Agenda - Final revised
Capital Metropolitan
Transportation Authority
Board of Directors

Monday, October 23, 2023 12:00 PM Rosa Parks Boardroom

Any items marked with * have been revised.

This meeting will be livestreamed at capmetrotx.legistar.com

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

VI. Consent Items:
   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.

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

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

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

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

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

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.

*7. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a single lump sum 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.
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.

VIII. Discussion Items:

1. 2023 Origin and Destination Survey Presentation

IX. Report:

1. President & CEO Monthly Update

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

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

ADA Compliance
Reasonable modifications and equal access to communications are provided upon request. Please call (512) 369-6040 or email 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.
Customer Satisfaction Advisory Committee (CSAC)
Meeting called to order at 6:06 PM

Welcome / Introductions / Call to Order
Chair Taylor

Public Communications

HKS, UNStudio, and Gehl (HUG) Update from ATP
Peter Mullan, EVP of Architecture & Urban Design at ATP
Yannis Banks, Community Engagement Manager at ATP

Peter Mullan overviews the process for architecture and design for the light rail project being undertaken by Austin Transit Partnership.

Betsy Greenberg asks if ATP is starting over their design work, and Peter Mullan explains that they’re not starting over, but there have been changes, and ATP is building upon current plans and working to create more detail.

FY2024 Strategic Plan
Nina Loehr; Program Manager, Executive Staff

Nina Loehr overviews the FY2024 Strategic Plan.

Ephraim Taylor asks about the recent Keolis contract, and how CapMetro aims to handle concerns around Keolis as a service provider considering certain strategic plan goals and objectives. Nina Loehr explains that CapMetro is working internally with senior leadership on the strategic plan priorities, which may help answer the question, and those will be shared in an update in the coming week or two.

Approval of the minutes – Betsy Greenberg / 2nd Diana Wheeler – 3 yeas, 2 abstentions, passes with majority.

Meeting adjourned at 6:44 PM
<table>
<thead>
<tr>
<th>Board of Directors</th>
<th><strong>Item #</strong>: AI-2021-190</th>
<th><strong>Agenda Date</strong>: 3/28/2022</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Access Advisory Committee</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Capital Metropolitan Transportation Authority
Access Advisory Committee
Wednesday, October 4, 2023
5:30 PM
Virtual Presentation

CapMetro Employees: Chad Ballentine, Peter Breton, Louise Friedlander, Roberto Gonzalez, Martin Kareithi, Julie Lampkin, Chris Mojica, Edna Parra, Sara Sanford, Randy Slaughter.

Supporting Staff Attendees: Rebecca, Quinn, Yannis Banks, Kristoffer Vik Hansen, Alex Medina, Peter Mullan, Lisa Storer, Raul Vela, Christopher Westbrook.

Committee Members: Estrella Barrera, Glenda Born, Audrea Diaz, Otmar Foehner, Mike Gorse, Paul Hunt, John McNabb.

Guests: Josh, JW, Jason Miller, Nick Milum.

Meeting called to order at 5:33 PM

Welcome / Introductions / Call to Order
Chair Hunt

Approval of the minutes - John McNabb / Estrella Barerra 2nd. passes unanimously.

Public Communications

Otmar Foehner outlines safety difficulties for those with mobility impairments at Tech Ridge P&R. CapMetro Staff discuss staffing and options for increasing safety.

Audrea Diaz outlines a scheduling issue she encountered, which was complicated by the inability to see pickup windows online due to the Spare transition. Julie Lampkin says she'll follow up.

Spare Update
Sara Sanford, Director of Eligibility, Training, and Customer Management

CapMetro Staff overview the October 1 launch of Spare for the operations side of Demand Response, including issues that staff, customers, and operators are having (mainly related to data migration) as the transition occurs. They also share that fares are being waived for Access users while any major issues with the system persist. Lastly, they remind the committee that the Spare app for customers is slated to launch on December 1.

Audrea Diaz asks for clarification on countdown notifications that the future Spare app will provide, and Chad Ballentine explains options for notifications that customers can request.

Paul Hunt says that the operators have access to a telephone icon with Spare and asks for clarification on what functionality that provides for the operator. Julie Lampkin explains that, if the operator needs more information, they can hit the icon and it will connect the operator and the customer through a screen so that the operator won’t know the customer’s phone number.

Paul Hunt asks how the scheduling and routing functions work for the operators, and Sara Sanford explains that the operators see only two steps ahead (such as a pickup and drop-off, or two drop-offs, etc.), which allows the Spare backend to continually optimize potential trips.
Paul Hunt mentions that an operator was having issues with updates to their tablet. Julie Lampkin says she will follow up, and that they try only to update late at night or early in the morning.

Paul Hunt asks if confirmation emails are being automatically sent when booking trips, and Sara Sanford says that they should but to check with a live agent.

Paul Hunt and Glenda Born note difficulties with operators not getting additional information from riders (such as gate codes), and Julie Lampkin explains that that is a part of the data migration issues.

Glenda Born asks if CapMetro included and trained all stakeholders related to the Spare transition. Julie Lampkin and Sara Sanford explain the engagement process they had with stakeholders, including multiple townhalls and trainings.

Glenda Born asks if there will be added features for people to be able to gather info about the service over the phone, rather than app-based options. CapMetro Staff and Kristoffer Vik Hansen explain the increased options for notifications both through the Spare app and through email, text, and phone call.

Audrea Diaz asks how the on-time performance has been since the transition, and Chad Ballentine says that CapMetro needs more data than the 3 days the system has been active, but staff expects better overall performance.

Paul Hunt requests additional notification for committee members during large departmental shifts.

**HKS, UNStudio, and Gehl (HUG) Update from ATP**

*Peter Mullan, EVP of Architecture & Urban Design at ATP*

*Yannis Banks, Community Engagement Manager at ATP*

Peter Mullan overviews the process for architecture and design for the light rail project being undertaken by Austin Transit Partnership.

Paul Hunt asks if ATP has entered this part of the design process before, and Peter Mullan explains that they had, but had to recalibrate the implementation plan to bring it in line with budget.

**January 2024 Service Change Proposal**

*Roberto Gonzalez, Director of Service Planning*

Roberto Gonzalez overviews the Proposed January 2024 Service Changes.

**Demand Response Metrics Update**

*Chris Mojica, Director of Demand Response Operations & Contract Oversight*

Chris Mojica updates the committee on Demand Response metrics over the past year.

Glenda Born asks what the percentage of operators is that finish training, and Chris Mojica explains that while he doesn’t know off the top of his head, most operators continue through training – and the majority of staff drop-off occurs in the first year after training.

Mike Gorse asks if Pickup and Access operators receive the same training, and Chad Ballentine confirms.

Meeting adjourned at 6:54 PM
Approval of the September 13, 2023 public hearing and September 25, 2023 board meeting minutes.
Minutes
Capital Metropolitan
Transportation Authority
Board of Directors

Wednesday, September 13, 2023 12:00 PM Rosa Parks Boardroom

Public Hearing on the Proposed FY2024 Operating and Capital Budget

I. Call to Order
12:00 p.m. Meeting Called to Order

Present: Travillion, Ross, Bangle, and Ellis
Absent: Pool, Stratton, Harriss, and Vela

II. Discussion Items:
1. Fiscal Year 2024 Budget Public Hearing

III. Public Comment:
Zenobia Joseph provided public comment.

IV. Adjournment
12:10 p.m. Meeting Adjourned

ADA Compliance
Reasonable modifications and equal access to communications are provided upon request. Please call (512) 369-6040 or email 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.
I. Call to Order

12:05 p.m. Meeting Called to Order

Present: Travillion, Pool, Stratton, Ross, Harriss, Vela, Bangle, and Ellis

II. Public Comment:

Leander Mayor Christine DeLisle, Zenobia Joseph, Gary Coles, Darrell Sorrells, David Scorey, and Mike Ake provided public comments.

III. Advisory Committee Updates:

1. Customer Satisfaction Advisory Committee (CSAC)
2. Access Advisory Committee
3. Public Safety Advisory Committee (PSAC)

IV. Board Committee Updates:

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

V. Consent Items:

A motion was made by Secretary of the Board Pool, seconded by Board Member Ellis, to approve the Consent Agenda. The motion carried by the following vote:

Aye: Travillion, Pool, Stratton, Ross, Harriss, Vela, Bangle, and Ellis

1. Approval of minutes from the August 28, 2023 board meeting.
2. Approval of a resolution authorizing the President & CEO, or her designee, to execute a contract modification with Hexagon for asset management system maintenance for two (2) remaining one (1) year option periods for an amount not to exceed $1,079,637.

3. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with Carahsoft Technology Corporation for ServiceNow Information Technology Service Management systems for a one (1) year base period and one (1) option year in an amount not to exceed $458,771.

4. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute an Interlocal Agreement with the City of Round Rock for transit services for an amount not to exceed $1,358,369.

5. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute an Interlocal Agreement with the City of Georgetown for operation of limited paratransit and senior service (the “Service”) for an amount not to exceed $172,726 in FTA Section 5307 Funds and $259,089 in local funds from the City of Georgetown.

6. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a one-year Interlocal Agreement (ILA) with Travis County for transit services in urbanized areas in unincorporated areas of the county and for continued implementation of the Travis County Transit Development Plan in an amount not to exceed $319,976 in FTA Section 5307 Funds and $893,724 in local funds from Travis County per year.

7. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute Amendment No. 6 to CARTS Supplement No. 8 to the Master Regional Mobility Agreement with Capital Area Rural Transportation Services (CARTS) for the provision of transit services to the Manor area in an amount not to exceed $1,796,454.

8. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute Amendment No. 6 to CARTS Supplement No. 9 of the Master Regional Mobility Agreement with Capital Area Rural Transportation Services (CARTS) for the provision of Limited Paratransit and Senior Services to the City of Georgetown in an amount not to exceed $411,252.

9. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with CDW-Government, LLC to acquire network technology for the MetroRapid Expo and MetroRapid Pleasant Valley projects in an amount not to exceed $177,804.

10. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute Amendment No. 5 to Contracted Services Supplement No. 4 to the Master Regional Mobility Agreement with Capital Area Rural Transportation Services (CARTS) for the provision of Route 990 - Manor Express for fiscal year 2024 in an amount not to exceed $185,397.
11. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute Amendment No. 5 to the Contracted Service Supplement No. 2 with Capital Area Rural Transportation System (CARTS) for the operation of Route 214 Northwest Feeder for fiscal year 2024 in an amount not to exceed $720,330.

12. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a five-year Trackage Agreement with the Austin Steam Train Association (ASTA) for ASTA’s use of a portion of the Giddings to Llano line for the provision of Excursion Rail Passenger Service, in exchange for the right for CapMetro to use a portion of ASTA’s adjacent real property for maintenance, storage, and other operations.

13. Approval of a resolution authorizing the President & CEO, or her designee, to grant an approximately 0.334-acre (1,453 square-foot) electric utility easement to the City of Austin across CapMetro-owned property located at 10612 Delta Drive, Austin, Texas for the construction of electric distribution and electrical telecommunications lines and systems.

14. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a month-to-month lease with 1303 Properties Ltd. DBA Travis Properties for approximately 18,535 rentable square feet of office space on the first and basement floors of the Travis Building located at 209 West 9th Street, Austin, TX 78701 for a term not to exceed twenty-four (24) months, in an amount not to exceed $634,680.

15. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with Core Office Interiors to purchase furniture and/or wall systems for 2910 East 5th Street, 1705 Guadalupe, 8200 Cameron Road, 9715 Burnet Road, and furniture inventory replenishment, in an amount not to exceed $1,127,275.

VI. Action Items:

1. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with Keolis Transit Services, LLC for contracted bus operations and maintenance services for a base period of three (3) years, plus two (2) one-year options, with a 5% contingency, in an amount not to exceed $753,651,081.

Action on this item was taken immediately following Executive Session.

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

Aye: Travillion, Pool, Stratton, Ross, Harriss, Vela, Bangle, and Ellis

2. Approval of the Fiscal Year 2024 Operating and Capital Budget and Five-Year Capital Improvement Plan

A motion was made by Secretary of the Board Pool, seconded by Board Member Ellis, that this Resolution be adopted. The motion carried by the following vote:
Aye: Travillion, Pool, Stratton, Ross, Harriss, Vela, Bangle, and Ellis

3. Approval of a resolution adopting revised bylaws for the Project Connect Community Advisory Committee (CAC) and authorizing the President & CEO, or her designee, to finalize and execute an amendment to the Joint Partnership Agreement between the City of Austin, CapMetro and the Austin Transit Partnership.

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

Aye: Travillion, Pool, Stratton, Ross, Harriss, Vela, Bangle, and Ellis

VII. Report:

1. President & CEO Monthly Update

VIII. Executive Session of Chapter 551 of the Texas Government Code:

Texas Government Code, Section 551.071 for consultation with an attorney regarding legal issues related to a proposed contract with Keolis Transit Services, LLC for contracted bus operations and maintenance services for a base period of three (3) years, plus two (2) one-year options, with a 5% contingency, in an amount not to exceed $753,651,081.

Into Executive Session: 12:45 p.m.
Out of Executive Session: 1:17 p.m.

IX. Items for Future Discussion:

X. Adjournment

1:38 p.m. Meeting Adjourned

ADA Compliance

Reasonable modifications and equal access to communications are provided upon request. Please call (512) 369-6040 or email 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.
SUBJECT:
Approval of a resolution appointing Luis Osta Lugo to the Public Safety Advisory Committee.

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 Public Safety Advisory Committee guides the CapMetro Board and staff regarding CapMetro’s comprehensive approach to public safety. The committee also helps advise on policy, procedures, metrics, etc., to ensure alignment with the Agency’s mission and goals, and community values.

BUSINESS CASE: The CapMetro Board authorized the creation of the Public Safety Advisory Committee via Board Resolution AI-2021-117, and approved the advisory committee charter via Board Resolution AI-2021-224. Creation of the advisory committee is part of CapMetro’s comprehensive public safety program, in alignment with what staff have communicated to the Board, the community and identified stakeholders.

COMMITTEE RECOMMENDATION: This item will be presented to the full board on October 23, 2023.
EXECUTIVE SUMMARY: Pursuant to Section 451.109, Texas Transportation Code, and the Capital Metro Board of Directors Bylaws, the Board of Directors established the Public Safety Advisory Committee as part of a comprehensive community involvement strategy to provide input to the Board of Directors on decisions that affect the Authority.

Based on a recommendation from the Capital Metro President/CEO each member of the Board of Directors appoints one member of the committee. At this time, Board Chair Jeffrey Travillion recommends Luis Osta Lugo as his appointee to fill a vacant position on the Public Safety Advisory Committee.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply.

RESPONSIBLE DEPARTMENT: Community Engagement
RESOLUTION

OF THE

CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY

BOARD OF DIRECTORS

STATE OF TEXAS
COUNTY OF TRAVIS

AI-2023-994

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and Capital Metro are committed to successful and meaningful public involvement; and

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors approved the creation of the Public Safety Advisory Committee in August 2021, and approved the advisory committee charter in October 2021 in order to provide community input to staff and the Board on all aspects of CapMetro’s Public Safety program; and

WHEREAS, there exists a need to fill a vacancy on the Public Safety Advisory Committee.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that Luis Osta Lugo is named to the Public Safety Advisory Committee to serve a term concurrent with the term of Board Member Jeffrey Travillion.

____________________
Date: _________________________

Secretary of the Board
Becki Ross
SUBJECT:
Approval of a resolution adopting the 2024 Board Meeting Calendar.

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: Holding regularly scheduled board and committee meetings increases the likelihood of meaningful public input and ensures the timely execution of Agency business.

BUSINESS CASE: Not applicable.

COMMITTEE RECOMMENDATION: This item will be presented to the full board on October 23, 2023.

EXECUTIVE SUMMARY: Approval of the 2024 board meeting calendar. Meetings will continue to be held in the boardroom at 2910 East 5th Street.

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-2023-995

WHEREAS, Section 451.514 of the Texas Transportation Code requires the Board of Directors to hold at least one regular meeting each month to transact the business of the Authority and to set the place, date and time for each meeting.

NOW, THEREFORE, BE IT RESOLVED that the Capital Metropolitan Transportation Authority Board of Directors will hold regular monthly meetings and adopts the schedule laid out in the attached document for calendar year 2024.

Date: ______________________

Secretary of the Board
Becki Ross
<table>
<thead>
<tr>
<th>2024</th>
<th><strong>Committee Meetings</strong></th>
<th><strong>Board Meetings</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>10 a.m. (Finance Committee) and 12:30 p.m. (Operations Committee)</td>
<td>Noon</td>
</tr>
<tr>
<td>January</td>
<td>Wednesday 1/17</td>
<td>Monday 1/29</td>
</tr>
<tr>
<td>February</td>
<td>Wednesday 2/14</td>
<td>Monday 2/26</td>
</tr>
<tr>
<td>March</td>
<td>Monday 3/18</td>
<td>Monday 3/25</td>
</tr>
<tr>
<td>April</td>
<td>Wednesday 4/10</td>
<td>Monday 4/22</td>
</tr>
<tr>
<td>May</td>
<td>Wednesday 5/8</td>
<td>Monday 5/20</td>
</tr>
<tr>
<td>June</td>
<td>Wednesday 6/12</td>
<td>Monday 6/24</td>
</tr>
<tr>
<td>July</td>
<td>Wednesday 7/10</td>
<td>Monday 7/22</td>
</tr>
<tr>
<td>August</td>
<td>Monday 8/12</td>
<td>Monday 8/26</td>
</tr>
<tr>
<td>September</td>
<td>Wednesday 9/11</td>
<td>Monday 9/23</td>
</tr>
<tr>
<td>October</td>
<td>Wednesday 10/16</td>
<td>Monday 10/28</td>
</tr>
<tr>
<td>November</td>
<td>Wednesday 11/13</td>
<td>Monday 11/25</td>
</tr>
<tr>
<td>December</td>
<td>Monday 12/9</td>
<td>Monday 12/16</td>
</tr>
</tbody>
</table>

All dates subject to change.

Updated: 10/12/23
SUBJECT:
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.

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: The purchase of these two electric yard tug vehicles is in alignment with financial and environmental sustainability through resource optimization, a culture of safety, and environmental leadership. The replacement of life-expired diesel vehicles with electric vehicles ensures that CapMetro employees can perform operational functions enhancing the safety of operators and creating a more appealing work environment.

BUSINESS CASE: CapMetro has identified a need to replace two yard tug vehicles that have been in the fleet for more than 11 years and are beyond their planned life. These life-expired vehicles are experiencing decreasing reliability issues and increasing maintenance costs. Replacing the diesel yard tug vehicles with fully electric vehicles is a step towards CapMetro's zero emission goals by having vehicles that will operate on battery.
COMMITTEE RECOMMENDATION: This item was presented and recommended for approval at the Operations, Planning and Safety Committee on October 11, 2023.

EXECUTIVE SUMMARY: CapMetro operations use the yard tug vehicle to move inoperative buses from the yard to the designated bay for repairs. This vehicle purchase will provide for the replacement of two life-expired yard tug vehicles used to support CapMetro’s mission. Given the planned use of the vehicles, the Harlan electric yard tugs are the most appropriate vehicle.

DBE/SBE PARTICIPATION: This procurement for two electric yard tug vehicles does not include subcontracting opportunities. Therefore, an SBE goal of 0% is assigned.

PROCUREMENT: The contract will utilize the General Service Administration (GSA) Contract No. 47QSWA18D008X, held by A3 Systems Corporation, to resell Harlan electric yard tug vehicles.

GSA 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 GSA contracts satisfy otherwise applicable bidding requirements. Pricing for the Harlan electric yard tug vehicles was determined to be fair & reasonable by the GSA during its solicitation and award process. Additionally, a cost analysis was performed, and GSA pricing for the Harlan electric yard tug vehicles was found to be fair and reasonable.

