:** Perrone Robotics (Perrone) partnered with CapMetro to apply for the grant that will fund this contract. An agreement with Perrone is a condition of the grant. In accordance with FTA's guidelines, naming Perrone as a partner in the grant application meets the competitive requirements. The proposal from Perrone was received October 26, 2023. The proposal was reviewed in all aspects of pricing and technical approach. The proposal was determined to be the best value to the Authority, price and other factors considered. The contract will be a fixed-price type contract for a twelve (12) month base period with an option to require continued performance for up to an additional twelve (12) months in a total amount not to exceed \$420,000.

**RESPONSIBLE DEPARTMENT:** Strategic Planning and Organizational Readiness

**RESOLUTION  
OF THE  
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY  
BOARD OF DIRECTORS**

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**AI-2023-999**

WHEREAS, CapMetro applied and received competitive funding from the FTA Strategic Transit Automation Research (STAR) Program for a Yard Automation Research and Deployment (YARD) project.

WHEREAS, this project aligns with CapMetro’s Long-term Sustainability Vision Plan and CapMetro’s Strategic Plan’s initiatives to transition net zero by 2040 and incorporate environmental sustainability into all aspects of the agency’s operations.

WHEREAS, CapMetro will collaborate with workforce to better understand the potential impacts to current positions supporting yard operations and identify what potential new positions may be required to operate and maintain automated transit service.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Board of Directors that the President & CEO, or her designee, is authorized to finalize and execute a contract with Perrone Robotics to provide an automated vehicle retrofit for vehicle automation in support of the CapMetro Yard Automation Research and Deployment (YARD) Project for a twelve (12) month base period with an option to require continued performance for up to an additional twelve (12) months in a total amount not to exceed \$420,000.

**Date:** \_\_\_\_\_

\_\_\_\_\_  
**Secretary of the Board  
Becki Ross**

CapMetro

# Yard Autonomous Research Demonstration (YARD)

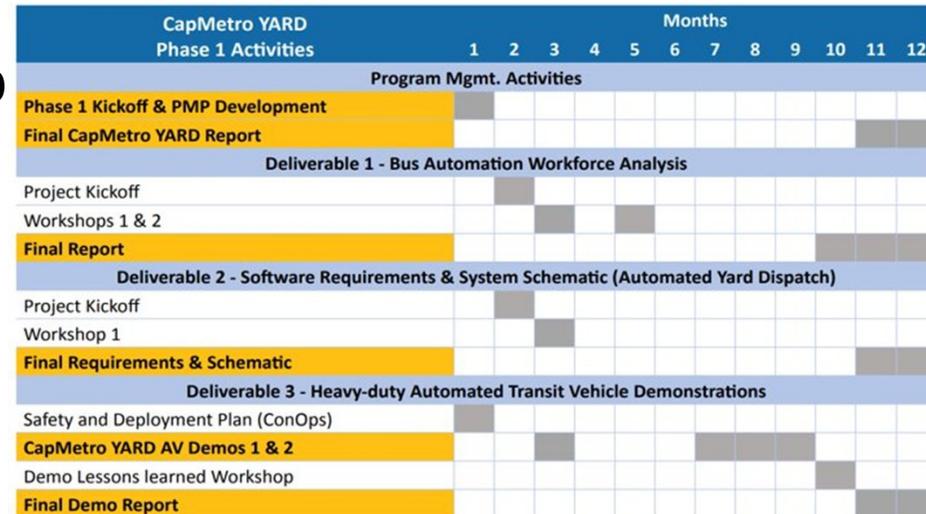
November 20, 2023

# Project Description

- FTA Strategic Transit Automation Research (STAR) Program
- Cooperative Agreement with FTA Office of Research, Demonstration and Innovation (TRI)
- FTA Yard Autonomous Research Demo (YARD) Project
  - Two Demonstrations of Vehicles
  - Yard management software mapping
  - Workforce Development Study
  - Project management
    - Safety, Data and Deployment Plan
    - Lessons learned / final report



U.S. Department of Transportation  
Federal Transit Administration



# FTA Autonomous Vehicle Project – GRANT AWARD

- Federal Share: \$949,500
- Local match contribution: \$237,300
- Non-competitive procurement as named in grant as sole source partners
- Meets FTA procurement requirements for competition.