GSA pricing provided by A3 Systems Corporation for Harlan electric yard tug vehicles is as follows:

<table>
<thead>
<tr>
<th>Item #</th>
<th>Description</th>
<th>Quantity</th>
<th>Unit Price</th>
<th>Extended Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Harlan Electric Yard Tug Vehicles</td>
<td>2</td>
<td>$101,272.23</td>
<td>$202,544.46</td>
</tr>
<tr>
<td>2</td>
<td>Freight Fee:</td>
<td></td>
<td></td>
<td>$7,600.00</td>
</tr>
<tr>
<td></td>
<td>Grand Total Price (Items 1 and 2 Inclusive):</td>
<td></td>
<td></td>
<td>$210,144.46</td>
</tr>
</tbody>
</table>

The contract is a fixed price contract.

RESPONSIBLE DEPARTMENT: Operations and Maintenance Oversight
RESOLUTION
OF THE
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS

STATE OF TEXAS
COUNTY OF TRAVIS

AI-2023-915

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and CapMetro management maintain a state of good repair with vehicle maintenance equipment.

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 A3 Systems Corporation to provide two (2) Harlan electric yard tug vehicles in an amount not to exceed $210,145.

Date: _________________

Secretary of the Board
Becki Ross
Yard Tug
Harlan HLE60

- propulsion: battery
- emissions: zero
- onboard energy: 28kWh
- push capacity: 72,000 lb.
- charger: level 2
- training: included
SUBJECT:
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.

FISCAL IMPACT:
Funding for this action is available in the FY2024 Operating and Capital Budgets.

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: This proposed lease will help bridge the gap between current and future Demand Response and MetroBike maintenance facility needs while also being an option temporarily for staging buses.

BUSINESS CASE: CapMetro is seeking a lease to help support Demand Response and MetroBike maintenance and temporary bus parking prior to long-term permanent facility solutions becoming available. The proposed location of the lease site is at 4811 East 7th Street and the adjacent parcel just south of this site. This solution is expected to accommodate MetroBike and maintenance of 80 Demand Response revenue vehicles, or a combination of buses and less Demand Response revenue vehicles, and sufficient parking for site personnel. Funding for this lease is available in the FY2024 Operating and Capital Budgets.
COMMITTEE RECOMMENDATION: This item was presented and recommended for approval at the Operations, Planning and Safety Committee on October 11, 2023.

EXECUTIVE SUMMARY: CapMetro’s procurement of Demand Response revenue vehicles to support the growth of CapMetro’s service requires additional repair bays and parking prior to new Demand Response operations and maintenance facilities being operational, in part due to the expiration of the lease for 414 Thompson Lane at the end of September. This new lease will also allow parking temporarily for staging new buses and/or non-revenue vehicles. This space is needed since lease options with repair bays is limited and this location is preferred due to the need to supplement this lease space with service islands at other nearby CapMetro facilities.

This new lease space is intended to provide an interim solution to support the needed growth prior to the permanent MetroBike solution being implemented. Approval is requested to lease this space at 4811 East 7th Street from December 2023 through November 2025 with an option to potentially extend through April 2027 when the Demand Response North Base site is planned to be operational. Currently, the Landlord is only willing to lease the space through November 2025 but may elect to lease it to CapMetro longer depending on if his development plans for the site mature in a timely manner or not. This solution is expected to accommodate MetroBike and maintenance of 80 Demand Response revenue vehicles, or a combination of buses/non-revenue vehicles and less Demand Response revenue vehicles, and sufficient parking for site personnel.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply.

RESPONSIBLE DEPARTMENT: Facilities Management
RESOLUTION
OF THE
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS

STATE OF TEXAS
COUNTY OF TRAVIS

AI-2023-921

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and Capital Metro management recognize the need to protect the safety of all employees and Capital Metro assets and provide all city, state and federal code requirements; and WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and Capital Metro management recognize the need to provide for the environmental needs of the workforce, and the environmental needs of the patrons utilizing the public areas of the facilities.

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 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 proposed primary 3-year, 5-month lease term.

____________________
Secretary of the Board
Becki Ross

____________________
Date: ____________________
CapMetro

4811 East 7th Street
Tracts 1 & 2
Lease Overview

October 11, 2023
MetroBike & MetroAccess – 4811 East 7th Street

• Purpose
  • MetroBike & MetroAccess Maintenance & Parking with Temporary Bus Staging
  • Location: Between East 5th & 7th Streets just east of Springdale Road.

• Lease Area
  • 11,978 square foot building with parking on 3.47 acres

• Term
  • Firm: 24 months
  • Optional: 17 months requested to bridge when Demand Response North Base will be operational. This will be at Landlord’s & CapMetro’s discretion.
MetroBike & MetroAccess – 4811 East 7th Street

- Rental Rate
  - Initial monthly gross hybrid rental rate: $53k + property tax, insurance, & 4% management fee.
  - Average annual rate increase for 2nd year: 3%

- Additional Key Tenant Expense:
  - Utilities
  - Signage

- Total Expected 41 Month Expenditure:
  - $3.8 MM
Thank you!
SUBJECT:
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.

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: CapMetro serves thousands of customers daily who use our Park & Ride facilities. The safety and security of both our customers and employees is a priority and in alignment with the CapMetro strategic plan.

BUSINESS CASE: Cameras purchased by this contract will either be replacement cameras where existing cameras have reached the end of their useful life (maintaining state of good repair), or they will be new cameras installed to reduce existing blindspots in coverage.

COMMITTEE RECOMMENDATION: This item was presented and recommended for approval by the Operations, Planning and Safety Committee on October 11, 2023.
EXECUTIVE SUMMARY: Equipping the CapMetro Park & Ride facilities with video cameras enhances the safety and security of those facilities for CapMetro customers and employees and serves as a deterrent to criminal activity. The CapMetro Operations Control Center and Public Safety Dispatchers rely heavily on video cameras at Park & Ride facilities to monitor operations, perform security camera sweeps throughout the day, and research incidents using recorded video. The cameras also serve as a deterrent to criminal activity because they are clearly visible and provide thorough video coverage of the facilities. Video cameras add business value by providing real time and recorded information that allows CapMetro to make critical decisions to positively impact operations. This information helps the CapMetro Operations Control Center and Public Safety Department make effective decisions that improve service efficiency and customer experience.

This project also aligns with the objectives of maintaining a culture of safety and adhering to a state of good repair, as many of the cameras are at the end of their useful life.

The scope of this project is to install 127 video cameras at four CapMetro Park & Rides to maintain a state of good repair. Of the 127 video cameras, 19 will be new cameras installed at Leander, Lakeline and South Congress Transit Center to ensure coverage and reduce/eliminate some existing blind spots.

Replacement Cameras
- Leander - 33
- Lakeline - 40
- South Congress Transit Center - 29
- Tech Ridge - 25

New Cameras
- Leander 1
- Lakeline 9
- South Congress Transit Center - 9

DBE/SBE PARTICIPATION: No SBE goal is assigned to this procurement due to limited subcontracting opportunities.

PROCUREMENT: The contract will use the Department of Information Resources (DIR) cooperative Contract No. DIR-CPO-4742 held by Preferred Technologies LLC for Surveillance, Law Enforcement, Surveillance and Security Monitoring, Emergency Preparedness, Disaster Recovery Technology Products and Services.

DIR awarded contracts are made available for use by Capital Metro 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.
The pricing to provide and install video surveillance cameras at four CapMetro Park & Ride facilities was determined to be fair and reasonable by the DIR organization during its solicitation and award process. Additionally, pricing proposals were requested from five vendors who provide similar services through DIR and like cooperatives. Three proposals were received and evaluated. Preferred Technologies provided the best value to the Authority.

The following is Preferred Technologies DIR pricing per facility:

<table>
<thead>
<tr>
<th>Description</th>
<th>Lump Sum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Camera Enhancement and Replacement - Leander Park &amp; Ride</td>
<td>$50,453.12</td>
</tr>
<tr>
<td>Camera Enhancement and Replacement - Lakeline Park &amp; Ride</td>
<td>$56,356.19</td>
</tr>
<tr>
<td>Camera Enhancement and Replacement - S. Congress TC Park &amp; Ride</td>
<td>$38,774.17</td>
</tr>
<tr>
<td>Camera Enhancement and Replacement - Tech Ridge Park &amp; Ride</td>
<td>$35,383.14</td>
</tr>
<tr>
<td>Total Lump Sum</td>
<td>$180,966.62</td>
</tr>
</tbody>
</table>

The contract will be a fixed price contract.

RESPONSIBLE DEPARTMENT: Public Safety & Emergency Management
RESOLUTION
OF THE
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS

STATE OF TEXAS
COUNTY OF TRAVIS

AI-2023-974

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and Capital Metro management endeavor to ensure the safety and security of employees and customers; and

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and Capital Metro management recognize the need to install 127 cameras to support operations and ensure safety and security at the Leander, Lakeline, South Congress, and Tech Ridge Park & Ride facilities.

NOW, THEREFORE, BE IT RESOLVED that the Capital Metropolitan Transportation Authority Board of Directors authorizes the President & CEO, or her designee, to finalize and execute a contract with Preferred Technologies LLC for the installation of cameras and supporting equipment at four CapMetro Park & Ride facilities in an amount not to exceed $180,997.

Date: ______________________

Secretary of the Board
Becki Ross
SUBJECT:
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.

FISCAL IMPACT:
Funding for this action is available in the FY2024 Capital Budget

STRATEGIC PLAN:
Strategic Goal Alignment:
☒ 1. Customer ☐ 2. Community
d ☐ 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: In the course of providing daily bus service it is sometimes necessary to transport customers in non-revenue support vehicles, including riders who use wheelchairs. Making a portion of the support vehicle fleet wheelchair accessible aligns with agency goals by supporting safe and reliable service for riders with wheelchairs, promoting a high-quality customer experience, and ensuring the system is accessible. The wheelchair accessible support vehicles will become part of CapMetro’s non-revenue fleet of vehicles and will be maintained in a state of good repair.

BUSINESS CASE: Under the new Contracted Bus Operations and Maintenance Contract, CapMetro is responsible for providing non-revenue support vehicles. The purchase of these vehicles supports these contract requirements.
COMMITTEE RECOMMENDATION: This item was presented and recommended for approval by the Operations, Planning and Safety Committee on October 11, 2023.

EXECUTIVE SUMMARY: The purchase of these fifteen wheelchair accessible vans will allow operations staff when called upon, to transport riders who use wheelchairs, ensuring a good customer experience and an accessible system. These vehicles will become part of the non-revenue vehicle fleet where they will primarily be used to support bus operations but will also be available as needed for use in demand response, rail, and administration as needed. This is a growth of the non-revenue fleet, having been previously supplied by contractors, but which will now be owned and maintained by CapMetro under the State of Good Repair plan.

DBE/SBE PARTICIPATION: This vehicle purchase does not include an opportunity for DBE/SBE participation.

PROCUREMENT: The contract will utilize the Houston-Galveston Area Council (H-GAC) Contract No. BT01-21 held by Creative Bus Sales, Inc. for Buses-Shuttle, Transit, Trams and Other Specialty Buses.

H-GAC awarded contracts are made available for use by Capital Metro via Title 7, Intergovernmental Relations Chapter 791, Interlocal Cooperation Contracts and The Texas Interlocal Cooperation Act.

Purchases made using H-GAC contracts satisfy otherwise applicable bidding requirements. Pricing for the Wheelchair Accessible Service Support Vehicles was determined to be fair & reasonable by the H-GAC during its solicitation and award process.

H-GAC pricing for Wheelchair Accessible Service Support Vehicles is referenced as follows:

<table>
<thead>
<tr>
<th>Item #</th>
<th>Description</th>
<th>Quantity</th>
<th>Unit Price</th>
<th>Extended Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Wheelchair Accessible Vans</td>
<td>15</td>
<td>$78,416.00</td>
<td>$1,176,240.00</td>
</tr>
<tr>
<td>2</td>
<td>H-GAC Fee</td>
<td></td>
<td></td>
<td>$600.00</td>
</tr>
<tr>
<td></td>
<td><strong>Grand Total Price (Item 1 and 2 Inclusive):</strong></td>
<td></td>
<td></td>
<td><strong>$1,176,840.00</strong></td>
</tr>
</tbody>
</table>

The contract is a fixed price contract.

RESPONSIBLE DEPARTMENT: Operations and Maintenance Oversight
RESOLUTION
OF THE
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS

STATE OF TEXAS
COUNTY OF TRAVIS

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and Capital Metro management recognize the importance of providing an accessible system and a high-quality customer experience.

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 Creative Bus Sales, Inc. for the purchase of fifteen (15) wheelchair accessible service support vehicles in a total amount not to exceed $1,176,840.

____________________
Date: ____________________

Secretary of the Board
Becki Ross
BraunAbility
Chrysler Voyager LX

4 passenger capacity
1 wheelchair
side entry w/ ramp
SUBJECT:
Approval of a resolution authorizing the President & CEO, or her designee, to implement the January 2024 Service Changes.

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: Service changes are in accordance with CapMetro’s Service Standards and Guidelines as adopted by the Board in June 2023. The proposed January 2024 service changes are designed to meet Initiative 10: Bus Service Improvements in CapMetro’s Strategic Plan -- 10.1 Conduct ongoing service planning to improve reliability and service quality.

BUSINESS CASE: These changes are intended to formalize service levels as they have been operating for the last 2 years. Discontinuing service and operating reduced frequency is a necessary step to efficiently distribute limited resources to provide reliable service for our customers overall.

COMMITTEE RECOMMENDATION: This agenda item was presented at the Operations, Planning and Safety Committee meeting on September 13, 2023, and at a public hearing on October 11, 2023. In addition, this agenda item will be present to the full board on Monday, October 23, 2023.
EXECUTIVE SUMMARY: The January 2024 service changes make permanent the status of services as they are operating today and adds new service where possible.

Staff recommends the following changes for approval at the October board meeting:

- New Dove Springs Pickup Zone - An additional Pickup zone in Dove Springs is proposed to connect southeast Austin residents to frequent service, key destinations and the upcoming CapMetro Rapid Pleasant Valley Line.
- Removal of Express Routes 981, 987 and E-Bus Routes - Service has been suspended on these routes since 2020. We would discontinue these routes to save resources; alternative routes are available in these areas.
- Reclassification of Routes 18, 217, & 335 - Continue to operate these routes at a 30-minute frequency, instead of reinstating 15-minute service. There would be no change to existing service, these routes would be removed from the High Frequency Network due to low ridership.
- Minor Schedule Adjustments - Select Bus & Rail routes may receive minor adjustments to their schedules to improve on-time performance and reliability.

In accordance with FTA Circular 4702.1B and CapMetro’s Title VI Policies, CapMetro completed Title VI service equity analyses for the proposed route changes that meet our definition of “Major Service Change” to determine whether the proposed changes will result in a disparate impact or disproportionate burden on minority populations or low-income populations, respectively. The service equity analysis for the proposed changes to Routes 18, 217, 335 and E-bus routes was completed in August 2023. This analysis revealed no disparate impact borne by minority populations or disproportionate burden borne by low-income populations. The service equity analysis for the proposed elimination of Routes 981 and 987 was completed in November 2021. This analysis revealed no disparate impact borne by minority populations, and a disproportionate burden borne by low-income populations. The disproportionate effect on low-income populations is mitigated by the existence of similar express and rail service.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply.

RESPONSIBLE DEPARTMENT: Planning and Development
RESOLUTION
OF THE
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS

STATE OF TEXAS
COUNTY OF TRAVIS

AI-2023-918

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and CapMetro management desire to efficiently distribute limited resources to provide reliable service for our customers; and

WHEREAS, the process for restoring suspended service has proven to be unpredictable given limited resources resulting in an indefinite suspension; and

WHEREAS, CapMetro desires to be transparent with its customers and needs to clearly communicate the status of these services; and

WHEREAS, the proposed changes meet the major service change threshold set forth in CapMetro’s Title VI Policy, and thus service equity analyses were conducted in November 2021 and August 2023, as required by the Federal Transit Administration’s Title VI Circular 4702.1B; and

WHEREAS, the service equity analyses found no disparate impact to minority populations, and the finding of a disproportionate burden on low-income populations for Routes 981 & 987 is mitigated by similar express and rail service; and

WHEREAS, a public hearing was held on October 11th; and

WHEREAS, CapMetro has the resources for a new Dove Springs Pickup zone, which is included in the Project Connect program of projects.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the President & CEO, or her designee, is authorized to implement January 2024 Service Changes described in the attached document beginning Sunday, January 14, 2024.

Date: ________________________

Secretary of the Board
Becki Ross
Proposed January 2024 Service Change

October 11, 2023
Background

Pre-Pandemic

*CapMetro is operating service in accordance with the Board-approved and long-range service plan (CapRemap) and seeing historic ridership increases.*

March 2020

*Pandemic declared.*

CapMetro temporarily suspends Express Routes 981 & 987 and implements modified schedule for all services.

These changes remain in place through August 2020, when some service schedules are restored.

September 2021

*Significant impacts to available resources (operators and mechanics) require service change and reductions to provide reliable, predictable service.*

CapMetro temporarily suspends E-Bus Routes 410, 411 and 412 and reduces daily service frequencies on Local Routes 18, 217 and 335.

Today

*CapMetro leveraging resources from ongoing suspended services to provide support for areas of need, such as high-ridership routes (300) and UT Shuttle.*
How is a service change proposal developed?

**Identify the Issues**
1. Review Community Feedback
   - From riders, board of directors and operators
2. Evaluate New Streets & Key Destinations
3. Analyze KPIs
   - Starting with productivity, speed, overcrowding and OTP

**Develop Proposals**
1. Review Issues & Opportunities
2. Create Proposal or Proposal Options

**Evaluate Proposals**
1. Origin & Destination Survey Results
2. Target Transit Rider Equity Analysis
   - Incorporate demographic data on target transit riders
3. Cost Feasibility
   - Is it a major service change?

**Public Feedback**
1. CapMetro Advisory Committees
2. Public Feedback
3. Board of Directors
   - Does it need further review?

**Implement Change**
- If YES
  - Revisit Proposal(s)
- If NO
  - Implement Change

- FTA Title VI Analysis
  - Board approval required
Step 1: Identifying Challenges & Opportunities

• Availability of Resources
  • Covid suspended resources have been reallocated to in-need routes with high ridership.
    • 53% of Go-Line calls within the last six months are about service reliability, demonstrating the need to continue to allocate resources in a way that prioritizes predictability and reliability for customers.

• Travel Patterns
  • Post-pandemic travel patterns are still unstable and more challenging to predict, impacting ridership.
  • Industry-wide, commuter service has not recovered as fast as local service.
Step 1: Identifying Challenges & Opportunities

• Transparency for Customers
  • CapMetro has continued indefinite suspension of some services as ongoing pandemic response.

• Customers have requested transparency in whether these services will ever be restored.
Ridership is Recovering

79%

CapMetro is an industry leader with 79% of pre-pandemic ridership restored, and growing.
Step 2: Proposed Service Changes – Jan. 2024

**Summary:** Make permanent the status of services as they are operating today and add new service where viable.

- Maintain 30-Minute Service on Routes 18, 217, & 335
  - *Operating with 30-minute service since September 2021*

- Permanently suspend routes 981 and 987 and E-Bus Routes
  - *Commuter Routes 981 and 987 suspended since March 2020*
  - *E-Bus suspended since September 2021*

- Adding a new Dove Springs Pickup Zone
  - *New zone included in Project Connect program of projects*

- Maintain use of suspended resources to increase reliability for customers across the system
Dove Springs Pickup

- January 2024 Planned Launch
- Hours of Operation:
  - Weekdays: 7 a.m. – 7 p.m.
  - Saturdays: 10 a.m. – 6 p.m.
- 5.4 square mile zone
- Connectivity
  - Route 7, Route 311 and Route 333
  - Future Pleasant Valley MetroRapid
Step 2: Develop and Evaluate Proposals

- Major Service Change
- Title VI Service Equity Analysis Completed
  - Express (January 2022)
  - 18, 217, & 335 (November 2022)
  - E-Bus (August 2023)
Step 3: Outreach & Public Feedback

- **August**
  - Service Equity Analysis Memo
  - Board Memo
  - 1:1 with Advisory Committee Chairs

- **September**
  - Customer Satisfaction Committee
  - Website & on-bus brochure
  - At-Stop Signage
  - Operator Notices
  - MetroAlerts & social media
  - Virtual Presentation

- **October**
  - Access Committee
  - Public Hearing
  - Board Approval

Changes Implemented January 14, 2024
Online Survey Summary

- 45 respondents provided 85 comments

<table>
<thead>
<tr>
<th>Service</th>
<th>Number of Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Route 18</td>
<td>14</td>
</tr>
<tr>
<td>Route 335</td>
<td>9</td>
</tr>
<tr>
<td>Pickup</td>
<td>5</td>
</tr>
<tr>
<td>Route 217</td>
<td>2</td>
</tr>
<tr>
<td>Route 987</td>
<td>2</td>
</tr>
<tr>
<td>E-Bus</td>
<td>1</td>
</tr>
<tr>
<td>Route 981</td>
<td>0</td>
</tr>
</tbody>
</table>
Comments

Don’t reduce Route 18
Make Route 217 a real route
Routes 18 & 335 should go back to every 15 minutes
Route 18 routing should be changed
UT Students need Route 18

Route 18 connects MLK Station to downtown & campus
Crosstown service is important
Add service on Route 985
I use Route 335 to make connections
Thank you!
To: CapMetro Board of Directors
From: Sharmila Mukherjee, EVP, Chief Strategic Planning and Development Officer
Date: August 23, 2023
Re: Proposed January 2024 Service Changes

Service changes provide CapMetro an opportunity to adjust its services to meet the needs of customers and efficiently use our resources. Service changes occur up to three times a year typically in January, June, and August. These changes coincide with local school and university calendars.

The service change process is guided by the revised Service Standards and Guidelines, which the board approved at its June 2023 board meeting. CapMetro’s service change process is illustrated below (Figure 1) and additional information about how service changes are developed, evaluated, approved and ultimately implemented is available on our website at capmetro.org/servicechange.

Figure 1: CapMetro Service Change Process

The proposed January 2024 service change process includes a robust community engagement phase that involves notifying elected officials, key stakeholders, and communities at-large, and soliciting input from potentially impacted interests. CapMetro will share information about its proposed January 2024 service changes, review community feedback, and summarize its community engagement efforts prior to bringing the proposed service change to the board for approval in October 2023. A public involvement plan is included in Appendix C.

These proposed changes are classified as a major service change since routes are recommended for discontinuance or there is a major modification which causes a 25% or greater change in the number of daily service hours provided. Therefore, a public hearing is required, and the community will have...
an opportunity to formally comment on the proposed service changes during a scheduled public hearing before the board considers acting on this item.

The following is a high-level summary of the proposed service changes for January 2024.

- **Discontinuation of Service Suspension and Service Change for Reductions** – Service suspensions on Express routes 981 and 987, E-Bus are proposed to become permanent. Daily service frequency reductions on Routes 18, 217, & 335 would now be an official service change. These routes consistently had the lowest average daily ridership and lowest performance when compared to other High-Frequency Routes.

- **Minor Bus Schedule Adjustments** – To improve on-time performance, select routes may receive minor adjustments to their schedules.

- **Minor Rail Schedule Adjustments** – Rail on Weekdays and/or Saturdays may receive minor schedule adjustments to ensure more efficient and reliable service.

- **New Pickup Zone** – Implement a new Dove Springs Pickup zone in southeast Austin that will provide a flexible service in southeast Austin and a connector to the future Pleasant Valley MetroRapid service.

The proposed changes are in accordance with CapMetro’s proposed FY 2024 budget. If approved, the changes would be implemented on Sunday, January 14, 2024. Appendix A describes the specifics of the recommendations.

**Bus**

As part of our ongoing commitment to best serve the community and stewarding limited resources responsibly, CapMetro implemented several data-driven service adjustments and reallocations during the pandemic. We faced challenges maintaining service levels due to a shortage of operators, mechanics, vehicles, replacement parts, and numerous other unexpected changes. In March of 2020, we temporarily suspended Express Routes 981 and 987, and in September of 2021, we temporarily suspended E-Bus service and reduced daily service frequencies on Routes 18, 217 and 335. The decision to temporarily suspend these services and reduce frequencies was not taken lightly but was treated as a necessary step to efficiently distribute limited resources to provide reliable service for our customers overall.

CapMetro’s original intention was to restore these routes to their original service levels once various resources were available and transit demand returned. However, determining the timelines and processes for restoring service has proven to be unpredictable given the number of factors that influence this process -- recruitment, successful hiring, availability of vehicles and replacement parts, to name a few. In addition, there have been long-lasting shifts in travel patterns and demand that continue to necessitate reallocating limited CapMetro resources to other services.

Prior to the start of the pandemic, Routes 18, 217, & 335 consistently had the lowest average daily ridership and lowest performance when compared to other High-Frequency Routes. They continued to have low performance compared to other High-Frequency Routes during the pandemic. When CapMetro needed to reduce service in fall of 2021, these routes were selected due to lagging ridership. By providing service on these routes every 30 minutes, we aim to ensure that customers still have access to transit. The reclassification does not apply to temporary weekend frequency reductions for
our High-Frequency routes. CapMetro still plans to reinstate 15-minute weekend frequencies for our High-Frequency routes once resources become available.

Commuter routes continue to have low ridership due to changing work patterns. The proposed discontinued Routes 981 and 987 have viable substitutes that ensure continued transportation options for commuters. More specifically, customers who use Route 981 can utilize Route 982 as an alternative, and those who use Route 987 have the option to switch to the Red Line and Route 985.

E-Bus service (Routes 410, 411, and 412) previously operated on Thursday, Friday, and Saturday nights from 10:00 p.m. to 3:00 a.m. during the University of Texas’ Fall and Spring semesters. Before the suspension, ridership on the E-Bus had been declining as students chose other options to travel downtown. CapMetro temporarily suspended E-Bus service during Fall 2021 and encouraged customers to utilize our Night Owl service as a viable alternative with 6-days-a-week year-round service.

Staff recommends discontinuing the suspended service status of these service adjustments and confirming an official service change, based on current availability of resources, and needs. The update ensures that we are reliably meeting our established service levels and communicating clearly and transparently to our customers and the public. The board reviewed a Title VI service equity analysis for the suspension of Routes 981 and 987 in January 2022. A service equity analysis for E-Bus and Routes 18, 217 & 335 showed no disparate impact or disproportionate burden on our customers. Both service equity analysis memos are included in Appendix B.

Pickup
Pickup has provided over 650,000 trips since its inception on June 3, 2019, and ridership continues to increase in 2023. The service is currently providing an average of 1,351 weekday trips. Pickup’s continued popularity drives CapMetro to expand this service to other parts of our service area.

Staff proposes a new zone, Pickup Dove Springs, that will provide a flexible service in southeast Austin and a connector to the future Pleasant Valley MetroRapid service. Pickup Dove Springs was planned to provide a neighborhood and activity-centered transit solution in an area of Austin that has been historically underinvested in and where typical fixed route transit services were inefficient due to the current geography and street grid connectivity. Pickup Dove Springs is planned to launch in January 2024 before the future Pleasant Valley MetroRapid and will provide first/last mile service to Route 7, Route 311 and Route 333. The zone will be bordered by IH-35 to the west, E. Ben White Blvd to the north, E. Stassney Ln to the east, and E. William Cannon Dr. to the south (see Appendix D for map). Pickup Dove Springs will include destinations such as HEB, Travis County Association for the Blind, Austin Lighthouse for the Blind, the future site of the Dove Springs Medical Center and numerous schools, elementary through high school.

Initial public engagement efforts for Pickup Dove Springs began on May 11, 2023, with the launch of an online survey and concluded on June 25, 2023. CapMetro’s Community Engagement team informed stakeholder groups and key leaders of the proposed new service and reached out to select businesses and organizations throughout the proposed zone to seek input on destinations, service levels and other zone details. CapMetro sent 12,000 postcards to Dove Springs businesses and residents encouraging survey participation, held two public meetings, engaged local schools, conducted at-stop outreach, led information sessions at six community-based events in and around the proposed zone, and promoted the survey on social media. Staff provided English and Spanish engagement materials
and created accessible documents for meeting with the Lighthouse for the Blind, including accessible PowerPoint and recorded presentations, large-text posters, and braille materials. More than one hundred surveys were received because of these efforts.

The zone would launch on Monday, January 15, 2024. Two vehicles would operate simultaneously between 7am – 7pm Monday-Friday and 10am – 6pm Saturday\(^1\). The number of vehicles could increase after the zone launches based on demand and ability to meet our 15-minute response time. The average monthly cost is expected to be $51,000 to operate, which is in accordance with CapMetro’s proposed FY 2024 budget.

**Regional Coordination**

The CapMetro Government Affairs team, in close coordination with Planning and Development staff continues to facilitate engagement opportunities and ongoing communication with all cities within CapMetro’s service area. As part of the update to the Service Standards and Guidelines, staff met with member cities and non-member regional partners, in coordination with the Regional Transportation Coordination team, to explore ways to strengthen our service change process. These discussions helped shape our conversations around incorporating regional feedback in service change processes. A memo updating the board on staff’s member city outreach was provided in the July 24th board meeting agenda packet.

In addition, CapMetro’s Regional Planning team, in close coordination with Government Affairs staff, facilitates partnerships, Transit Development Plans (TDPs) and transit service agreements with jurisdictions within the Central Texas urbanized area, but outside of the CapMetro service area. The team is working with Buda, Pflugerville, and Travis County on their TDPs. There will be several agreements with regional partners to continue transit service into FY24 September Board meeting.

As we develop service change proposals, staff will work with each jurisdiction to solicit input, understand their concerns, evaluate existing and future services, identify any practicable solutions and address issues that may occur. In the future, all service evaluations will follow the process outlined in the updated Service Standards and Guidelines, allowing for several points of engagement with the public. As part of CapMetro’s upcoming Service Planning process, staff will also coordinate on communicating proposed service changes to help facilitate an exchange of information and understanding among our regional partners and address any concerns.

**Service Planning**

While the proposed January 2024 Service Change includes discontinuing suspended service and making permanent service changes to select routes, staff are about to start CapMetro’s next 5-10-Year Transit Plan. Our previous 5-10-year plan, Connections 2025, yielded our most recent transit system re-design, Cap Remap, that increased the frequency and reliability of our services and resulted in a month-over-month, year over year increase in ridership from June 2018 until March 2020. The upcoming service planning effort will culminate in a detailed implementation and vision plan to coordinate and implement all current and future CapMetro services in a way that aligns with community needs today. During this process we will identify how people are traveling in the central Texas region and evaluate the entire system to identify where services are meeting our customer’s needs and where there are opportunities for improvements. During this process, CapMetro will meaningfully engage with the community and prioritize a public participatory and inclusive process to

---

\(^1\) The August 10, 2023 memo stated operating hours as 6am-7pm Monday – Friday.
ensure we capture representative feedback and equip the board with information to make informed decisions.

Should Board Members have any questions regarding the proposed changes, they should contact Ed.Easton@capmetro.org.

Appendixes

- Appendix A – Summary of January 2024 Proposed Service Changes
- Appendix B – August 2021 Service Change Equity Analysis (distributed to the Board in November, 2021)
- Appendix C – Proposed Dove Springs Pickup Zone Map
Memo: Public Feedback Responses - January 2024 Proposed Service Change (October 16, 2023)
Below are responses and additional context regarding comments and suggestions made by community members during the January 2024 Service Change Public Hearing and Board Committee Meetings held on October 11, 2023. Topics include Pickup service hours; Routes 18, 217, 335, 392, 339; ridership calculations; and ridership at the Esperanza Crossing stop.

The proposed January 2024 Service Change includes:

- **Discontinuation of Service Suspension and Service Change for Reductions** – Service suspensions on Express routes 981 and 987, E-Bus are proposed to become permanent. Daily service frequency reductions on Routes 18, 217, & 335 would now be an official service change. These routes consistently had the lowest average daily ridership and lowest performance when compared to other High-Frequency Routes.

- **Minor Bus Schedule Adjustments** – To improve on-time performance, select routes may receive minor adjustments to their schedules.

- **Minor Rail Schedule Adjustments** – Rail on Weekdays and/or Saturdays may receive minor schedule adjustments to ensure more efficient and reliable service.

- **New Pickup Zone** – Implement a new Dove Springs Pickup zone in southeast Austin that will provide a flexible service in southeast Austin and a connector to the future Pleasant Valley Rapid service.

In some of the answers, you will note mentions of our Transit Service Plan, which we will start in 2024 and complete in approximately 18 months. The Transit Service Plan was described in more detail in the Service Change memo provided to the Board on August 10, 2023; the effort will comprehensively examine the services we provide, aiming to better serve our customers and the broader community. A primary focus continues to be ensuring equitable and accessible services, in alignment with our new, Board-approved Service Standards and Guidelines.

Should Board Members have any questions regarding the information below or the proposed January 2024 service change, please contact Ed.Easton@capmetro.org.

**Provide earlier Pickup service for the Dessau zone**

In Spring of this year, CapMetro staff provided a presentation to the Board regarding the Pickup Service - including details on performance and needs for each of the current 10 zones. The presentation also included discussion of additional zones in the future (Dove Springs proposed for early 2024 and Decker/Loyola area proposed for 2025), and potential expansion of existing zones based on community need. Demand for CapMetro Pickup service continues growing, and additional resources are needed to address current and future demand.

During Public Comment, a request was made to consider extending the start time of Dessau Pickup to begin at 6 a.m., an hour before the current 7 a.m. start of service. Currently, Leander Pickup is the only zone to offer a 6 a.m. start time; this coincides with the need to coordinate transfers with limited Express and Rail service offered in this community.
In early 2024, staff will provide a list of recommendations and priorities for the program designed to address on-time performance, ridership, and resource allocation based on need. Earlier morning operation is one consideration under review, in addition to later evening and weekend service. CapMetro staff will consider all the requests and suggestions we have received regarding Pickup, in addition to data from existing zones and our network-wide analysis, to make a comprehensive proposal regarding modifications to Pickup service across the CapMetro system. The proposal will be based on resource availability and constraints. Staff recommends waiting for this comprehensive review to make any additional changes to existing zones.

Route 217 was intended to be temporary

When the Central Texas Regional Mobility Authority (CTRMA) began construction for improvements to U.S. 183, CapMetro split Route 17 (now Route 2) into two pieces to improve on-time performance and reliability. This change was treated as a service change complete with public outreach, a Title VI service equity analysis and Board approval, and the original intent was to realign this route at the conclusion of highway construction. However, there have been multiple changes that make rejoining the old versions of the routes more difficult including the interlining of Routes 2 & 17 in January 2023, the opening of Esperanza Crossing, and changing transit demand. Additionally, subsequent to the highway construction beginning, CapMetro partnered with CARTS to open the East Side Bus Plaza which improved connectivity between several CapMetro and CARTS services in this area, making transfers easier. CapMetro staff intends to review transit service in this area during the Transit Service Plan with a specific focus on exploring opportunities to improve service in the Montopolis corridor.

Route 18 provides connections for UT students

CapMetro reduced the frequency of Route 18, along with other routes, in September 2021 in response to an urgent staffing and resource crisis impacting transit service. At the time, Route 18 was selected for a reduction because schools were still operating in a limited capacity, and ridership on the 18 was some of the lowest ridership among CapMetro high frequency routes. By reducing frequency on lower-performing routes, CapMetro was able to reallocate resources where needed to meet changing demand, such as the Route 300, and provide reliable and predictable transit service. To reinstate the pre-COVID frequency on Route 18 will result in less frequency and reliability on other, more-in-need routes. CapMetro has heard from UT students residing along Lake Austin Blvd that they need better connections to campus on the weekends either by Route 663 or Route 18. CapMetro’s Planning Department is continuously looking at ways to improve transit connections in partnership with the University of Texas, including meeting regularly with the Shuttle Bus Committee comprised of students, staff, and faculty to determine the best transit service of UT students.

The resident also suggesting eliminating Route 465 to provide more frequent service on Route 18. Route 465 is a rail connector connecting MLK Station to downtown and is designed to coordinate with the Red Line with minimal wait time for transferring customers (in CapMetro’s experience, customers will only connect to a bus from the Red Line if the wait is minimal and timed). Route 465 also operates with limited resources during Weekdays (including a short span) and does not operate on Saturdays and Sundays. An increase in overall resources would be required to modify frequency on Route 18, beyond what Route 465 has currently available.

Increase the frequency of Route 392 to every 30 minutes from 45 minutes

Route 392 is intended to operate every 35 minutes on weekdays and every 30 minutes on weekends. CapMetro will continue to monitor the on-time performance of this route.

Route 339 hours of operation were reduced

Prior to CapRemap in 2018, the Tuscany and Walnut Business Creek Park area (currently served by Route 339) was served by Route 323. Due to low ridership and productivity, the section along Walnut Creek Business Park for Route 323 was proposed for elimination. During public input, the Board instructed staff to replace this area with a
“coverage” route with minimal frequency and span. New Route 339 was created with less hours than the previous service.

In 2017, Tuscany and Walnut Creek Business Park was served from 5 a.m. until about 11 p.m. on weekdays. In 2018 new Route 339 served this area from 6 a.m. to approximately 9 p.m. (approximately 3 hours shorter in span). In January 2023, Route 339 service hours were increased, serving the area until approximately 10 p.m. and CapMetro staff are monitoring the service and continuing to assess needs. As we move forward with the future Transit Service Plan, we will be conducting a needs assessment of all areas of the system in relationship to recently approved Service Guidelines and Standards.

**Route 335 Ridership and How Ridership is Calculated**

Route 335 continues to suffer from low ridership year after year. Both before the pandemic and during the peak of the pandemic in 2020 and 2021, Route 335 has consistently been among the three lowest ridership routes across the entire high-frequency network, along with Routes 217 and 18. CapMetro reduced scheduled frequency in 2021, and ridership for Route 335 continues to suffer recovery on other routes. Due to ongoing resource constraints and the need to reallocate limited resources to meet the need of services and areas where ridership is recovering faster, staff maintains its recommendation of continuing to operate the 335 at a 30-minute frequency.

During public comment, a concern about how CapMetro calculates riders per hour was raised. Specifically, the community member noted a concern that CapMetro bases riders per hour on scheduled hours versus actual hours operated. Doing this may result in misleading route productivity data (riders per hour) on routes that have dropped service or on routes that have additional service hours added due to demand or special events. CapMetro uses automatic passenger counters onboard the vehicles to count passengers boarding and alighting, and a customer who does not board is not counted in any way.

CapMetro completed a monthly and annual analysis for Route 335 and found that we lost less than an average of 1% of scheduled service on the 335 in any given month. When reviewing the difference between scheduled and actual hours operated and customers served, this difference between scheduled and actual with loss changed our measure for Riders per Revenue Hour by no more than 1/10th (or 0.1). While we do not know how many customers did not board our service due to inconvenience caused by dropped service, it is unlikely to significantly boost ridership enough to warrant a restoration of frequency on Route 335 compared to other routes with more demand.

Regarding data labeling on the CapMetro dashboard, staff are working to ensure proper labels and explanations of calculations are available.