Vendor	Federal Share	Local match	Contract Amount	In-Kind	Total Budget
Perron Robotics*	\$336,000	\$84,000	\$420,000	\$25,000	\$445,000
Clever Devices*	\$240,000	\$60,000	\$300,000	\$25,000	\$325,000
WSP	\$329,500	\$82,300	\$411,800	\$25,000	\$436,800
Texas A&M TTI	\$44,000	\$11,000	\$55,000	\$0	\$55,000
	\$949,500	\$237,300	\$1,186,800	\$75,000	\$1,261,800

# Approval of Board Items

- Perrone Robotics (AI-2023-999)
- Contact Amount - \$420,000
  - Provide autonomous vehicle for initial demonstration
  - Upfit CapMetro 40' transit bus with autonomous technology to demonstrate yard operations
    - Vehicle Maneuvers
      - Charging vehicle
      - Bus Wash
      - Parking
      - Staging for drivers
  - Conduct workshops on technology and safety
  - Collect data related to safety and operations
- Clever Devices (AI-2023-1005)
  - Contract Amount - \$300,000
    - Software mapping for adaptation of autonomous vehicle technology
    - Developing interface for future yard management software
    - Participate in workshops

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Board of Directors

Item #: AI-2023-1005

Agenda Date: 11/20/2023

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**SUBJECT:**

Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with Clever Devices to provide software architecture for vehicle automation in support of the CapMetro Yard Automation Research and Deployment (YARD) Project for a twelve (12) month base period with an option to require continued performance for up to an additional twelve (12) months in a total amount not to exceed \$300,000.

**FISCAL IMPACT:**

Funding for this action is available in the FY2024 Operating Budget.

**STRATEGIC PLAN:**

**Strategic Goal Alignment:**

- 1. Customer
- 2. Community
- 3. Workforce
- 4. Organizational Effectiveness

**Strategic Objectives:**

- 1.1 Safe & Reliable Service
- 1.2 High Quality Customer Experience
- 1.3 Accessible System
- 2.1 Support Sustainable Regional Growth
- 2.2 Become a Carbon Neutral Agency
- 2.3 Responsive to Community and Customer Needs
- 2.4 Regional Leader in Transit Planning
- 3.1 Diversity of Staff
- 3.2 Employer of Choice
- 3.3 Expand Highly Skilled Workforce
- 4.1 Fiscally Responsible and Transparent
- 4.2 Culture of Safety
- 4.3 State of Good Repair

**EXPLANATION OF STRATEGIC ALIGNMENT:** The CapMetro YARD Program aligned internal strategic goals with FTA STAR objectives by focusing on key benefits of fleet automation such as improved safety, efficiency, and potential cost savings. The Phase I goals listed below are the core foundation of the CapMetro YARD program and position the agency for success with a potential Phase II deployment. Test and assess the potential future benefits and challenges of automated battery electric buses (BEBs) through routine bus yard maneuvers. Share lessons learned from the automated vehicle demonstrations with CapMetro stakeholders and industry partners to improve the capabilities of the technology. Collaborate with CapMetro workforce to better understand the potential impacts to current positions supporting yard operations and identify what potential new positions may be required to operate and maintain automated BEBs. Determine the long-term viability of

fleet-wide bus yard automation for current and future CapMetro bus depots.

**BUSINESS CASE:** This grant project will help to assess transit automation technology readiness and effectiveness, address technical issues, identify benefits and costs, and measure impacts. Once completed, the Project will help demonstrate transit bus automation technologies in an active bus yard, establishing the feasibility of Automated Transit Bus Maintenance and Yard Operations use cases and improve understanding of the impacts. This project aligns with CapMetro's Long-term Sustainability Vision Plan and CapMetro's Strategic Plan's initiatives to transition net zero by 2040 and incorporate environmental sustainability into all aspects of the agency's operations.

**COMMITTEE RECOMMENDATION:** This item will be presented to the full board on November 20, 2023.

**EXECUTIVE SUMMARY:** CapMetro applied and received competitive funding from the FTA Strategic Transit Automation Research (STAR) Program for a Yard Automation Research and Deployment (YARD) project. This project is one of the first of its kind demonstrations of autonomous operations of a full size transit bus. The development of yard operations is the first step in the determination of the cost effective and safe operations of a transit bus in the parking storage, cleaning and charging areas of bus operations.

**DBE/SBE PARTICIPATION:** No SBE goal was applied to this procurement. This is a sole source procurement for software architecture license that does not include subcontract opportunities.

**PROCUREMENT:** Clever Devices partnered with CapMetro to apply for the grant that will fund this contract. An agreement with Clever Devices is a condition of the grant. In accordance with FTA's guidelines, naming Clever Devices as a partner in the grant application meets the competitive requirements. The proposal from Clever Devices was received October 26, 2023. The proposal was reviewed in all aspects of pricing and technical approach. The proposal was determined to be the best value to the Authority, price and other factors considered. The contract will be a fixed-price type contract for a twelve (12) month base period with an option to require continued performance for up to an additional twelve (12) months in a total amount not to exceed \$300,000.

**RESPONSIBLE DEPARTMENT:** Strategic Planning and Organizational Readiness

**RESOLUTION  
OF THE  
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY  
BOARD OF DIRECTORS**

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**AI-2023-1005**

WHEREAS, CapMetro applied and received competitive funding from the FTA Strategic Transit Automation Research (STAR) Program for a Yard Automation Research and Deployment (YARD) project.

WHEREAS, This project aligns with CapMetro’s Long-term Sustainability Vision Plan and CapMetro’s Strategic Plan’s initiatives to transition net zero by 2040 and incorporate environmental sustainability into all aspects of the agency’s operations.

WHEREAS, CapMetro will collaborate with workforce to better understand the potential impacts to current positions supporting yard operations and identify what potential new positions may be required to operate and maintain automated transit service.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors, that the President & CEO, or her designee, is authorized to finalize and execute a contract with Clever Devices to provide software architecture for vehicle automation in support of the CapMetro Yard Automation Research and Deployment (YARD) Project for a twelve (12) month base period with an option to require continued performance for up to an additional twelve (12) months in a total amount not to exceed \$300,000.

**Date:** \_\_\_\_\_

\_\_\_\_\_  
**Secretary of the Board  
Becki Ross**

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Board of Directors

Item #: AI-2023-914

Agenda Date: 11/20/2023

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**SUBJECT:**

Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with Power Test, LLC for a vehicle maintenance transmission test stand in an amount not to exceed \$385,313.

**FISCAL IMPACT:**

Funding for this action is available in the FY2024 Capital Budget

**STRATEGIC PLAN:**

Strategic Goal Alignment:

- 1. Customer
- 2. Community
- 3. Workforce
- 4. Organizational Effectiveness

Strategic Objectives:

- 1.1 Safe & Reliable Service
- 1.2 High Quality Customer Experience
- 1.3 Accessible System
- 2.1 Support Sustainable Regional Growth
- 2.2 Become a Carbon Neutral Agency
- 2.3 Responsive to Community and Customer Needs
- 2.4 Regional Leader in Transit Planning
- 3.1 Diversity of Staff
- 3.2 Employer of Choice
- 3.3 Expand Highly Skilled Workforce
- 4.1 Fiscally Responsible and Transparent
- 4.2 Culture of Safety
- 4.3 State of Good Repair

**EXPLANATION OF STRATEGIC ALIGNMENT:** To assure reliability of bus transmissions by providing bus mechanics the best equipment to accurately diagnose and verify any issues with bus transmission that are rebuilt in house. Purchase of the transmission test stand will ensure the bus fleet remains in a state of good repair.