**Ridership at Esperanza Crossing**

During the Board Committee Meeting, a Board Member enquired about ridership from Esperanza Crossing. Since the start of the August Service Change, approximately 33 customers get on or off the bus at Esperanza Crossing on weekdays. Approximately 20 customers get on or off the bus on weekends. CapMetro also installed a new shelter at this location in summer 2023, in alignment with the Board-approved Service Standards & Guidelines (pictured below).
SUBJECT:
Approval of a resolution adopting revisions to the CapMetro Investment Policy.

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: Annual review and approval of this policy is required to comply with the Texas Public Funds Investment Act. The policy was last reviewed in 2022.

BUSINESS CASE: CapMetro is required to invest funds in accordance with the Public Funds Investment Act. The governing body (the CapMetro Board) of an investing entity (CapMetro) is required to review its investment policy and investment strategies no less than annually. Per the Public Funds Investment Act, the CapMetro Board shall adopt a written instrument stating that it has reviewed the investment policy and investment strategies and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies.

COMMITTEE RECOMMENDATION: This item was presented and recommended for approval by the Finance, Audit and Administration Committee on October 11, 2023.
EXECUTIVE SUMMARY: The proposed policy was reviewed by PFM Asset Management LLC, under contract as CapMetro’s investment advisory firm. Attached is an updated policy along with a red line copy of the changes to CapMetro’s Investment Policy, which complies with the Act. The changes are mostly minor in nature and seek to ensure compliance with law and provide clarity about the intent of the policy.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply.

RESPONSIBLE DEPARTMENT: Finance
RESOLUTION
OF THE
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS

STATE OF TEXAS
COUNTY OF TRAVIS

WHEREAS, CapMetro is required to invest funds in accordance with the Texas Public Funds Investment Act; and

WHEREAS, the Texas Public Funds Investment Act requires an annual review of the investment policy and investment strategies and such review has been performed.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the attached Investment Policy, which includes Capital Metro’s investment strategies, has been reviewed and the recommended changes to the policy are adopted.

____________________
Date: ____________________

Secretary of the Board
Becki Ross
PREFACE

It is the policy of the Capital Metropolitan Transportation Authority (CapMetro) that all available funds shall be invested in conformance with these legal and administrative guidelines.

Effective cash management is recognized as essential to good fiscal management. An aggressive cash management and investment policy will be pursued to take advantage of investment interest as viable and material revenue to all operating and capital funds. CapMetro’s portfolio shall be designed and managed in a manner responsive to the public trust and consistent with state and federal law.

Investments shall be made with the primary objectives of:

- Preservation of capital and protection of principal
- Maintenance of sufficient liquidity to meet operating needs
- Security of CapMetro funds and investments
- Diversification of investments to avoid unreasonable or unavoidable risks
- Maximization of return on the portfolio
SECTION I
PURPOSE

I. PURPOSE

A. Authorization

This Policy is to be authorized by the Capital Metropolitan Transportation Authority’s Board of Directors in accordance with Section 2256.005 of the Public Funds Investment Act (Chapter 2256, Texas Government Code) which requires the adoption of a formal written Investment Policy.

B. Scope

This Policy shall govern the investment of all funds of Capital Metro as entrusted to the Board of Directors and other authorized representatives in accordance with Sections 451.101 and 451.104 of the Texas Transportation Code. In addition to this Policy, bond funds, including debt service and reserve funds, shall be managed by their governing resolution and federal law, including the Tax Reform Act of 1986 and subsequent legislation.

C. Review and Amendment

This Policy shall be reviewed annually. Amendments must be authorized by the Capital Metropolitan Transportation Authority’s Board of Directors.
SECTION II
INVESTMENT OBJECTIVES

II. INVESTMENT OBJECTIVES

A. Safety of Principal

Capital Metro has as its foremost objective to ensure the safety of principal, considering the portfolio as a whole. The manner in which Capital Metro ensures safety of principal is presented in Section NIV.B., “Ensuring Safety of Principal.”

B. Maintenance of Adequate Liquidity

Capital Metro’s investment portfolio must be structured in a manner which will provide the liquidity necessary to pay obligations as they become due. Maintenance of adequate liquidity is described in Section NIV.C., “Ensuring Liquidity.”

C. Return on Investments

Consistent with State law, Capital Metro shall seek to optimize return on investments within the constraints of safety and liquidity. Investments (excluding assets managed under separate investment programs, such as in arbitrage restrictive programs) shall be made in permitted obligations at yields equal to or greater than the bond equivalent yield on United States Treasury obligations of comparable maturity. Other appropriate performance measures will be established by the Investment Committee. Specific policies regarding investment rate of return are presented in Section NIV.D., “Achieving Investment Return Objectives.”

For bond issues to which Federal yield or arbitrage restrictions apply, the primary objectives shall be to obtain satisfactory market yields and to minimize the costs associated with investment of such funds.

D. Prudence and Ethical Standards

The standard of prudence used by Capital Metro shall be the “prudent person rule” and shall be applied in the context of managing the overall portfolio within the applicable legal constraints. The prudent person rule is restated below: Investments shall be made with judgment and care, under circumstances then
prevailing, which persons of prudence, discretion and intelligence would exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

In determining whether the Investment Officer(s) or Investment Advisor under contract has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration the investment of all funds over which the Officer/Advisor had responsibility rather than a consideration as to the prudence of a single investment, and whether the investment decision was consistent with the written Investment Policy of Capital Metro.

Specific policies describing Capital Metro’s prudence and ethical standards are found in Section IV.E., "Responsibility and Controls."
SECTION III
INVESTMENT STRATEGY STATEMENT

III. INVESTMENT STRATEGY STATEMENT

CapMetro maintains portfolios of operating and operating reserve funds. Investment strategies for operating and operating reserve funds have as their primary objective to assure that anticipated cash flows are matched with adequate investment liquidity. The secondary objective is to create a portfolio structure which will experience minimal volatility during economic cycles. This may be accomplished by purchasing quality, short- to medium-term securities that will complement each other in a laddered or barbell maturity structure. The dollar weighted average maturity of 548 days or less for the combined investment portfolios will be calculated using the stated final maturity dates of each security. Securities may not be purchased that have a final stated maturity date which exceeds five years. Additional guidelines for specific investment portfolios include:

A. General Fund - All securities identified in IV. A. Eligible Investments are suitable for the General Fund. Securities purchased for the General Fund will be laddered out with an average maturity of no more than one year.
B. Budget Stabilization Reserve - All securities identified in IV. A. Eligible Investments are suitable for the Budget Stabilization Reserve. The portfolio may be invested for a maximum average maturity of no more than two years.
C. Statutory Operating Reserve - All securities identified in IV. A. Eligible Investments are suitable for the Statutory Operating Reserve. The portfolio may be invested for a maximum average maturity of no more than two years.
D. Project Specific Accounts - Project specific investment portfolio may be created from time to time for the investment of specific capital projects. All securities identified in IV. A. Eligible Investments are suitable and all investments must be scheduled to mature before any forecast cash flow. Currently, the Austin Mobility Portfolio has been established as a specific investment portfolio.
SECTION IV
INVESTMENT POLICIES

IV. INVESTMENT POLICIES

A. Eligible Investments

Investments described below are those authorized by the Public Funds Investment Act (Chapter 2256, Texas Government Code), as amended, which is included and made a part of this Policy as Appendix A. The following list may not contain all of those securities that are authorized by state statutes, but only those that the Board of Directors wish to include in the Capital Metro’s portfolios. The purchase of specific issues may at times be further restricted or prohibited because of current market conditions. Capital Metro funds governed by this Policy may be invested in:

1. Obligations of the United States or its agencies and instrumentalities.

2. Direct Obligations of the State of Texas.

3. Other obligations, the principal and interest on which are unconditionally guaranteed or insured by the State of Texas or the Unites States or its agencies and instrumentalities.

4. Obligations of states, agencies, counties, cities and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent.

5. Bankers’ Acceptances with a stated maturity of 270 days or less from the date of its issuance that will be, in accordance with its terms, liquidated in full at maturity; is eligible for collateral for borrowing from a Federal Reserve Bank; and is accepted by a bank organized and existing under the laws of the United States or any state, if the short- term obligations of the bank, or of a bank holding company of which the bank is the largest subsidiary, are rated not less than A-1 or P-1 or an equivalent rating by at least one nationally recognized credit rating agency.

6. Commercial paper with a stated maturity of 365 days or less from the date of its issuance that either:

   a. Is rated not less than A-1, P-1, or the equivalent by at least two nationally
recognized credit rating agencies; or,

b. Is rated at least A-1, P-1, or the equivalent by at least one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state thereof.

7. Fully collateralized repurchase agreements having a defined termination date, placed through a primary government securities dealer, as defined by the Federal Reserve, or a bank domiciled in Texas, and secured by obligations described by 1 above (the principal and interest on which are guaranteed by the United States or any of its agencies), pledged with a third party selected or approved by Capital Metro and having a market value (including accrued interest) of no less than the principal amount of the funds disbursed.

8. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this State or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States.

9. SEC-regulated, no load money market mutual funds with a dollar-weighted average stated portfolio maturity of 60 days or less and whose investment objectives include seeking to maintain a stable net asset value of $1 per share. No more than 50% of Capital Metro’s average fund balance may be invested in money market mutual funds and may not invest funds under its control in an amount that exceeds 10% of the total assets of any individual money market mutual fund. Money market mutual funds are to be rated AAA-m or equivalent by on Nationally Recognized Statistical Rating Organization (“NRSRO”).

10. Local government investment pools organized in accordance with the Interlocal Cooperation Act (Chapter 791, Texas Government Act) as amended, whose assets consist exclusively of the obligations that are allowed as a direct investment for funds subject to the Public Funds Investment Act (Chapter 2256, Texas Government Code). A public funds investment pool must be continuously rated no lower than AAA, AAA-m or at an equivalent rating by at least one nationally recognized rating service and follow all applicable requirements of the Public Funds Investment Act.
Compensating balances may be held at CapitalMetro’s depository institution provided that market conditions or other factors, such as the depository institution’s earnings credit rate or cost of services, provides an economic benefit to CapitalMetro that helps to optimize return while maintaining adequate liquidity.

Investments in collateralized mortgage obligations are strictly prohibited. These securities are also disallowed for collateral positions. CapitalMetro will not be required to liquidate investments that were authorized investments at the time of purchase.

Settlement of all investment transactions, except those transactions involving investments in mutual funds or local government investment pools, must be made on a delivery versus payment basis.

B. Ensuring Safety of Principal

Ensuring safety is accomplished through protection of principal and safekeeping.

1. Protection of Principal

CapitalMetro shall seek to control the risk of loss due to the failure of a security issuer or guarantor. Such risk shall be controlled by investing only in the safest types of securities as defined in the Policy, by qualifying the broker/dealer and financial institution with whom CapitalMetro will transact, by collateralization as required by law, by portfolio diversification and by limiting maturity.

CapitalMetro will seek to control the risk of loss due to failure of issuers of commercial paper by monitoring the ratings of portfolio positions to ensure compliance with the rating requirements imposed by the Public Funds Investment Act. Should an issuer experience a single step downgrade of its credit rating by a nationally recognized credit rating agency within 90 days of the position’s maturity, the Investment Officer(s) may approve holding the paper to maturity. If the subject paper matures beyond the 90-day period or if the credit rating downgrade exceeds a single step, it will be CapitalMetro’s policy to convene an emergency meeting of the Investment Committee to determine whether liquidation of the position is warranted. This meeting should take place within 24 hours of notification or discovery of the credit downgrade.

The purchase of individual securities shall be executed “delivery versus payment” (“DVP”) through the Federal Reserve System. By so doing, CapitalMetro funds are not released until CapitalMetro has
received, through the Federal Reserve wire, the securities purchased.
a. Approved Broker/Dealers/Financial Institutions

Investments shall only be made with those firms and institutions who have acknowledged receipt and understanding of CapMetro’s Investment Policy. The “qualified representative” of the business as defined in Chapter 2256 of the Texas Government Code shall execute a written certification to acknowledge receipt of CapMetro’s Investment Policy and to acknowledge that the organization has implemented reasonable procedures and controls to preclude imprudent investment activities arising out of the investment transactions conducted between the entity and CapMetro. Should CapMetro contract with an external investment advisor to execute the Authority’s investment strategy, including the negotiation and execution of investment transactions, a managing officer of the investment advisory firm may sign the written certification in lieu of the broker/dealer firms. This certification must be included as part of the investment advisory contract.

Securities, certificates of deposit and share certificates shall only be purchased from those institutions included on CapMetro’s list of broker/dealers, banks, savings banks and credit unions as approved by the Investment Committee. This list of approved investment providers must be reviewed at least annually by CapMetro’s Investment Committee.

b. Master Repurchase Agreement

It is the policy of CapMetro to require each issuer of repurchase agreements to sign a copy of the CapMetro Master Repurchase Agreement. An executed copy of this agreement must be on file before CapMetro will enter into any repurchase agreement with an issuer. (See Appendix B “Master Repurchase Agreement”)

Note: CapMetro does not currently enter into repurchase agreements. The Master Repurchase Agreement previously attached to the Investment Policy expired in 2009. If CapMetro’s investment officers and advisor recommend the use of repurchase agreements in the future, a new Master Purchase Agreement will be drafted and brought to the Board of Directors for consideration.

c. Collateralization

Consistent with the requirements of State law, CapMetro requires all banks, savings banks and credit union deposits to be federally
insured or collateralized with eligible securities. Financial institutions serving as Capital Metro Depositories will be required to sign an Agreement with Capital Metro and its safekeeping agent for the collateral, perfecting Capital Metro’s rights to the collateral in case of default, bankruptcy or closure. Capital Metro shall not accept, as depositary collateral, any security that is not specifically allowed to be held as a direct investment by the Capital Metro portfolio (see W.A.). Repurchase agreements must also be collateralized in accordance with State law. Each issuer of repurchase agreements is required to sign a copy of Capital Metro’s Master Repurchase Agreement. An executed copy of this agreement must be on file before Capital Metro will enter into any repurchase agreements with an issuer. (See Appendix B, “Master Repurchase Agreement”.)

(1) Allowable Collateral

(a) Certificates of Deposit/Share Certificates

Eligible securities for collateralization of deposits are defined by the “Public Funds Collateral Act” (Chapter 2257, Texas Government Code) which is included and made a part of the Policy as Appendix A. The eligibility of specific issues may at times be restricted or prohibited because of current market conditions.

(b) Repurchase Agreements

Collateral underlying repurchase agreements is limited to U.S. government and agency obligations, which are eligible for wire transfer (i.e. book entry) to Capital Metro’s designated safekeeping agent through the Federal Reserve System.

(2) Collateral Levels

Collateral is valued at current market plus interest accrued through the date of valuation.

(a) Certificates of Deposit/Share Certificates

The market value of collateral pledged for certificates of deposit/share certificates must at all times be equal to or greater than the par value of the certificate of deposit plus accrued interest, less the amount insured by the FDIC, FSLIC or the National Credit Union Share Insurance Fund or their successors.
(b) Repurchase Agreements

The market value of collateral required to be pledged for repurchase agreements shall be a percentage of the par value of the agreement plus accrued interest and shall be maintained at the following levels:

<table>
<thead>
<tr>
<th>Collateral Maturity</th>
<th>U.S. Treasury Securities</th>
<th>U.S. Government Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year or less</td>
<td>101%</td>
<td>101%</td>
</tr>
<tr>
<td>1 year to 5 years</td>
<td>102%</td>
<td>102%</td>
</tr>
<tr>
<td>Over 5 years</td>
<td>103%</td>
<td>104%</td>
</tr>
</tbody>
</table>

(3) Monitoring Collateral Adequacy

(a) Certificates of Deposit/Share Certificates

Capital Metro CapMetro requires monthly reports with market values of pledged securities from all financial institutions with which Capital Metro CapMetro has certificates of deposit/share certificates. Capital Metro CapMetro’s Investment Advisor will at least weekly monitor the adequacy of collateral.

(b) Repurchase Agreements

Weekly monitoring by Capital Metro CapMetro’s Investment Advisor of all collateral underlying repurchase agreements is required. More frequent monitoring may be necessary during periods of market volatility.

(4) Margin Calls

(a) Certificates of Deposit/Share Certificates

If the collateral pledged for a certificate of deposit or share certificate falls below the par value of the deposit, plus accrued interest less FDIC, FSLIC or National Credit Union Share Insurance, the institution will be notified by Capital Metro CapMetro or its Investment Advisor and will be required to pledge additional securities no later than the end of the next succeeding business day.

(b) Repurchase Agreements
If the value of the collateral underlying a repurchase agreement falls below the margin maintenance levels specified above, CapMetro or its Investment Advisor will make a margin call unless the repurchase agreement is scheduled to mature within five business days and the amount is deemed to be immaterial.

(5) Collateral Substitution

Collateral investments, certificates of deposit and share certificates often require substitution of collateral. Any broker or financial institution requesting substitution must contact the Investment Officer(s) or the external Investment Advisor under contract for approval and settlement. The substituted collateral’s value will be calculated and substitution approved if its value is equal to or greater than the required value (See IV.Bl.c(2)(b)). The Investment Officer(s) or Investment Advisor must give immediate notification of the decision to the bank or the safekeeping agent holding the collateral. Substitution is allowable for all transactions, but should be limited, if possible, to minimize potential administrative problems and transfer expense. The Investment Officer(s) or Investment Advisor may limit substitution and assess appropriate fees if substitution becomes excessive or abusive.

(6) Collateral Reductions

Should the collateral’s market value exceed the required amount, any broker or financial institution may request approval from the Investment Officer(s) or the external Investment Advisor under contract to reduce collateral. Collateral reductions may be permitted only if CapMetro’s records indicate that the collateral’s market value exceeds the required amount.

d. Portfolio Diversification

Risk of principal loss in the portfolio as a whole shall be minimized by diversifying investment types according to the following limitations. As discussed below, these limitations do not apply to bond proceeds.

<table>
<thead>
<tr>
<th>Investment Type</th>
<th>% of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Repurchase Agreements</td>
<td>50%</td>
</tr>
<tr>
<td>Certificate of Deposit</td>
<td>20%</td>
</tr>
<tr>
<td>Share Certificates</td>
<td>5%</td>
</tr>
<tr>
<td>U.S. Treasury Notes/Bond/Bills</td>
<td>100%</td>
</tr>
<tr>
<td>U.S. Agencies</td>
<td>60%</td>
</tr>
<tr>
<td>Money Market Mutual Funds</td>
<td>50%</td>
</tr>
</tbody>
</table>
It is the policy of Capital Metro to diversify its investment portfolio so that reliance on any one issuer or broker will not place an undue financial burden on Capital Metro. Generally, Capital Metro should limit its repurchase agreement exposure with a single firm to no more than 15% of the value of Capital Metro’s overall portfolio and its commercial paper and bankers’ acceptance exposure with a single issuer to no more than 5% of the value of Capital Metro’s overall portfolio. To allow efficient and effective placement of proceeds from any bond sales, these limits may be exceeded for a maximum of five business days following the receipt of bond proceeds.

(1) Bond Proceeds

Proceeds of a single bond issue may be invested in a single security or investment if the Investment Committee determines that such an investment is necessary to comply with Federal arbitrage restrictions or to facilitate arbitrage record keeping and calculation.

e. Limiting Maturity

In order to minimize risk of loss due to interest rate fluctuations, investment maturities will not exceed the anticipated cash flow requirements of the funds. Maturity guidelines by funds are as follows:

(1) General Funds

The dollar weighted average days to final stated maturity shall be 548 days or less. The Investment Advisor will monitor the maturity level and make changes as appropriate.