**BUSINESS CASE:** Transmission test stand equipment allows for dynamically testing and diagnosing of rebuilt bus transmissions, prior to re-installation in the bus. The current test machine is over 30 years old, in need of repair, but no longer supported by the original manufacturer. The impact of not having the new machine is that we will be unable to validate rebuilds on the bench, requiring them to go into passenger service for testing which will result not only in failures that directly impacts riders, but could result in catastrophic failures of transmissions requiring complete replacement, as opposed the transmission test stand which detect problems before damage is done.

COMMITTEE RECOMMENDATION: This item will be presented to the full board on November 20, 2023.

EXECUTIVE SUMMARY: In the course of routine maintenance of CapMetro’s bus fleet, the transmissions are rebuilt every 300,000 miles. A best practice when rebuilding transmissions is to bench test the transmission, running it through its courses, after the rebuild but prior to re-installation in the bus. Without a test stand, the transmission would need to be tested in passenger service which could result in not only inconveniencing passengers but could lead to catastrophic failure of the transmission requiring a completely new transmission instead of a minor repair or adjustment in the rebuild. CapMetro’s current test stand equipment is over 30-years old, in need of repair and upgrade, but which is no longer supported by the original equipment manufacturer. Replacing the outdated test stand ensures a state of good repair in CapMetro’s maintenance equipment.

DBE/SBE PARTICIPATION: No SBE goal was placed on this procurement. This procurement for the installation and training of a transmission test station had limited-service requirements, which did not include subcontracting opportunities.

PROCUREMENT: On August 18, 2023, an Invitation for Bids was issued and formerly advertised. By the closing date of September 18, 2023, one (1) bid was received from the following bidder:

<b>Bidder</b>	<b>Total</b>
Power Test, LLC	\$385,312.52

Power Test, LLC was the lowest, responsive, responsible bidder and submitted all the required documents with their bid, which was received prior to the established date and time for the receipt of bids. Power Test, LLC is not debarred on the Federal or State Debarred vendor lists. The price was determined to be fair and reasonable based on adequate competition and cost analysis. The contract is a fixed, unit price contract. The period of performance is 365 calendar days from notice to proceed.

RESPONSIBLE DEPARTMENT: Operations and Maintenance Oversight

**RESOLUTION  
OF THE  
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY  
BOARD OF DIRECTORS**

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**AI-2023-914**

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and Capital Metro management recognize the importance of providing equipment that allows service providers to keep the fleet operating in a safe and reliable condition.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the President/CEO, or her designee, is authorized to execute a contract with Power Test, LLC for a vehicle maintenance transmission test stand in an amount not to exceed \$385,313.

Date: \_\_\_\_\_

\_\_\_\_\_  
**Secretary of the Board  
Becki Ross**

# CapMetro

## Hicklin Edect Transmission Test Stand

includes: warranty & training



Board of Directors

Item #: AI-2023-993

Agenda Date: 11/20/2023

**SUBJECT:**

Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with World Wide Technology, LLC for Cisco Smartnet network equipment and software support for one (1) year, in an amount not to exceed \$285,298.

**FISCAL IMPACT:**

Funding for this action is available in the FY2024 Operating Budget

**STRATEGIC PLAN:**

Strategic Goal Alignment:

- 1. Internal/External Customer Service Excellence
- 2. Stakeholder Engagement
- 3. Financial and Environmental Sustainability
- 4. Staff Development
- 5. Agency Growth Management

Strategic Objectives:

- 1.1 Safety & Risk
- 1.2 Continuous improvement
- 1.3 Dynamic Change
- 1.4 Culture of Innovation
- 2.1 Be an Employer of Choice
- 2.2 Organization Development
- 2.3 Organization Culture
- 3.1 Resource optimization
- 3.2 Safety Culture
- 3.3 Environmental Leadership
- 4.1 Educate & Call to Action
- 4.2 Build Partnerships
- 4.3 Value of Transit
- 4.4 Project Connect

**EXPLANATION OF STRATEGIC ALIGNMENT:** Maintaining a robust, reliable, and secure network ensures the continuity of CapMetro’s information systems. The *Cisco Smartnet support agreement* is a technical support service that allows World Wide Technology and CapMetro direct access to Cisco’s Technical Assistance Center (TAC) to ensure resolution of critical network issues and a procurement vehicle to purchase Cisco network equipment.