(2) Bond Proceeds, Bond Reserves, Debt Service Funds

The investment maturity of bond proceeds (including reserves and debt service funds) shall be determined considering:

(a) the anticipated cash flow requirements of the funds, and;

(b) the “temporary period” as defined by Federal tax law during which time bond proceeds may be invested at an unrestricted yield. After the expiration of the temporary period, bond proceeds subject
to yield restriction shall be invested considering the anticipated cash flow requirements of the funds.
2. Safekeeping

   a. Safekeeping Agreement

   Capital Metro shall contract with a bank or banks for the safekeeping of securities either owned by Capital Metro as a part of its investment portfolio or held as collateral to secure certificates of deposits, share certificates or repurchase agreements.

   b. Safekeeping of Certificate of Deposit/Share Certificate Collateral

   All collateral securing bank, savings banks and credit union deposits must be held by a third party banking institution approved by Capital Metro, or collateral may be held at the Federal Reserve Bank.

   c. Safekeeping of Repurchase Agreement Collateral

   The securities which serve as collateral for repurchase agreements with dealers must be delivered to a third-party custodian with which Capital Metro has established a third-party safekeeping agreement.

C. Ensuring Liquidity

   Liquidity shall be achieved by investing in securities with active secondary markets and by investing in eligible money market mutual funds (MNIMF’s) and local government investment pools (LGIP’s).

   A security may be liquidated to meet unanticipated cash requirements, to re-deploy cash into other investments expected to outperform current holdings, or to otherwise adjust the portfolio.

D. Achieving Investment Return Objectives

   Investment selection for all funds shall be based on legality, appropriateness, liquidity, and risk/return considerations. The portfolios shall be actively managed to enhance overall interest income. Active management will take place within the context of the “Prudent Person Rule.” (See Section MD.).

   1. Securities Swaps

   Capital Metro will take advantage of security swap opportunities to improve portfolio yield. A swap which improves portfolio yield may be selected even if the transaction results in an accounting loss.
2. Competitive Bidding

It is the policy of Capital Metro (CapMetro) to require competitive bidding for all individual security purchases except for those transactions with money market mutual funds (MMMF’s) and local government investment pools (LGIP’s) which are deemed to be made at prevailing market rates, and for government securities purchased at issue through a primary dealer at auction price. Rather than relying solely on yield, investment in MMMF’s and LGIP’s shall be based on criteria determined by the Investment Committee, including adherence to Securities and Exchange Commission (SEC) guidelines for MMMF’s when appropriate.

At least three bidders must be contacted in all transactions involving individual securities. Competitive bidding for security swaps is also required. Bids may be solicited in any manner provided by law. For those situations where it may be impractical or unreasonable to receive three bids for a transaction due to a rapidly changing market environment or to secondary market availability, documentation of a competitive market survey of comparable securities or an explanation of the specific circumstance must be included with the daily bid sheet. All bids received must be documented and filed for auditing purposes.

3. Methods of Monitoring Market Price

The methods/sources to be used to monitor the price of investments that have been acquired with public funds shall be from sources deemed reliable by the Investment Advisor, including primary or regional broker/dealers, market information vendors such as Bloomberg or Telerate and market pricing services.

E. Responsibility and Controls

1. Authority to Invest

The authority to invest Capital Metro (CapMetro) funds and the execution of any documentation necessary to evidence the investment of Capital Metro (CapMetro) funds is granted to the Investment Advisory firm under current contract and those Capital Metro (CapMetro) personnel authorized as Investment Officers. The Capital Metropolitan Transportation Authority’s (CapMetro) Board of Directors will designate in writing those Capital Metro (CapMetro) personnel (‘‘Investment Officers’’) authorized to invest on behalf of Capital Metro (CapMetro).

2. Establishment of Internal Controls

The Chief Financial Officer will establish a system of internal controls over the investment activities of Capital Metro (CapMetro) and document such control in the
3. Prudent Investment Management

The designated Investment Officers shall perform their duties in accordance with the adopted Investment Policy and procedures set forth in the Investment Procedures Manual. Investment Officers acting in good faith and in accordance with these Policies and Procedures shall be relieved of personal liability.

4. Standard of Ethics

The designated Investment Officers shall adhere to Capital Metro's ethics policies.

5. Training and Education

In accordance with the Public Funds Investment Act (Chapter 2256, Texas Government Code), the designated Investment Officers, or those personnel authorized to execute investment transactions, shall attend at least one investment training session annually. State law requires that training relating to investment responsibilities must be provided by an independent source as approved by the Investment Committee. Personnel authorized to execute or approve investment transactions must receive at least 10 hours of investment training within each two-year period.

6. Investment Committee

An Investment Committee shall be established to determine investment guidelines, general strategies, and monitor performance. Members of the Investment Committee will include the Investment officers and a representative of the external investment advisory firm. The Committee may also include one additional member, as designated by the Capital Metropolitan Transportation Authority's Board of Directors. The Committee shall meet quarterly to review performance, strategy and procedures.

F. Reporting

Investment performance is continually monitored and evaluated by the Investment Advisor. The Investment Advisor will provide detailed reports, as required by the Public Funds Investment Act (Chapter 2256, Texas Government Code), Section 2256.023, for the General Manager, the Chief Financial Officer, the Board of Directors and the Investment Committee on a quarterly basis.

The report will outline conformance to the restrictions of the Policy in the area of diversification and term of maturity. The report will also compare the performance of Capital Metro’s portfolio to appropriate benchmarks as determined by the Investment Committee. The report will include an economic summary discussing
interest rate trends, investment strategy and any other information deemed appropriate by the Chief Financial Officer or the Investment Committee.

G. Compliance Audit

In conjunction with its annual financial audit, Capital Metro shall perform a compliance audit of management controls on investments and adherence to Capital Metro’s established Investment Policies. The results of the audit shall be reported to the Investment Committee and the Capital Metropolitan Transportation Authority’s Board of Directors.

H. Certification

A copy of this Investment Policy will be provided to the senior management of any bank, dealer, broker or investment advisor wishing to transact investment business directly with Capital Metro in order that it is apprised of the investment goals of Capital Metro. Before business is transacted with the firm, a certification (Appendix C) must be signed by a senior member of a firm. Should Capital Metro contract with an external investment advisor to execute the Authority’s investment strategy, including the negotiation and execution of investment transactions, a managing officer of the investment advisory firm may sign the written certification in lieu of the broker/dealer firms. This certification will be provided on an annual basis immediately following the re-adoption of this Investment Policy by the Board of Directors, included as part of the investment advisory contract.
APPENDIX

A. INVESTMENT LEGISLATION

B. MASTER REPURCHASE AGREEMENT (repurchase agreements not currently utilized, see note in Section IV.B, Ensuring Safety of Principal).

C. BROKER/DEALER CERTIFICATION
PREFACE

It is the policy of the Capital Metropolitan Transportation Authority (CapMetro) that all available funds shall be invested in conformance with these legal and administrative guidelines.

Effective cash management is recognized as essential to good fiscal management. An aggressive cash management and investment policy will be pursued to take advantage of investment interest as viable and material revenue to all operating and capital funds. CapMetro’s portfolio shall be designed and managed in a manner responsive to the public trust and consistent with state and federal law.

Investments shall be made with the primary objectives of:

- Preservation of capital and protection of principal
- Maintenance of sufficient liquidity to meet operating needs
- Security of CapMetro funds and investments
- Diversification of investments to avoid unreasonable or unavoidable risks
- Maximization of return on the portfolio
SECTION I
PURPOSE

I. PURPOSE

A. Authorization

This Policy is to be authorized by the CapMetro Board of Directors in accordance with Section 2256.005 of the Public Funds Investment Act (Chapter 2256, Texas Government Code) which requires the adoption of a formal written Investment Policy.

B. Scope

This Policy shall govern the investment of all funds of CapMetro as entrusted to the Board of Directors and other authorized representatives in accordance with Section 451.101 of the Texas Transportation Code. In addition to this Policy, bond funds, including debt service and reserve funds, shall be managed by their governing resolution and federal law, including the Tax Reform Act of 1986 and subsequent legislation.

C. Review and Amendment

This Policy shall be reviewed annually. Amendments must be authorized by the CapMetro Board of Directors.
SECTION II
INVESTMENT OBJECTIVES

II. INVESTMENT OBJECTIVES

A. Safety of Principal

CapMetro has as its foremost objective to ensure the safety of principal, considering the portfolio as a whole. The manner in which CapMetro ensures safety of principal is presented in Section IV.B., “Ensuring Safety of Principal”.

B. Maintenance of Adequate Liquidity

CapMetro’s investment portfolio must be structured in a manner which will provide the liquidity necessary to pay obligations as they become due. Maintenance of adequate liquidity is described in Section IV.C., “Ensuring Liquidity”.

C. Return on Investments

Consistent with State law, CapMetro shall seek to optimize return on investments within the constraints of safety and liquidity. Investments (excluding assets managed under separate investment programs, such as in arbitrage restrictive programs) shall be made in permitted obligations at yields equal to or greater than the bond equivalent yield on United States Treasury obligations of comparable maturity. Other appropriate performance measures will be established by the Investment Committee. Specific policies regarding investment rate of return are presented in Section IV.D., “Achieving Investment Return Objectives”.

For bond issues to which Federal yield or arbitrage restrictions apply, the primary objectives shall be to maximize retainable earnings and to minimize the costs associated with investment of such funds.

D. Prudence and Ethical Standards

The standard of prudence used by CapMetro shall be the “prudent person rule” and shall be applied in the context of managing the overall portfolio within the applicable legal constraints. The prudent person rule is restated below:

“Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence would
exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.”

In determining whether the Investment Officer(s) or Investment Advisor under contract has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration the investment of all funds over which the Officer/Advisor had responsibility rather than a consideration as to the prudence of a single investment, and whether the investment decision was consistent with the written Investment Policy of CapMetro.

Specific policies describing CapMetro’s prudence and ethical standards are found in Section IV.E., “Responsibility and Controls”.

SECTION III
INVESTMENT STRATEGY STATEMENT

III. INVESTMENT STRATEGY STATEMENT

CapMetro maintains portfolios of operating and operating reserve funds. Investment strategies for operating and operating reserve funds have as their primary objective to assure that anticipated cash flows are matched with adequate investment liquidity. The secondary objective is to create a portfolio structure which will experience minimal volatility during economic cycles. This may be accomplished by purchasing quality, short- to medium-term securities that will complement each other in a laddered or barbell maturity structure. The dollar weighted average maturity of 548 days or less for the combined investment portfolios will be calculated using the stated final maturity dates of each security. Securities may not be purchased that have a final stated maturity date which exceeds five years. Additional guidelines for specific investment portfolios include:

A. General Fund - All securities identified in IV. A. Eligible Investments are suitable for the General Fund. Securities purchased for the General Fund will be laddered out with an average maturity of no more than one year.

B. Budget Stabilization Reserve - All securities identified in IV. A. Eligible Investments are suitable for the Budget Stabilization Reserve. The portfolio may be invested for a maximum average maturity of no more than two years.

C. Statutory Operating Reserve - All securities identified in IV. A. Eligible Investments are suitable for the Statutory Operating Reserve. The portfolio may be invested for a maximum average maturity of no more than two years.

D. Project Specific Accounts - Project specific investment portfolio may be created from time to time for the investment of specific capital projects. All securities identified in IV. A. Eligible Investments are suitable and all investments must be scheduled to mature before any forecast cash flow. Currently, the Austin Mobility Portfolio has been established as a specific investment portfolio.
SECTION IV
INVESTMENT POLICIES

IV. INVESTMENT POLICIES

A. Eligible Investments

Investments described below are those authorized by the Public Funds Investment Act (Chapter 2256, Texas Government Code), as amended, which is included and made a part of this Policy as Appendix A. The following list may not contain all of those securities that are authorized by state statutes, but only those that the Board of Directors wish to include in the CapMetro’s portfolios. The purchase of specific issues may at times be further restricted or prohibited because of current market conditions. CapMetro funds governed by this Policy may be invested in:

1. Obligations of the United States or its agencies and instrumentalities.

2. Direct Obligations of the State of Texas.

3. Other obligations, the principal and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States or its agencies and instrumentalities.

4. Obligations of states, agencies, counties, cities and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent.

5. Bankers’ Acceptances with a stated maturity of 270 days or less from the date of its issuance that will be, in accordance with its terms, liquidated in full at maturity; is eligible for collateral for borrowing from a Federal Reserve Bank; and is accepted by a bank organized and existing under the laws of the United States or any state, if the short-term obligations of the bank, or of a bank holding company of which the bank is the largest subsidiary, are rated not less than A-1 or P-1 or an equivalent rating by at least one nationally recognized credit rating agency.

6. Commercial paper with a stated maturity of 365 days or less from the date of its issuance that either:

   a. Is rated not less than A-1, P-1, or the equivalent by at least two nationally recognized credit rating agencies; or,
b. Is rated at least A-1, P-1, or the equivalent by at least one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state thereof.

7. Fully collateralized repurchase agreements having a defined termination date, placed through a primary government securities dealer, as defined by the Federal Reserve, or a bank domiciled in Texas, and secured by obligations described by 1 above (the principal and interest on which are guaranteed by the United States or any of its agencies), pledged with a third party selected or approved by CapMetro and having a market value (including accrued interest) of no less than the principal amount of the funds disbursed.

8. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this State or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States.

9. SEC-regulated, no load money market mutual funds with a dollar-weighted average stated portfolio maturity of 60 days or less and whose investment objectives include seeking to maintain a stable net asset value of $1 per share. No more than 50% of CapMetro’s average fund balance may be invested in money market mutual funds and may not invest funds under its control in an amount that exceeds 10% of the total assets of any individual money market mutual fund. Money market mutual funds are to be rated AAA-m or equivalent by on Nationally Recognized Statistical Rating Organization (“NRSRO”).

10. Local government investment pools organized in accordance with the Interlocal Cooperation Act (Chapter 791, Texas Government Act) as amended, whose assets consist exclusively of the obligations that are allowed as a direct investment for funds subject to the Public Funds Investment Act (Chapter 2256, Texas Government Code). A public funds investment pool must be continuously rated no lower than AAA, AAA-m or at an equivalent rating by at least one nationally recognized rating service and follow all applicable requirements of the Public Funds Investment Act.
Compensating balances may be held at CapMetro’s depository institution provided that market conditions or other factors, such as the depository institution’s earnings credit rate or cost of services, provides an economic benefit to CapMetro that helps to optimize return while maintaining adequate liquidity.

Investments in collateralized mortgage obligations are strictly prohibited. These securities are also disallowed for collateral positions. CapMetro will not be required to liquidate investments that were authorized investments at the time of purchase.

Settlement of all investment transactions, except those transactions involving investments in mutual funds or local government investment pools, must be made on a delivery versus payment basis.

B. Ensuring Safety of Principal

Ensuring safety is accomplished through protection of principal and safekeeping.

1. Protection of Principal

CapMetro shall seek to control the risk of loss due to the failure of a security issuer or guarantor. Such risk shall be controlled by investing only in the safest types of securities as defined in the Policy, by qualifying the broker/dealer and financial institution with whom CapMetro will transact, by collateralization as required by law, by portfolio diversification and by limiting maturity.

CapMetro will seek to control the risk of loss due to failure of issuers of commercial paper by monitoring the ratings of portfolio positions to ensure compliance with the rating requirements imposed by the Public Funds Investment Act. Should an issuer experience a single step downgrade of its credit rating by a nationally recognized credit rating agency within 90 days of the position’s maturity, the Investment Officer(s) may approve holding the paper to maturity. If the subject paper matures beyond the 90-day period or if the credit rating downgrade exceeds a single step, it will be CapMetro’s policy to convene an emergency meeting of the Investment Committee to determine whether liquidation of the position is warranted. This meeting should take place within 24 hours of notification or discovery of the credit downgrade.

The purchase of individual securities shall be executed “delivery versus payment” (“DVP”) through the Federal Reserve System. By so doing, CapMetro funds are not released until CapMetro has received, through the Federal Reserve wire, the securities purchased.
a. Approved Broker/Dealers/Financial Institutions

Investments shall only be made with those firms and institutions who have acknowledged receipt and understanding of CapMetro’s Investment Policy. The “qualified representative” of the business as defined in Chapter 2256 of the Texas Government Code shall execute a written certification to acknowledge receipt of CapMetro’s Investment Policy and to acknowledge that the organization has implemented reasonable procedures and controls to preclude imprudent investment activities arising out of the investment transactions conducted between the entity and CapMetro. Should CapMetro contract with an external investment advisor to execute the Authority’s investment strategy, including the negotiation and execution of investment transactions, a managing officer of the investment advisory firm may sign the written certification in lieu of the broker/dealer firms. This certification must be included as part of the investment advisory contract.

Securities, certificates of deposit and share certificates shall only be purchased from those institutions included on CapMetro’s list of broker/dealers, banks, savings banks and credit unions as approved by the Investment Committee. This list of approved investment providers must be reviewed at least annually by CapMetro’s Investment Committee.

b. Master Repurchase Agreement

It is the policy of CapMetro to require each issuer of repurchase agreements to sign a copy of the CapMetro Master Repurchase Agreement. An executed copy of this agreement must be on file before CapMetro will enter into any repurchase agreement with an issuer. (See Appendix B “Master Repurchase Agreement.”)

Note: CapMetro does not currently enter into repurchase agreements. The Master Repurchase Agreement previously attached to the Investment Policy expired in 2009. If CapMetro’s investment officers and advisor recommend the use of repurchase agreements in the future, a new Master Purchase Agreement will be drafted and brought to the Board of Directors for consideration.

c. Collateralization

Consistent with the requirements of State law, CapMetro requires all banks, savings banks and credit union deposits to be federally insured or collateralized with eligible securities. Financial institutions serving as CapMetro Depositories will be required to sign an Agreement with CapMetro
and its safekeeping agent for the collateral, perfecting CapMetro’s rights to the collateral in case of default, bankruptcy or closure. CapMetro shall not accept, as depository collateral, any security that is not specifically allowed to be held as a direct investment by the CapMetro portfolio (see W.A.). Repurchase agreements must also be collateralized in accordance with State law. Each issuer of repurchase agreements is required to sign a copy of CapMetro’s Master Repurchase Agreement. An executed copy of this agreement must be on file before CapMetro will enter into any repurchase agreements with an issuer. (See Appendix B, “Master Repurchase Agreement”.)

(1) Allowable Collateral

(a) Certificates of Deposit/Share Certificates

Eligible securities for collateralization of deposits are defined by the “Public Funds Collateral Act” (Chapter 2257, Texas Government Code) which is included and made a part of the Policy as Appendix A. The eligibility of specific issues may at times be restricted or prohibited because of current market conditions.

(b) Repurchase Agreements

Collateral underlying repurchase agreements is limited to U.S. government and agency obligations, which are eligible for wire transfer (i.e. book entry) to CapMetro’s designated safekeeping agent through the Federal Reserve System.

(2) Collateral Levels

Collateral is valued at current market plus interest accrued through the date of valuation.

(a) Certificates of Deposit/Share Certificates

The market value of collateral pledged for certificates of deposit/share certificates must at all times be equal to or greater than the par value of the certificate of deposit plus accrued interest, less the amount insured by the FDIC, FSLIC or the National Credit Union Share Insurance Fund or their successors.

(b) Repurchase Agreements
The market value of collateral required to be pledged for repurchase agreements shall be a percentage of the par value of the agreement plus accrued interest and shall be maintained at the following levels:

<table>
<thead>
<tr>
<th>Collateral Maturity</th>
<th>U.S. Treasury Securities</th>
<th>U.S. Government Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year or less</td>
<td>101%</td>
<td>101%</td>
</tr>
<tr>
<td>1 year to 5 years</td>
<td>102%</td>
<td>102%</td>
</tr>
<tr>
<td>Over 5 years</td>
<td>103%</td>
<td>104%</td>
</tr>
</tbody>
</table>

(3) Monitoring Collateral Adequacy

(a) Certificates of Deposit/Share Certificates

CapMetro requires monthly reports with market values of pledged securities from all financial institutions with which CapMetro has certificates of deposit/share certificates. CapMetro’s Investment Advisor will at least weekly monitor the adequacy of collateral.

(b) Repurchase Agreements

Weekly monitoring by CapMetro’s Investment Advisor of all collateral underlying repurchase agreements is required. More frequent monitoring may be necessary during periods of market volatility.

(4) Margin Calls

(a) Certificates of Deposit/Share Certificates

If the collateral pledged for a certificate of deposit or share certificate falls below the par value of the deposit, plus accrued interest less FDIC, FSLIC or National Credit Union Share Insurance, the institution will be notified by CapMetro or its Investment Advisor and will be required to pledge additional securities no later than the end of the next succeeding business day.

(b) Repurchase Agreements

If the value of the collateral underlying a repurchase agreement falls below the margin maintenance levels specified above, CapMetro or its Investment Advisor will make a margin call unless the repurchase agreement is scheduled to mature within five business days and the
amount is deemed to be immaterial.

(5) Collateral Substitution
Collateral investments, certificates of deposit and share certificates often require substitution of collateral. Any broker or financial institution requesting substitution must contact the Investment Officer(s) or the external Investment Advisor under contract for approval and settlement. The substituted collateral’s value will be calculated and substitution approved if its value is equal to or greater than the required value (See IV.B1.c(2)(b)). The Investment Officer(s) or Investment Advisor must give immediate notification of the decision to the bank or the safekeeping agent holding the collateral. Substitution is allowable for all transactions, but should be limited, if possible, to minimize potential administrative problems and transfer expense. The Investment Officer(s) or Investment Advisor may limit substitution and assess appropriate fees if substitution becomes excessive or abusive.

(6) Collateral Reductions
Should the collateral’s market value exceed the required amount, any broker or financial institution may request approval from the Investment Officer(s) or the external Investment Advisor under contract to reduce collateral. Collateral reductions may be permitted only if CapMetro’s records indicate that the collateral’s market value exceeds the required amount.

d. Portfolio Diversification
Risk of principal loss in the portfolio as a whole shall be minimized by diversifying investment types according to the following limitations. As discussed below, these limitations do not apply to bond proceeds.

<table>
<thead>
<tr>
<th>Investment Type:</th>
<th>% of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Repurchase Agreements</td>
<td>50%</td>
</tr>
<tr>
<td>• Certificate of Deposit</td>
<td>20%</td>
</tr>
<tr>
<td>• Share Certificates</td>
<td>5%</td>
</tr>
<tr>
<td>• U.S. Treasury Notes/Bond/Bills</td>
<td>100%</td>
</tr>
<tr>
<td>• U.S. Agencies</td>
<td>60%</td>
</tr>
<tr>
<td>• Money Market Mutual Funds</td>
<td>50%</td>
</tr>
<tr>
<td>• Local Government Investment Pools</td>
<td>100%</td>
</tr>
<tr>
<td>• Commercial Paper</td>
<td>30%</td>
</tr>
<tr>
<td>• Banker’s Acceptance</td>
<td>15%</td>
</tr>
</tbody>
</table>
It is the policy of CapMetro to diversify its investment portfolio so that reliance on any one issuer or broker will not place an undue financial burden on CapMetro. Generally, CapMetro should limit its repurchase agreement exposure with a single firm to no more than 15% of the value of CapMetro’s overall portfolio and its commercial paper and bankers’ acceptance exposure with a single issuer to no more than 5% of the value of CapMetro’s overall portfolio. To allow efficient and effective placement of proceeds from any bond sales, these limits may be exceeded for a maximum of five business days following the receipt of bond proceeds.

(1) Bond Proceeds

Proceeds of a single bond issue may be invested in a single security or investment if the Investment Committee determines that such an investment is necessary to comply with Federal arbitrage restrictions or to facilitate arbitrage record keeping and calculation.

e. Limiting Maturity

In order to minimize risk of loss due to interest rate fluctuations, investment maturities will not exceed the anticipated cash flow requirements of the funds. Maturity guidelines by funds are as follows:

(1) General Funds

The dollar weighted average days to final stated maturity shall be 548 days or less. The Investment Advisor will monitor the maturity level and make changes as appropriate.

(2) Bond Proceeds, Bond Reserves, Debt Service Funds

The investment maturity of bond proceeds (including reserves and debt service funds) shall be determined considering:

(a) the anticipated cash flow requirements of the funds, and;

(b) the “temporary period” as defined by Federal tax law during which time bond proceeds may be invested at an unrestricted yield. After the expiration of the temporary period, bond proceeds subject to yield restriction shall be invested considering the anticipated cash flow requirements of the funds.
2. Safekeeping

   a. Safekeeping Agreement

      CapMetro shall contract with a bank or banks for the safekeeping of securities either owned by CapMetro as a part of its investment portfolio or held as collateral to secure certificates of deposits, share certificates or repurchase agreements.

   b. Safekeeping of Certificate of Deposit/Share Certificate Collateral

      All collateral securing bank, savings banks and credit union deposits must be held by a third party banking institution approved by CapMetro, or collateral may be held at the Federal Reserve Bank.

   c. Safekeeping of Repurchase Agreement Collateral

      The securities which serve as collateral for repurchase agreements with dealers must be delivered to a third-party custodian with which CapMetro has established a third-party safekeeping agreement.

C. Ensuring Liquidity

   Liquidity shall be achieved by investing in securities with active secondary markets and by investing in eligible money market mutual funds (MNIMF’s) and local government investment pools (LGIP’s).

   A security may be liquidated to meet unanticipated cash requirements, to re-deploy cash into other investments expected to outperform current holdings, or to otherwise adjust the portfolio.

D. Achieving Investment Return Objectives

   Investment selection for all funds shall be based on legality, appropriateness, liquidity, and risk/return considerations. The portfolios shall be actively managed to enhance overall interest income. Active management will take place within the context of the “Prudent Person Rule.” (See Section MD.).

1. Securities Swaps

   CapMetro will take advantage of security swap opportunities to improve portfolio yield. A swap which improves portfolio yield may be selected even if the transaction results in an accounting loss.
2. Competitive Bidding

It is the policy of CapMetro to require competitive bidding for all individual security purchases except for those transactions with money market mutual funds (MMMF’s) and local government investment pools (LGIP’s) which are deemed to be made at prevailing market rates, and for government securities purchased at issue through a primary dealer at auction price. Rather than relying solely on yield, investment in MMMF’s and LGIP’s shall be based on criteria determined by the Investment Committee, including adherence to Securities and Exchange Commission (SEC) guidelines for MMMF’s when appropriate.

At least three bidders must be contacted in all transactions involving individual securities. Competitive bidding for security swaps is also required. Bids may be solicited in any manner provided by law. For those situations where it may be impractical or unreasonable to receive three bids for a transaction due to a rapidly changing market environment or to secondary market availability, documentation of a competitive market survey of comparable securities or an explanation of the specific circumstance must be included with the daily bid sheet. All bids received must be documented and filed for auditing purposes.

3. Methods of Monitoring Market Price

The methods/sources to be used to monitor the price of investments that have been acquired with public funds shall be from sources deemed reliable by the Investment Advisor, including primary or regional broker/dealers, market information vendors such as Bloomberg or Telerate and market pricing services.

E. Responsibility and Controls

1. Authority to Invest

The authority to invest CapMetro funds and the execution of any documentation necessary to evidence the investment of CapMetro funds is granted to the Investment Advisory firm under current contract and those CapMetro personnel authorized as Investment Officers. The ’CapMetro Board of Directors will designate in writing those CapMetro personnel (“Investment Officers”) authorized to invest on behalf of CapMetro.

2. Establishment of Internal Controls

The Chief Financial Officer will establish a system of internal controls over the investment activities of CapMetro and document such control in the Investment Procedures Manual.
3. Prudent Investment Management

The designated Investment Officers shall perform their duties in accordance with the adopted Investment Policy and procedures set forth in the Investment Procedures Manual. Investment Officers acting in good faith and in accordance with these Policies and Procedures shall be relieved of personal liability.

4. Standard of Ethics

The designated Investment Officers shall adhere to CapMetro’s ethics policies.

5. Training and Education

In accordance with the Public Funds Investment Act (Chapter 2256, Texas Government Code), the designated Investment Officers, or those personnel authorized to execute investment transactions, shall attend at least one investment training session annually. State law requires that training relating to investment responsibilities must be provided by an independent source as approved by the Investment Committee. Personnel authorized to execute or approve investment transactions must receive at least 10 hours of investment training within each two-year period.

6. Investment Committee

An Investment Committee shall be established to determine investment guidelines, general strategies, and monitor performance. Members of the Investment Committee will include the Investment officers and a representative of the external investment advisory firm. The Committee may also include one additional member, as designated by the CapMetro Board of Directors. The Committee shall meet quarterly to review performance, strategy and procedures.

F. Reporting

Investment performance is continually monitored and evaluated by the Investment Advisor. The Investment Advisor will provide detailed reports, as required by the Public Funds Investment Act (Chapter 2256, Texas Government Code), Section 2256.023, for the General Manager, the Chief Financial Officer, the Board of Directors and the Investment Committee on a quarterly basis.

The report will outline conformance to the restrictions of the Policy in the area of diversification and term of maturity. The report will also compare the performance of CapMetro’s portfolio to appropriate benchmarks as determined by the Investment Committee. The report will include an economic summary discussing interest rate trends, investment strategy and any other information deemed appropriate by the Chief
Financial Officer or the Investment Committee.

G. Compliance Audit

In conjunction with its annual financial audit, CapMetro shall perform a compliance audit of management controls on investments and adherence to CapMetro’s established Investment Policies. The results of the audit shall be reported to the Investment Committee and the CapMetro Board of Directors.

H. Certification

A copy of this Investment Policy will be provided to the senior management of any bank, dealer, broker or investment advisor wishing to transact investment business directly with CapMetro in order that it is apprised of the investment goals of CapMetro. Before business is transacted with the firm, a certification (Appendix C) must be signed by a senior member of a firm. Should CapMetro contract with an external investment advisor to execute the Authority’s investment strategy, including the negotiation and execution of investment transactions, a managing officer of the investment advisory firm may sign the written certification in lieu of the broker/dealer firms. Certifications will be provided on an annual basis immediately following the re-adoptation of this Investment Policy by the Board of Directors.
APPENDIX

A. INVESTMENT LEGISLATION

B. MASTER REPURCHASE AGREEMENT (repurchase agreements not currently utilized, see note in Section IV.B, Ensuring Safety of Principal).

C. BROKER/DEALER CERTIFICATION
**SUBJECT:**
Approval of a resolution authorizing updates to the CapMetro Alcohol Prohibition Policy.

**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:** The policies adopted by the Board of Directors provide direction to the Agency on policy matters within the purview of the Board.

**BUSINESS CASE:** Periodic review and updates to policies adopted by the Board of Directors are prudent to ensure they meet the ongoing needs of the Agency.

**COMMITTEE RECOMMENDATION:** This item will be presented to the Operations, Planning and Safety Committee on October 11, 2023.

**EXECUTIVE SUMMARY:** Section 9.6 of the Bylaws of the CapMetro Board of Directors requires the review and amendment as necessary each of its policies at least every five years. The Alcohol Prohibition Policy is due for review.
In 2003, the Board of Directors adopted a resolution prohibiting the use of alcohol on CapMetro property. Section 451.1075, Texas Transportation Code requires the Board of Directors adopt such a policy, if desired. Staff recommends minor changes to the policy to be in alignment with statutory language.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply

RESPONSIBLE DEPARTMENT: Safety, Occupational Health, and Accessible Services
WHEREAS, it is prudent to periodically review and update policies adopted by the Board of Directors to ensure they continue to meet the needs of the Authority; and

WHEREAS, the Board of Directors adopted revised Bylaws in 2022 that require policies adopted by the Board of Directors to be reviewed at least every five years; and

WHEREAS, the Alcohol Prohibition Policy has been identified for review.

NOW, THEREFORE, BE IT RESOLVED that the Capital Metropolitan Transportation Authority Board of Directors approves the attached updates to the CapMetro Alcohol Prohibition Policy.

____________________
Date: ____________________

Secretary of the Board
Becki Ross
POLICY PROHIBITING
THE CONSUMPTION OF ALCOHOLIC BEVERAGES
ON PROPERTY IN THE POSSESSION OR CONTROL OF THE
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY

The purpose of this Policy is to promote a safe and healthy environment for customers and employees by prohibiting the consumption of alcoholic beverages on property in the possession or control of Capital Metro.

Definitions. For the purpose of this section the following definitions shall apply unless the context clearly indicates or requires a different meaning.

ALCOHOLIC BEVERAGE means any beverage containing more than one-half of one percent alcohol by volume and that is capable for use for beverage purposes; either alone or when diluted (Texas Alcoholic Beverage Code, Section 1.04).

DESIGNATED PROPERTY means any property in the possession or control of Capital Metro where a sign or signs are posted prohibiting the consumption of an alcoholic beverage (Texas Transportation Code, Section 451.1075).

Designated property shall include the RIGHT-OF-WAY, STREET, and SIDEWALK AREA, PEDESTRIAN. Designated property shall also include a fifteen (15) foot perimeter around the said transit property.

a) "Transit Vehicles," means any motorized vehicles used to transport passengers or Capital Metro personnel. Transit vehicles include, but are not limited to all Capital Metro buses of any type, vans, trolleys, fleet cars or trucks and any other vehicle procured or in the possession by the Authority.

b) "Transit Stop," also known as a "bus stop" means a site located along a transit route, where transit vehicles load and unload passengers. For the purposes of this policy the transit stop includes any shelter, station or bench, owned or maintained by Capital Metro.

c) "Transit Center," means a fixed location where passengers interchange from one route or vehicle to another.

d) "Park- &-Ride Lot," means a parking garage, lot and/or pavement used as a collector site for parking passenger automobiles while they use Capital Metro's facilities or vehicles.

e) "Facility," means any revenue and non-revenue building or structure in the possession of control of the Authority.

POSSESS means to have on one's person, in one's effect, or in an area subject to one's control.
OPEN CONTAINER means an alcoholic beverage container that is no longer sealed.

POLICY:

No person shall consume an alcoholic beverage in any vehicle, including revenue or non-revenue vehicles, at a bus stop, transit station or transit center; or in any facility in the possession or control of Capital Metro.

No person shall have in his/her possession an open container containing an alcoholic beverage in or on any property in the possession or control of Capital Metro.

A person commits a Class C misdemeanor offense if the person consumes an alcoholic beverage in violation of this posted policy.

Adopted by the Board of Directors January 13, 2003
Reviewed and approved by the Board of Directors November 14, 2018
POLICY PROHIBITING
THE CONSUMPTION OF ALCOHOLIC BEVERAGES ON PROPERTY IN THE POSSESSION OR
CONTROL OF THE CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
The purpose of this Policy is to promote a safe and healthy environment for customers and
employees by prohibiting the consumption of alcoholic beverages on property in the possession
or control of Capital Metro.

Definitions. For the purpose of this section the following definitions shall apply unless the
context clearly indicates or requires a different meaning.

ALCOHOLIC BEVERAGE means any beverage containing more than one-half of one percent
alcohol by volume and that is capable for use for beverage purposes; either alone or when
diluted (Texas Alcoholic Beverage Code, Section 1.04).

DESIGNATED PROPERTY means any property in the possession or control of Capital Metro
where a sign or signs are posted prohibiting the consumption of an alcoholic beverage (Texas
Transportation Code, Section 451.1075).

Designated property shall include the RIGHT-OF-WAY, STREET, and SIDEWALK AREA,
PEDESTRIAN. Designated property shall also include a fifteen (15) foot perimeter around the
said transit property.

a) "Transit Vehicles," means any motorized vehicles used to transport passengers or Capital
Metro personnel. Transit vehicles include, but are not limited to all Capital Metro
buses of any type, vans, trolleys, rail passenger cars, fleet cars or trucks and any other vehicle
procured or in the possession of the Authority.
b) "Transit Stop," also known as a "bus stop"-means a site located along a transit route,
where transit vehicles load and unload passengers. For the purposes of this policy the transit
stop includes any shelter, station, or bench, owned or maintained by Capital Metro.
c) "Transit Center," means a fixed location where passengers interchange from one route or
vehicle to another.
d) "Park-&-Ride Lot," means a parking garage, lot and/or pavement used as a collector site
for parking passenger automobiles while they use Capital-Metro's facilities or vehicles.
e) "Facility," means any revenue and non-revenue building or structure in the possession of
or control of the Authority.

POSSESS means to have on one's person, in one's effect, or in an area subject to one's control.
OPEN CONTAINER means an alcoholic beverage container that is no longer sealed.

POLICY:
No person shall consume an alcoholic beverage in any vehicle, including revenue or nonrevenue
vehicles, at a bus stop, transit station or transit center, or in any facility in the possession
or control of Capital Metro.
No person shall have in his/her possession an open container containing an alcoholic beverage in or on any property in the possession or control of Capital-Metro.

A person commits a Class C misdemeanor offense if the person consumes an alcoholic beverage in violation of this posted policy.

Adopted by the Board of Directors January 13, 2003
Reviewed and approved by the Board of Directors November 14, 2018
<table>
<thead>
<tr>
<th>No.</th>
<th>Section Heading</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.0</td>
<td>Purpose</td>
</tr>
<tr>
<td></td>
<td>This policy prohibiting the consumption of Alcoholic Beverages on property in the possession or control of the Capital Metropolitan Transportation Authority (“CapMetro”) establishes guidelines to promote a safe and healthy environment for customers and employees.</td>
</tr>
<tr>
<td>2.0</td>
<td>Persons Affected</td>
</tr>
<tr>
<td></td>
<td>This policy applies equally to all employees, Board of Directors of CapMetro, and anyone on Designated Property.</td>
</tr>
<tr>
<td>3.0</td>
<td>Policy</td>
</tr>
<tr>
<td></td>
<td>No person shall consume an Alcoholic Beverage in any Transit Vehicle or on Designated Property. This includes revenue or nonrevenue vehicles, at a bus stop, transit station or transit center, or in any facility in the possession or control of CapMetro.</td>
</tr>
<tr>
<td></td>
<td>No person shall have in their possession an Open Container containing an Alcoholic Beverage in or on any property in the possession or control of CapMetro.</td>
</tr>
<tr>
<td></td>
<td>CapMetro will post a sign in each location where consumption of an Alcoholic Beverage is prohibited. A person commits a Class C misdemeanor offense if the person consumes an Alcoholic Beverage in a place where such sign is posted.</td>
</tr>
<tr>
<td>4.0</td>
<td>Definitions</td>
</tr>
<tr>
<td></td>
<td><strong>Alcoholic Beverage:</strong> Any beverage containing more than one-half of one percent alcohol by volume and that is capable for use for beverage purposes; either alone or when diluted (Texas Alcoholic Beverage Code, Section 1.04).</td>
</tr>
<tr>
<td></td>
<td><strong>Designated Property:</strong> any property in the possession or control of CapMetro where a sign or signs are posted prohibiting the consumption of an alcoholic beverage (Texas Transportation Code, Section 451.1075).</td>
</tr>
<tr>
<td></td>
<td><strong>Transit Vehicles:</strong> Any motorized vehicles used to transport passengers or CapMetro personnel. Transit vehicles include but are not limited to all CapMetro buses of any type, vans, rail passenger cars, fleet cars or trucks and any other vehicle, whether classified as revenue or non-revenue, procured or in the possession of the Authority.</td>
</tr>
<tr>
<td></td>
<td><strong>Transit Stop:</strong> A site located along a transit route, where transit vehicles load and unload passengers. For the purposes of this policy the transit stop includes any shelter, station, or bench, owned, or maintained by CapMetro.</td>
</tr>
<tr>
<td></td>
<td><strong>Transit Center:</strong> A fixed location where passengers interchange from one route or vehicle to another.</td>
</tr>
<tr>
<td></td>
<td><strong>Park-&amp;-Ride Lot:</strong> A parking garage, lot and/or pavement used as a collector site for parking passenger automobiles while they use CapMetro’s facilities or vehicles.</td>
</tr>
<tr>
<td></td>
<td><strong>Facility:</strong> Any revenue and non-revenue building or structure in the possession or control of the Authority.</td>
</tr>
<tr>
<td></td>
<td><strong>Possess:</strong> To have on one's person, in one's effect, or in an area subject to one's control.</td>
</tr>
<tr>
<td></td>
<td><strong>Open Container:</strong> An alcoholic beverage container that is no longer sealed.</td>
</tr>
</tbody>
</table>
5.0 Responsibilities
The safety department within the Capital Metropolitan Transportation Authority is responsible for establishing a safe environment through the enforcement of this prohibition of the consumption of alcohol beverages on CapMetro property.