**BUSINESS CASE:** The Cisco Smartnet support agreement will provide maintenance and professional services for CapMetro’s network infrastructure. The support agreement will include the ability to directly access specialized Cisco technical services to assist staff in the management and resolution of production issues that may arise.

COMMITTEE RECOMMENDATION: This item will be presented to the full board on November 20, 2023.

EXECUTIVE SUMMARY: CapMetro depends on a robust, redundant, and secure network while also allowing for the expansion of the network to keep up with the service demands of CapMetro customers and departments. This Contract with World Wide Technology LLC will assist CapMetro in expanding and maintaining a highly available and resilient information systems network.

DBE/SBE PARTICIPATION: There was no SBE goal assigned to this procurement. This CO-OP procurement is a yearly renewal for licensing of hardware support for CISCO system, which does not include subcontractor opportunities.

PROCUREMENT: CapMetro will use the Department of Information Resources (DIR) Contract Number DIR-TSO-4167, held by Cisco System, to contract with World Wide Technology LLC, who is authorized to resell Cisco Branded Products and Services under Cisco’s DIR contract.

DIR awarded contracts are made available for use by CapMetro via Title 7, Intergovernmental Relations Chapter 791, Interlocal Cooperation Contracts and The Texas Interlocal Cooperation Act. Purchases made using DIR contracts satisfy otherwise applicable competitive bidding requirements. Pricing for Cisco SmartNet Hardware and Software Support was determined to be fair & reasonable by DIR’s organization during its solicitation and award process.

The pricing provided by World Wide Technology is the best value to CapMetro, considering cost analysis for Cisco SmartNet Hardware and Software Support using previous contract pricing and market rates. The term of the Contract is one (1) year from notice to proceed. The lump sum price is as follows:

Description	Lump Sum Price
Cisco SmartNet Hardware and Software Support	\$285,298.00

The contract is a fixed price contract.

RESPONSIBLE DEPARTMENT: Information Technology

**RESOLUTION  
OF THE  
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY  
BOARD OF DIRECTORS**

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**AI-2023-993**

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and CapMetro management endeavor to provide reliable and secure networking solutions; and

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and CapMetro management recognize the need to provide highly available systems for internal and external customers.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the President & CEO, or her designee, is authorized to finalize and execute a contract with World Wide Technology, LLC for Cisco Smartnet network equipment and software support for one (1) year, in an amount not to exceed \$285,298.

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Date: \_\_\_\_\_

\_\_\_\_\_  
**Secretary of the Board  
Becki Ross**

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Board of Directors

Item #: AI-2023-1028

Agenda Date: 11/20/2023

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**SUBJECT:**

Approval of a resolution authorizing the President & CEO, or her designee, to finalize a contract for the purchase of Medical Stop Loss Insurance for claims above \$200,000 from High Mark Insurance Group for one (1) year in an amount not to exceed \$1,155,678.

**FISCAL IMPACT:**

Funding for this action is available in the FY2024 Operating Budget.

**STRATEGIC PLAN:**

**Strategic Goal Alignment:**

- 1. Customer
- 2. Community
- 3. Workforce
- 4. Organizational Effectiveness

**Strategic Objectives:**

- 1.1 Safe & Reliable Service
- 1.2 High Quality Customer Experience
- 1.3 Accessible System
- 2.1 Support Sustainable Regional Growth
- 2.2 Become a Carbon Neutral Agency
- 2.3 Responsive to Community and Customer Needs
- 2.4 Regional Leader in Transit Planning
- 3.1 Diversity of Staff
- 3.2 Employer of Choice
- 3.3 Expand Highly Skilled Workforce
- 4.1 Fiscally Responsible and Transparent
- 4.2 Culture of Safety
- 4.3 State of Good Repair

**EXPLANATION OF STRATEGIC ALIGNMENT:** Purchase of stop loss insurance for high-cost health claims supports fiscal responsibility by mitigating CapMetro’s risk if employees or family members covered by CapMetro’s self-insured health care plan experience annual claim costs exceeding \$200,000 annually.