6.0 Procedures
Not Applicable

7.0 Revision History
Shows a list of document changes, in table format.

<table>
<thead>
<tr>
<th>REV LEVEL</th>
<th>CHANGE(S) MADE BY:</th>
<th>DATE OF CHANGES:</th>
<th>SECTIONS IMPACTED – DESCRIPTION OF CHANGES</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.0</td>
<td>Office of Safety, Occupational Health &amp; Accessible Services</td>
<td>9/25/23</td>
<td>All sections – cleaned up language and revised per the Texas Transportation Code.</td>
</tr>
</tbody>
</table>

Additional Documentation (if applicable)
N/A

Exec 2
SUBJECT:
Approval of a resolution approving revisions to the President & CEO Total Compensation Policy.

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: The policies adopted by the Board of Directors provide strategic direction to the President & CEO and CapMetro staff with regard to policy matters within the purview of the board.

BUSINESS CASE: Periodic review and updates to policies adopted by the Board of Directors are prudent in order to ensure that they meet the ongoing needs of CapMetro and are required by the CapMetro Board Bylaws.

COMMITTEE RECOMMENDATION: This item was presented and recommended for approval by the Finance, Audit and Administration Committee on October 11, 2023.

EXECUTIVE SUMMARY: The Board of Directors adopted Bylaws in 2017 that require policies adopted by the Board to be reviewed every five years.
The President & CEO Total Compensation Policy was last updated and approved by the board in 2018. This purpose of this policy is to define the compensation philosophy for determining the appropriate total compensation for the President & CEO that is fair, reasonable, competitive and based on performance. Staff recommends minor changes and language clarifications to the policy.

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-2023-964

WHEREAS, it is prudent to periodically review and update policies adopted by the Board of Directors in order to ensure they continue to meet the needs of CapMetro; and

WHEREAS, the Board of Directors adopted revised Bylaws in 2017 that require policies adopted by the Board to be reviewed every five years; and

WHEREAS, the President & CEO Total Compensation Policy has been identified for review by the Board of Directors.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the board approves the recommended revisions to the President & CEO Total Compensation Policy.

____________________
Date: __________________

Secretary of the Board
Becki Ross
President & CEO Total Compensation Policy

<table>
<thead>
<tr>
<th>Updated: October 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approved by: Board of Directors</td>
</tr>
</tbody>
</table>

**PURPOSE**

The purpose of this policy is to define the compensation philosophy to determine appropriate total compensation for the President & CEO. This policy is designed with the goal of providing remuneration that is fair, reasonable, and competitive and based on performance.

**POLICY**

The Capital Metropolitan Transportation Authority (Capital Metro CapMetro) President & CEO total compensation policy is intended to help the company recruit and retain highly qualified and talented President & CEO candidates. It is also intended to motivate the President & CEO by linking rewards to performance, while also aligning their interests with those of Capital Metro’s CapMetro’s stakeholders.

**TOTAL COMPENSATION PHILOSOPHY**

| Performance | o Capital Metro CapMetro believes that the best way to accomplish alignment of compensation with the interests of Capital Metro CapMetro is to link pay directly to individual and Authority performance. |
| External Competitiveness | o Compensation and benefits programs are intended to be competitive with organizations of similar size and complexity. o In general, programs are considered competitive when they are targeted at the 50th percentile market base for compensation programs offered to public, private and peer employers. The CapMetro will review the salary schedules annually to ensure they reflect the marketplace utilizing salary survey tools. |
| Flexible and Ongoing | o To provide an objective system of determining compensation and benefits and the ability to respond to changes in the organization, government legislation, and the relevant marketplace. |
| Cost Total Rewards | o A Total Rewards (or Total Job Value) plan will be established and regularly reviewed to ensure it thoroughly represents the scope of contributing factors that reflect CapMetro’s investment in the full value of a job – through pay, benefits and positive, healthy, inclusive culture. Compensation and benefits programs are designed to be cost-effective and affordable, ensuring that the interest of Capital Metro stakeholders are considered. |
| Peer Groups | o The relevant peer groups for compensation and benefits programs consist of transportation authorities with similar products, revenue, and employees. o Other peer groups are also reviewed for competitiveness including state and local government agencies and national salary survey data-bases. |

**COMPONENTS OF TOTAL COMPENSATION**

Capital Metro CapMetro’s President & CEO compensation and benefits package consists of direct compensation and company sponsored benefit plans. Each component is designed to achieve a
specific purpose and to contribute to a total compensation package that is appropriately performance-based, competitive, and valued by the President & CEO.

| Direct Compensation | o Direct compensation consists of base salary and variable compensation (which includes an annual performance award). All elements of compensation are targeted at the competitive median of the relevant peer group to remain competitive with the relevant peer group.  
| | o Variable compensation is linked to individual’s the President & CEO’s and Capital Metro CapMetro’s performance.  
| | o When performance exceeds expectation, pay levels are likely to be above the competitive median. When performance falls below expectation, pay levels are likely to fall below the competitive median.  
| | o By creating these links, Capital Metro CapMetro seeks to achieve its objective of having performance-based, cost-effective compensation programs.  
| Base Salary | o Base salary is determined with reference to competitive pay practices and is aligned with the individual’s relative role and responsibilities.  
| Variable Compensation | o Variable compensation is comprised of an annual performance award which is designed to place a significant portion of total compensation at risk – that is, linked directly to performance.  
| | o Annual performance awards are determined by the Board of Directors with reference to the competitive market and vary based on performance.  
| Total Cash Compensation | o The annual performance award, together with base salary, comprises the annual total cash compensation payable to the President & CEO.  
| Employee Benefit Plans | o Capital Metro CapMetro provides company sponsored health, life, and disability and retirement benefits to President & CEOs at the same level as administrative employees.  
| | o Employee benefits are reviewed periodically to ensure that the plans and programs provided are generally competitive and cost-effective for Capital Metro CapMetro and support the employees’ needs.  
| | o Benefit levels are not directly tied to company, business unit, or individual performance.  
| | o The President & CEO’s, base salary can be deferred into a 401(K) Plan subject to Internal Revenue Service rules and limits.  
| Determining President & CEO Compensation Level | o Compensation for the President & CEO is determined by the Board of Directors based on its assessment of Capital Metro CapMetro’s overall performance, the President & CEO’s individual performance against the achievement of the Capital Metro CapMetro’s performance goals and other goals agreed to by the Board and President & CEO, and market competitive compensation packages for CEO’s among firms of similar size and complexity in the transportation industry from independent sources. |
### Measuring Performance
- The Board of Directors will establish a written performance plan with specific measures for each fiscal year of the President & CEO’s employment contract.
- Performance will be based on individual performance on the Company scorecard related to CapMetro’s Strategic Plan and other performance measures as determined by the Board of Directors.

### Payment of Annual Performance Award
- The Board of Directors will determine the amount of a Performance Award and approve the payment in accordance with the President & CEO employment contract.

### Severance Pay
- Severance pay will not be provided in the event of termination of employment for cause as defined in the President & CEO employment contract or in the event of the President & CEO’s resignation. The Board of Directors will determine through negotiations whether to provide severance pay in other instances.

### Board Action on President & CEO Compensation
- Discussion of the President & CEO’s performance may be held in Executive Session under Chapter 551 of the Texas Government Code.
- Action on the amount of President & CEO’s total compensation, the amount of any annual performance awards and actual performance compared to performance metrics will be taken in an open Board Meeting.
SUBJECT:
Approval of a resolution adopting the FY2024 Annual Internal Audit Plan.

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: This plan will ensure good stewardship and internal controls for the agency and supports the CapMetro Strategic Plan.

BUSINESS CASE: Does not apply.

COMMITTEE RECOMMENDATION: This item was presented and recommended for approval by the Finance, Audit and Administration Committee on October 11, 2023.

EXECUTIVE SUMMARY: The Institute of Internal Auditor’s International Standards for the Professional Practice of Internal Auditing require risk-based audit plans be developed to determine the priorities of an internal audit activity, consistent with the organizational goals. The proposed FY2024 Internal Audit Plan (the Plan) summarizes the proposed audits and projects that were identified during a comprehensive risk assessment performed by CapMetro’s Internal Audit Department. The Plan presents audit activities in two categories:
Assurance Services, and Advisory & Consulting Services. The CapMetro Internal Audit Charter requires that the Chief Audit Executive “present for approval to the Finance Audit & Administration Committee 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.” After FAA Committee consideration, the Plan is taken to the full Board for its review and approval.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply.

RESPONSIBLE DEPARTMENT: Internal Audit Department
RESOLUTION
OF THE
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS

STATE OF TEXAS
COUNTY OF TRAVIS

WHEREAS, the FY2024 Internal Audit Plan considers the potential risks and the opportunities of the Authority; and the FY2024 Internal Audit Plan was prepared in accordance with the professional internal auditing standards; and

WHEREAS, the FY2024 Internal Audit Plan provides a mix of audit projects to mitigate risks, develop recommendations for improvement and/or costs savings, and monitor the progress toward implementing past recommendations.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the FY2024 Internal Audit Plan is adopted and sets a program to provide relevant and useful information to the Board of Directors.

Date: ______________________

Secretary of the Board
Becki Ross
Purpose

This proposed Capital Metro Internal Audit Plan (Audit Plan) summarizes the planning methodology and the audit projects that Internal Audit recommends performing during FY2024.

FY2024 Audit Plan & Updates

The Institute of Internal Auditor’s (IIA) *International Standards for the Professional Practice of Internal Auditing* require that risk-based plans be developed to determine the priorities of the internal audit activity, consistent with the organization’s goals.

The proposed FY2024 Internal Audit Plan (Table 1) was developed by performing a comprehensive risk assessment. This included a risk assessment survey sent to management and Board members, management interviews, and discussions with Board members. Additionally, we collaborated and reviewed the audit plans of VIA in San Antonio, and DART in Dallas. The Internal Audit Department also reviewed prior external consulting and audit reports (e.g., FTA Triennial, Quadrennial Performance Audit, etc.), operating and capital budgets, organization charts, and the Strategic Plan to help ensure other potential risk and opportunity areas were identified and proposed projects are aligned to address the strategic risks of the Authority.

This year’s Risk Assessment (Table 3) identified the top 17 risk facing CapMetro in FY2024 and 7 of these risks are new. Some of the more significant new risks are related to the expected
payroll “pass through charges” in the new Bus Operations & Maintenance contracts which will require new internal controls and processes. Additionally, the forecasted large increase in capital projects, including the electric bus program, establishing new transit facilities and offices, MetroRapid delivery, and the standup of the new North Base Demand Response and CapMetro Police Department facilities. A notable change is the reduction of CapMetro’s risks related to Project Connect because the new Joint Powers Agreement has assigned full responsibility for Light Rail FTA grant monies to Austin Transit Partnership. Some key drivers of higher risks noted are as follows: FY2024 CapMetro growth with $411 million in projected Capital Projects and $427 million in Operating Expenses; multiple large capital projects (e.g., McKalla Station; new Fifth & Tillery headquarters; etc.), CapMetro and service provider personnel vacancies; tight labor market with higher employee turnover and high uncertainty in the economy. Some of the service provider risk is mitigated through the planned implementation of an enterprise governance, risk and compliance (GRC) system and Internal Audit is serving as an advisor and is the lead facilitator on the GRC implementation to help ensure that controls are adequate and process improvement efficiencies are gained. Additionally, the FastPath system has been chosen by management to analyze segregation of duties in the new Oracle system and the Internal Audit Department will help management in the evaluation of SOD across Oracle (e.g., Payroll; Accounts Payable; Accounting; etc.).

One of the most impactful IT projects which will assist with the service provider oversight and management is the implementation of the Governance Risk & Compliance (GRC) systems. This project was spawned from the Texas statute required Quadrennial Performance Management review and recommendation in January 2021 that CapMetro implement a “contract management system” to help on monitoring vendor performance/compliance in Bus, Rail and Demand Response contracts. The proposed FY2024 has multiple GRC related projects with Internal Audit playing a critical role in ensuring the GRC implementation goes smoothly across various departments with internal control improvements and efficiencies being gained. Note, the development of the automation of Bus incident/accident reporting process was completed during FY2023 but the implementation was postponed due to the Bus vendor selection process and upcoming change in Bus operation/maintenance vendors from MV Transportation to Keolis effective 1/1/2024.

The FY2024 Plan also includes a focus on IT security, safety, and financial controls. The proposed plan includes three IT projects which includes a follow-up cybersecurity assessment conducted by CISA, the Annual Cybersecurity Review (i.e., IT Penetration and Vulnerability Assessments), and a possible review of Microsoft SharePoint Security. Other projects to highlight from the FY2024 Plan include the review of the ATP/CapMetro billing processes, and the new operating model in the Keolis contracted bus operations and maintenance services. Internal Audit believes these focus areas together with the other projects in the proposed Audit Plan will appropriately address the risks identified.

The FY2024 audit plan also includes a list of contingent projects (Table 2 – seven projects listed as Contingent Audit Projects) that will serve as backup projects that will be performed if the
original plan is running ahead of schedule or if some of the projects must be delayed or cancelled. Furthermore, the Audit Plan is meant to be a risk based flexible audit plan so as emerging risks arise or priorities change, the Internal Audit Department will bring these future project changes to management and the FAA Committee for approval.

Internal Audit Project Staffing

Staffing for the FY24 Audit Plan will use a combination of internal and external resources to perform the projects. This past year the Internal Audit Department completed seventeen audit projects. The FY24 plan includes twenty-two assurance/advisory projects, and Internal Audit believes these additional projects can be completed through better planning, scoping and coordination with management. The department is currently fully staffed with five full time auditors, and we continue to mature the UT Audit Intern program which started in 2018. This Fall semester we will have five graduate Accounting students from UT’s #1 ranked Masters of Professional Accounting program who will be assisting on four advisory projects as part of their required Auditing class. This is our eleventh semester participating in this highly successful program, and we plan on continuing the UT Audit Intern program with a fresh class in the Spring. Each student in the intern program is providing up to 60 hours of volunteer project time for the semester as part of their Auditing class at UT. Additionally, on the IT security side we have signed up with CISA to follow-up on this years cybersecurity assessments, and the Annual Cybersecurity Review (i.e. IT Penetration and Vulnerability Assessment) is performed by an external consulting firm and it is funded by the IT Department. We believe this mix of internal and external resources is sufficient to perform the projects listed in the FY2024 Audit Plan (see Table 1).

Professional Requirements & Auditor Independence

The Internal Audit Department conducts our audits in conformance with Generally Accepted Government Auditing Standards promulgated by the Comptroller General of the United States and the IIA’s International Standards for the Professional Practice of Internal Auditing and Code of Ethics. These standards require that we be independent from any entity or person that we audit or may audit and be objective when conducting such audits. Furthermore, IIA Standard 1110 requires that the CAE confirm to the board, at least annually, the organizational independence of the internal audit activity. Capital Metro Internal Audit is organizationally independent of management and, as such, remains objective when conducting audits, and our staff have no conflicts of interest with the proposed FY2024 Audit Plan.
**TABLE 1 – FY2024 Audit Assurance & Advisory Projects**