**BUSINESS CASE:** Each year CapMetro works with Gallagher Benefits Services to assess the level of stop loss insurance recommended based on our large claims history. Gallagher then works with the insurance market to obtain quotes for the recommended stop-loss insurance. For Calendar Year 2024, CapMetro recommends retaining the previous level of stop loss at \$200,000.

**COMMITTEE RECOMMENDATION:** This item will be presented to the full board on November 20, 2023.

EXECUTIVE SUMMARY: Gallagher Benefits Services has obtained quotes for \$200,000 stop loss insurance from United Healthcare and High Mark (HM) Insurance Group. The price quote from High Mark for 2024 is \$224,000 less than the equivalent United Healthcare quote. HM works to protect businesses from the financial risk associated with health care costs and is a recognized leader in employer stop loss, delivering protection for a range of group sizes. HM Life Insurance Company, HM Life Insurance Company of New York and Highmark Casualty Insurance Company are all rated "A" (Excellent) by AM Best Company. Through its insurance companies, HM Insurance Group holds insurance licenses in all fifty states and the District of Columbia and maintains sales offices across the country.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: CapMetro's Procurement and Acquisition Policy lists insurance as an expense that does not require a Purchase Agreement.

RESPONSIBLE DEPARTMENT: People & Culture

**RESOLUTION  
OF THE  
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY  
BOARD OF DIRECTORS**

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**AI-2023-1028**

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and CapMetro management recognize the fiscal responsibility to mitigate risks associated with large medical claims.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the President & CEO, or her designee, is authorized to finalize a contract for the purchase of Medical Stop Loss Insurance for claims above \$200,000 from High Mark Insurance Group for one (1) year in an amount not to exceed \$1,155,678.

Date: \_\_\_\_\_

\_\_\_\_\_  
**Secretary of the Board  
Becki Ross**

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Board of Directors

Item #: AI-2023-938

Agenda Date: 11/20/2023

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**SUBJECT:**

Approval of a resolution awarding President & CEO Dottie Watkins adjustment to base pay equal to \_\_\_% of her annual salary and a one-time performance achievement bonus equal to \_\_\_% of base pay based on her Fiscal Year 2023 annual performance review. The increases are awarded retroactively to October 1, 2023, in accordance with the Employment Agreement.

**FISCAL IMPACT:**

Funding for this action is available in the FY2024 Operating Budget.

**STRATEGIC PLAN:**

Strategic Goal Alignment:

- 1. Customer
- 2. Community
- 3. Workforce
- 4. Organizational Effectiveness

Strategic Objectives:

- 1.1 Safe & Reliable Service
- 1.2 High Quality Customer Experience
- 1.3 Accessible System
- 2.1 Support Sustainable Regional Growth
- 2.2 Become a Carbon Neutral Agency
- 2.3 Responsive to Community and Customer Needs
- 2.4 Regional Leader in Transit Planning
- 3.1 Diversity of Staff
- 3.2 Employer of Choice
- 3.3 Expand Highly Skilled Workforce
- 4.1 Fiscally Responsible and Transparent
- 4.2 Culture of Safety
- 4.3 State of Good Repair

**EXPLANATION OF STRATEGIC ALIGNMENT:** The performance goals established by the board for the President & CEO are aligned with the goals in the Strategic Plan. The board's annual evaluation and specific action on the President & CEO's performance also supports the Workforce goal and Employer of Choice Objective by rewarding performance that contributes to CapMetro's overall success.

**BUSINESS CASE:** The evaluation by the Capital Metro Board of Directors of the President & CEO's performance meets the requirement of the President & CEO Total Compensation Policy and the Employment Agreement between Dottie Watkins and CapMetro.

**COMMITTEE RECOMMENDATION:** This item will be presented to the full board on November 20, 2023.

EXECUTIVE SUMMARY: CapMetro's Employment Agreement with Dottie Watkins states that the Board of Directors shall review her performance for the Performance Period of January 30, 2023 through September 30, 2023, based on performance standards established for that period. The process adopted by the board in the President & CEO Total Compensation Policy describes the process for linking President & CEO pay to performance.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply.

RESPONSIBLE DEPARTMENT: People & Culture

**RESOLUTION  
OF THE  
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY  
BOARD OF DIRECTORS**

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**AI-2023-938**

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors entered into an Employment Agreement with Dottie Watkins effective January 30, 2023; and

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors has evaluated Dottie Watkins' performance in accordance with her Employment Agreement and the President & CEO Total Compensation Policy.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that President & CEO Dottie Watkins is awarded an adjustment to base pay equal to \_\_\_% of her annual salary and a one-time performance achievement bonus equal to \_\_\_% of base pay based on her 2023 annual performance review. The increases are retroactive to October 1, 2023 in accordance with the Employment Agreement.

Date: \_\_\_\_\_

\_\_\_\_\_  
**Secretary of the Board  
Becki Ross**



# Capital Metropolitan Transportation Authority

2910 East 5th Street  
Austin, TX 78702

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Board of Directors

**Item #:** AI-2023-985

**Agenda Date:** 10/23/2023

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President & CEO Monthly Update - November



# Capital Metropolitan Transportation Authority

2910 East 5th Street  
Austin, TX 78702

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Board of Directors

**Item #:** AI-2023-1016

**Agenda Date:** 11/20/2023

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Memo: Ratification of MV/ATU Collective Bargaining Agreement for fixed route bus services (November 6, 2023)

**From:** Andrew Skabowski, Executive Vice President, and Chief Operating Officer

**Date:** November 6, 2023

**Subject: Ratification of MV/ATU Collective Bargaining Agreement for fixed route bus services**

CapMetro continues collaborating with our operating partners to alleviate resource and driver shortages by improving working conditions for front-line employees. The most recent Collective Bargaining Agreement (CBA) between MV Transportation and the Amalgamated Transit Union Local 1091 (ATU 1091) expired in December 2022 and, since January 2023, CapMetro has been working to support both parties as they discuss and renegotiate the CBA.

We are pleased to share that MV and ATU 1091 have reached an agreement, and a CBA was ratified on October 18, 2023. This agreement includes several additions and changes to enhance the quality of benefits and improve work for frontline team members, including the following:

- **Medical and Dental Benefits.** An enhancement to medical and dental benefits to ensure they are parallel and equal to those provided to CapMetro employees as well as other service providers. Previously, CapMetro administrative employees had different medical and dental benefits than front-line contracted staff. It was a priority of CapMetro to work with our contracted service provider to ensure that this discrepancy was eliminated. Now, all CapMetro family members – contracted or otherwise, and across all services – are provided the same level of medical and dental benefits.
- **Unionization of Admin Staff.** Non-managerial administrative employees chose to become part of the bargaining group that included rate increases.
- **Uniforms/Tools.** The CBA includes an increased uniform allowance for bus operators and other non-maintenance employees, and an increased technician tool and safety shoe allowances.
- **401K.** The CBA includes an increased employer contribution from 4% to 5.5%.
- **Physicals.** The CBA now provides payment of two hours of paid leave to employees for Department of Transportation-required physicals.
- **Report/Travel Time.** Vehicle inspection time increased from 15 minutes to 20 minutes to provide for improved pre-trip inspections, with a goal of identifying vehicle issues before service on a vehicle begins, thereby improving system reliability for customers. Added three minutes to employees' paid travel time to and from downtown shift reliefs.
- **Extra Board** – Changes to extra board operators' pay in line with how daily overtime is paid for all other employees. The extra board is used to identify “backup” drivers for all services in the event of unexpected absences for the assigned or scheduled operator.

CapMetro fully supports the terms of the CBA which CapMetro will pay for in line with our existing contract with MV; this does not require a Board approval of a contract modification. The additional cost to CapMetro is necessary to enhance benefits for frontline staff as both a recruitment and retention strategy.

CapMetro recently awarded a new contract for bus operations and maintenance to Keolis following Board authorization in September; this contract will begin in January 2024. Keolis has committed in writing to honoring the recently ratified CBA.