<table>
<thead>
<tr>
<th>Audit Project</th>
<th>Audit Type</th>
<th>Audit Objective &amp; Scope</th>
<th>Estimated Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Semiannual Implementation Status Updates - November 2023</td>
<td>Assurance</td>
<td>Monitor and report on implementation status of previously agreed-upon corrective action plans (CAPs). Status updates are performed twice each year (Spring and Fall.)</td>
<td>200</td>
</tr>
<tr>
<td>Semiannual Implementation Status Updates - May 2024</td>
<td>Assurance</td>
<td>Monitor and report on implementation status of previously agreed-upon corrective action plans (CAPs). Status updates are performed twice each year (Spring and Fall.)</td>
<td>200</td>
</tr>
<tr>
<td>FY2024 Risk Assessment &amp; FY2025 Audit Plan Development</td>
<td>Continuous Improvement &amp; QC</td>
<td>Develop the annual risk based internal audit services plan to identify audit and non-audit projects and effectively allocate resources. Update and align the plan with changing organizational risks/opportunities.</td>
<td>350</td>
</tr>
<tr>
<td>CapMetro/ATP Billing Processes</td>
<td>Advisory &amp; Consulting</td>
<td>Review processes and controls to facilitate billings between ATP and CapMetro to ensure the process is properly designed and efficient.</td>
<td>240</td>
</tr>
<tr>
<td>Keolis Payroll Pass Through Controls - New Contract in Bus</td>
<td>Assurance &amp; Advisory</td>
<td>Ensure controls are appropriate to validate the Keolis employees are paid in compliance with the Collective Bargaining Agreement and CapMetro is properly billed.</td>
<td>500</td>
</tr>
<tr>
<td>Hexagon (Infor) System - post go live review</td>
<td>Assurance</td>
<td>Review internal controls and functionality of the new Infor enterprise asset management system.</td>
<td>250</td>
</tr>
<tr>
<td>Paratransit &amp; Demand Response Operations</td>
<td>Assurance</td>
<td>Review MTM billings and support for compliance with contract terms and conditions.</td>
<td>160</td>
</tr>
<tr>
<td>#</td>
<td>Description</td>
<td>Type</td>
<td>Description</td>
</tr>
<tr>
<td>----</td>
<td>------------------------------------------------------------------------------</td>
<td>--------------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>8</td>
<td>FastPath - Analyze Oracle segregation of duties</td>
<td>Advisory / Consulting</td>
<td>FastPath software has been purchased to analyze segregation of duties (SOD) across the financial transactions (e.g., Payments; Payroll; etc.)</td>
</tr>
<tr>
<td>9</td>
<td>MV Contract - Payroll Pass Through Charges</td>
<td>Assurance &amp; Advisory</td>
<td>Ensure controls are appropriate to validate that MV employees are paid in compliance with the Collective Bargaining Agreement and CapMetro is properly billed.</td>
</tr>
<tr>
<td>10</td>
<td>Miscellaneous Revenue Controls</td>
<td>Assurance</td>
<td>Review the design and operating effectiveness of internal controls to ensure the completeness and accuracy of miscellaneous revenue.</td>
</tr>
<tr>
<td>11</td>
<td>GHG &amp; Carbon Footprint Reporting</td>
<td>Advisory</td>
<td>Ensure environmental reporting is in compliance with the Climate Registry.</td>
</tr>
<tr>
<td>12</td>
<td>Sales Taxes - Revenue Controls</td>
<td>Advisory</td>
<td>Review controls to ensure the monthly Texas Comptroller payments are being made timely and accurately.</td>
</tr>
<tr>
<td>13</td>
<td>Investment Income - Revenue Controls</td>
<td>Advisory</td>
<td>Review controls to ensure CapMetro cash and related investments are in compliance with the Investment Policy and errors and irregularities would be prevented and/or detected timely.</td>
</tr>
<tr>
<td>14</td>
<td>Watco Freight Revenue - Revenue Controls</td>
<td>Advisory</td>
<td>Review payment controls to ensure that Watco freight revenue sharing is in compliance with contract terms.</td>
</tr>
<tr>
<td>15</td>
<td>GRC - automate Incidents/Accidents Reporting (Bus, Rail, DR)</td>
<td>Advisory / Consulting</td>
<td>Help management design and implement the automation of incident/accident reporting across Bus/Rail/DR using the GRC system.</td>
</tr>
<tr>
<td>16</td>
<td>GRC - Contract Performance Management System Advisory (Bus, Rail, DR) - Quadrennial Performance Audit recommendations</td>
<td>Advisory / Consulting</td>
<td>The Quadrennial Performance Audit Report dated 1/2021 requires that a Contract Management System be implemented. Serve as an advisor on the GRC implementation in the following areas: Contract Performance Mgt System for Bus, Rail and Demand Response.</td>
</tr>
<tr>
<td>Page</td>
<td>Description</td>
<td>Type</td>
<td>Details</td>
</tr>
<tr>
<td>------</td>
<td>-----------------------------------------------------------------------------</td>
<td>-----------------------------------</td>
<td>------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>17</td>
<td>GRC (Governance Risk &amp; Compliance) System Implementation (Risk Register; Safety Dept; Internal Audit Dept; etc.)</td>
<td>Advisory / Consulting</td>
<td>Assist with the enterprise level implementation of the Diligent GRC system which provides the tools to automate monitoring and reporting as follows: Contract Compliance &amp; Billings; Safety; Risk Registers; Enterprise Risk Management; Internal Audit and other departments etc..</td>
</tr>
<tr>
<td>18</td>
<td>Safety Management System (SMS) - Management of Change</td>
<td>Advisory / Consulting</td>
<td>Compliance with FTA requirements related to safety and &quot;management of change&quot;.</td>
</tr>
<tr>
<td>19</td>
<td>Bus Charging Infrastructure &amp; EV Program</td>
<td>Advisory / Consulting</td>
<td>Review project plans related to the EV Bus Program and evaluate where policies/procedures will need to be defined to properly support the EV fleet.</td>
</tr>
<tr>
<td>20</td>
<td>AMP Cards &amp; New Fare Structure</td>
<td>Assurance &amp; Advisory</td>
<td>Review process and technology controls to ensure the new AMP Card and fare structure rolls out smoothly with appropriate internal controls</td>
</tr>
<tr>
<td>21</td>
<td>United Healthcare &amp; Other Self-Insured Benefits (TPA Payments)</td>
<td>Assurance</td>
<td>Assessing the Effectiveness and Efficiency of Management Processes to Prevent and Detect insurance overpayments/fraud. Review self-insured TPA (Third Party Administrator) payments.</td>
</tr>
<tr>
<td>22</td>
<td>McKalla Station - Design Build Effectiveness</td>
<td>Assurance</td>
<td>Review the procurement and construction process for compliance with contracts, policies, procedures and regulatory requirements.</td>
</tr>
<tr>
<td>23</td>
<td>NIST Cybersecurity Framework (CISA Facilitated Self Assessment) - re-assessment from 2023 baseline</td>
<td>Assurance</td>
<td>Check for compliance with best practices listed in the NIST Cybersecurity Framework</td>
</tr>
<tr>
<td>Project</td>
<td>Hours</td>
<td>Description</td>
<td></td>
</tr>
<tr>
<td>---------</td>
<td>-------</td>
<td>-------------</td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>Annual Cybersecurity Review (Mandiant)</td>
<td>Assurance</td>
<td>Annual Cybersecurity Assessment with outsourced IT Penetration &amp; Vulnerability Assessment</td>
</tr>
<tr>
<td>25</td>
<td>Quadrennial Performance Audit - Selection Process but FY25 Budget/Execution</td>
<td>Advisory</td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>Support to Transit Industry &amp; Professional Organization</td>
<td>Continuous Improvement &amp; QC</td>
<td>Internal special projects including support of local and industry professional associations (ISACA, IIA, APTA, ALGA, Toastmaster, etc.), responding to professional exposure drafts, internal training and other internal quality improvement opportunities as needed. UT Audit Intern Program (Fall &amp; Spring).</td>
</tr>
<tr>
<td>27</td>
<td>Management Requests, Consulting &amp; Special Projects 1) Advisor on various Committees; 2) Investigations; 3) Emerging Risks &amp; Special Projects as requested, etc..</td>
<td>Advisory / Consulting</td>
<td>Internal auditing best practices include allocating an undesignated contingency for management requests and other unanticipated special projects.</td>
</tr>
</tbody>
</table>

**TOTAL ESTIMATED HOURS** | 8,440 |

*Project started in FY2023
UT Intern projects Fall 2023*
### TABLE 2 – FY2024 Contingency Audit Projects (To Be Used as Backups)

<table>
<thead>
<tr>
<th>#</th>
<th>Audit Project</th>
<th>Audit Type</th>
<th>Audit Objective &amp; Scope</th>
<th>Estimated Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Microsoft Sharepoint &amp; Active Directory</td>
<td>Assurance</td>
<td>The confidentiality, integrity and availability of the Microsoft Active Directory and Sharepoint.</td>
<td>250</td>
</tr>
<tr>
<td>2</td>
<td>Salary Adjustment &amp; Merit Process</td>
<td>Assurance &amp; Advisory</td>
<td>Review the process and controls applied to implement the recommendations from Gallagher consulting.</td>
<td>200</td>
</tr>
<tr>
<td>3</td>
<td>Rail-FRA PTC Change Management Requirements (Herzog)</td>
<td>Advisory / Consulting</td>
<td>Review compliance with the FRA's change management record keeping required for all system components and records.</td>
<td>300</td>
</tr>
<tr>
<td>4</td>
<td>Board Policies/Goals - Monitoring &amp; Reporting (e.g., OTP; Fare Recovery; DBE; Title 6 Equity Analysis; etc.)</td>
<td>Assurance</td>
<td>Review Board policies/goals to ensure that they are periodically reviewed and updated, and that related performance metrics are tracked and reported.</td>
<td>300</td>
</tr>
<tr>
<td>5</td>
<td>Capital Project Controls (McKalla Station; MetroRapid; DR N Facility Build;)</td>
<td>Assurance &amp; Advisory</td>
<td>Review controls related to Capital Projects, and ensure compliance with contracts in regards to deliverables and payments.</td>
<td>350</td>
</tr>
<tr>
<td>6</td>
<td>Spare Labs.com - Demand Response System Implementation</td>
<td>Advisory / Consulting</td>
<td>Review requirements and design management controls and related procurement activities for compliance with policies/procedures.</td>
<td>250</td>
</tr>
<tr>
<td>7</td>
<td>Lease Vehicle Program - non-Revenue Vehicles</td>
<td>Assurance &amp; Advisory</td>
<td>Review lease contracts, fleet utilization, and related controls to ensure contract compliance and proper asset management.</td>
<td>400</td>
</tr>
</tbody>
</table>

**TOTAL ESTIMATED HOURS** 2,050
TABLE 3 – FY2023 Risk Assessment Survey Results

<table>
<thead>
<tr>
<th>Response</th>
<th>Average Impact (A)</th>
<th>Average Likelihood (B)</th>
<th>(A x B) Residual Risk (D)</th>
<th>Risk Mitigation Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Safety Operations</td>
<td>6.15</td>
<td>5.08</td>
<td>30.6</td>
<td>1</td>
</tr>
<tr>
<td>Public Personnel Performance &amp; Contract Management</td>
<td>5.88</td>
<td>6.13</td>
<td>36.5</td>
<td>1</td>
</tr>
<tr>
<td>Facilities Management</td>
<td>6.01</td>
<td>5.75</td>
<td>34.5</td>
<td>1</td>
</tr>
<tr>
<td>ATP/Cooperatives - Alignment &amp; Business Process Optimization</td>
<td>5.50</td>
<td>5.63</td>
<td>31.0</td>
<td>1</td>
</tr>
<tr>
<td>Workforce</td>
<td>6.00</td>
<td>5.00</td>
<td>30.0</td>
<td>1</td>
</tr>
<tr>
<td>Enterprise Systems (Hardware, Security, etc.)</td>
<td>5.88</td>
<td>5.00</td>
<td>29.4</td>
<td>1</td>
</tr>
<tr>
<td>Regulatory Affairs</td>
<td>5.10</td>
<td>5.00</td>
<td>25.5</td>
<td>1</td>
</tr>
<tr>
<td>Establishing Transit Facilities &amp; Services</td>
<td>5.00</td>
<td>5.75</td>
<td>29.3</td>
<td>1</td>
</tr>
<tr>
<td>Public Media (Federal &amp; State)</td>
<td>5.98</td>
<td>6.18</td>
<td>36.5</td>
<td>1</td>
</tr>
<tr>
<td>Passenger Information &amp; Engagement Planning</td>
<td>5.00</td>
<td>4.88</td>
<td>24.0</td>
<td>1</td>
</tr>
<tr>
<td>Relationship &amp; Community</td>
<td>5.13</td>
<td>4.28</td>
<td>22.3</td>
<td>1</td>
</tr>
<tr>
<td>Safety &amp; Security</td>
<td>5.35</td>
<td>4.00</td>
<td>21.4</td>
<td>1</td>
</tr>
<tr>
<td>Strategic Focus &amp; Long Range Planning (SF &amp; LR)</td>
<td>5.63</td>
<td>4.18</td>
<td>23.6</td>
<td>1</td>
</tr>
</tbody>
</table>

Note: Residual risk is the amount of risk that remains after controls are accounted for.
SUBJECT:
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.

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: Through this ILA, CapMetro demonstrates commitment to Supplier Diversity and the Disadvantaged Business Enterprise (“DBE”) and Small Business Enterprise (“SBE”) programs designed to enhance DBE and SBE participation in federally and locally funded contracts and procurements.

BUSINESS CASE: CapMetro is responsible for Disadvantaged Business Enterprise (“DBE”) and Small Business Enterprise (“SBE”) programs designed to enhance DBE and SBE participation in federally and locally funded contracts and procurements. The intent of the DBE and SBE program is to provide full and fair opportunities for equal participation by all disadvantaged and small businesses to compete for CapMetro prime contracts and associated subcontracts. The University, under its IC² Institute, offers a Readiness Training Program (RTP) for small businesses that include intermediate to advanced business concepts, techniques, and information aimed at business growth and in doing business with the public sector. CapMetro will partner with the
University to provide business development training services through the University’s IC² Institute’s RTP to DBEs and SBEs that may compete for CapMetro contract and procurement opportunities.

COMMITTEE RECOMMENDATION: This item was presented and recommended for approval by the Finance, Audit and Administration Committee on October 11, 2023.

EXECUTIVE SUMMARY: CapMetro will partner with the University’s IC² Institute’s RTP for a term of one year beginning October 1, 2023, thru September 30, 2024, targeting DBEs and SBEs. This Agreement will support and assist with the following:

- Education of CapMetro’s Supplier Diversity Program;
- Trainings focused on business growth;
- Training on how to do business with CapMetro;
- CapMetro’s understanding of DBEs and SBEs participating in this program through a semi-annual and annual report; and,
- Expansion of CapMetro’s DBE and SBE pool of small businesses that may be solicited for participation in contract and procurement opportunities aimed towards our annual diversity goals.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply.

RESPONSIBLE DEPARTMENT: Diversity, Equity, & Inclusion
RESOLUTION
OF THE
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS

STATE OF TEXAS
COUNTY OF TRAVIS

WHEREAS CapMetro is responsible for Disadvantaged Business Enterprise (“DBE”) and Small Business Enterprise (“SBE”) programs designed to enhance DBE and SBE participation in federally and locally funded contracts and procurements. The intent of the DBE and SBE program is to provide full and fair opportunities for equal participation by all disadvantaged and small businesses to compete for CapMetro prime contracts and associated subcontracts.

WHEREAS The University, under its IC² Institute, offers a Readiness Training Program (RTP) for small businesses that include intermediate to advanced business concepts, techniques, and information aimed at business growth and in doing business with the public sector.

WHEREAS CapMetro will partner with the University to provide business development training services through the University’s IC² Institute’s RTP to DBEs and SBEs that may compete for CapMetro contract and procurement opportunities.

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 an Interlocal Agreement with the University of Texas at Austin, for partnership in the University’s IC² Institute 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.

____________________
Date: __________________

Secretary of the Board
Becki Ross
IC² Interlocal Agreement

October 11, 2023
Who is IC2

- Established at UT in 1977
- Drives research and programs that advance equality
- Readiness Training Program for DBE/SBEs
- Provides assistance to vendors in seeking contract and procurement opportunities
Process

Program will commence October 2023 and end September 30, 2024

Outreach is conducted to recruit the companies

An on-line application and submission requiring:
- General business and personal information
- Business Revenue
- Public and Private bid award experience

20 to 30 businesses are selected for the training
- Training held virtually
- One in-person training workshop
Tracking Success

• A Semi-annual and annual report of vendors completing the program
  • Total Number of companies enrolled
  • Ethnicity and gender of each company enrolled
  • The number of trainings conducted
  • Types of business
  • Survey results from companies completing the program

• Outcomes
  • New DBEs/SBEs certified
  • Participation of companies trained in CapMetro procurement opportunities
Resolution authorizing the President & CEO to finalize and execute an Interlocal Agreement with the University of Texas at Austin for participation in the University’s Readiness Training Program.

- Education of CapMetro’s Supplier Diversity Program;
- Trainings focused on business growth;
- Training on how to do business with CapMetro;
- CapMetro’s understanding of DBEs and SBEs participating in this program through a semi-annual and annual report; and,
- Expansion of CapMetro’s DBE and SBE pool of small businesses that may be solicited for participation in contract and procurement opportunities aimed towards our annual diversity goals.

The proposed amount of this ILA is $60,000.
Thank you!

CapMetro
INTERLOCAL COOPERATION AGREEMENT
BY AND BETWEEN
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
AND
THE UNIVERSITY OF TEXAS AT AUSTIN

This Interlocal Cooperation Agreement (this “Agreement”) is entered into by and between Capital Metropolitan Transportation Authority, a transportation authority and political subdivision of the State of Texas organized under Chapter 451 of the Texas Transportation Code (“CapMetro”) and The University of Texas at Austin, an agency and institution of higher education organized under the laws of the State of Texas (“University”). CapMetro and University are referred to in this Agreement collectively as the “Parties” and individually as a “Party”.

RECITALS:

1. WHEREAS CapMetro is responsible for Disadvantaged Business Enterprise (“DBE”) and Small Business Enterprise (“SBE”) programs designed to enhance DBE and SBE participation in federally and locally funded contracts and procurements. The intent of the DBE and SBE program is to provide full and fair opportunities for equal participation by all disadvantaged and small businesses to compete for CapMetro prime contracts and associated subcontracts.

2. WHEREAS The University, under its IC2 Institute, offers a Readiness Training Program (RTP) for small businesses that include intermediate to advanced business concepts, techniques, and information aimed at business growth and in doing business with the public sector.

3. WHEREAS CapMetro will partner with the University to provide business development training services through the University’s IC2 Institute’s RTP to DBEs and SBEs that may compete for CapMetro contract and procurement opportunities.

4. The Parties’ execution of this Agreement is authorized and governed by the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code.

Now therefore, in consideration of mutual covenants and agreements herein, the Parties agree to the terms and conditions below as evidenced by the signatures of their respective authorized representatives.

AGREEMENT

1. Overview. This Agreement will assist with the education of DBEs and SBEs of CapMetro’s Supplier Diversity Program, expansion of the CapMetro’s Supplier Diversity Program, and participation of DBEs and SBEs in CapMetro contract and procurement opportunities.

2. CapMetro understands and agrees that it is responsible for the following:
   a) Participate in scheduled meetings with the University’s IC2 Institute.
   b) Develop and present training on doing business with CapMetro and present at scheduled trainings under the University’s IC2 Institute.
   c) Provide a primary point of contact and back-up for CapMetro’s DEI Department.
d) Will communicate with the University one week prior to scheduled training if unable to attend or need to be added to future scheduled trainings.

3. **University understands and agrees that it is responsible for the following:**
   a) Provide a primary point of contact and back-up for the University IC² Institute.
   b) Include CapMetro naming as a sponsor in IC² Institute’s Readiness Training Program marketing materials.
   c) Market the University IC² Institute’s Readiness Training Program to certified DBEs and SBEs.
   d) Schedule CapMetro to provide at least 2 trainings during the term of the contract.
   e) Allow CapMetro to reschedule or be placed on future training if unable to attend a scheduled training.
   f) Provide CapMetro with an ongoing IC² Institute RTP training schedule.
   g) Provide contact information of DBEs and SBEs participating in the University IC² Institute’s RTP.
   h) Target at least twenty-five firms for training presentations that include CapMetro.
   i) Make attendance sheets with DBE and SBE contact information available to CapMetro following training provided by CapMetro.
   j) Provide business development training to vendors aimed at business growth.
   k) Provide assistance to vendors in seeking contract and procurement opportunities under CapMetro.
   l) Provide assistance to vendors seeking participation in a Mentor Protégé program.

2. **Term and Termination.** The term of this Agreement (“**Term**”) will commence on October 1, 2023, (“**Effective Date**”) and will remain in effect for September 30, 2024. The Parties may extend the Term by mutually written agreement for up to one additional 12-month option renewal periods. Either Party may terminate this Agreement, in whole or part, without cause, upon thirty (30) days’ prior written notice.

4. **Financial Terms.**
   a. **Contract Amount.** The total Agreement amount that CapMetro will pay for UT Austin services will not exceed a total of **$60,000.00**.

   b. **Invoices.** UT Austin will submit monthly invoices to CapMetro for the services provided in the preceding month. Invoices shall include UT Austin’s name, invoice number, list of specific services provided, and authorized signature verifying invoiced costs are in compliance with the contract terms. Invoices shall be sent to the below address:

   Accounts Payable  
   Capital Metropolitan Transportation Authority  
   P.O. Box 6308  
   Austin, Texas 78762-6308

   Or via e-mail to ap_invoices@capmetro.org

All undisputed invoices shall be paid within the time period allowed by law through the Texas Prompt Payment Act, Tex. Gov’t Code § 2251.021(b).
A semi-annual and annual report of vendors going through the IC2 program must be submitted on the following dates prior to issuance of payment. The reports are due on June 31, 2024 and October 31, 2024.

The semi-annual and annual will report will be inclusive of the following information and data:

- Total number of companies enrolled in the program;
- Ethnicity and gender of each company enrolled in the program;
  - African American,
  - Asian American,
  - Hispanic American,
  - Native American,
  - Women American,
  - Male,
  - Female,
- Number of trainings conducted;
- Number of companies in each training;
- Business type for each company going through the program;
- Data by Funnel One and Two; and,
  - Total number of bids submitted to and awards/sub-awards on CapMetro projects by gender and ethnicity and overall, prior to participation in the IC2 program.
  - Total number of bids submitted to and awards/sub-awards on CapMetro projects by gender and ethnicity and overall, during participation in IC2 program.
- Survey results of companies going through program.

UT will also provide a comprehensive report of UT IC2’s overall program report.

5. **General Terms and Conditions**

a. **Funding.** This Agreement is dependent upon the availability of funding. CapMetro’s payment obligations are payable only from current funds appropriated and available for the Agreement.

b. **Amendment.** This Agreement may be amended only in writing by an instrument signed by an authorized representative of each of the Parties. Any amendments that would constitute a substantive modification to the Agreement must be approved by the governing bodies of the Parties.

c. **Maintenance of Records.** CapMetro and UT Austin will maintain and retain supporting fiscal documents adequate to ensure that claims for Agreement funds are in accordance with applicable State of Texas requirements. These supporting fiscal documents will be maintained and retained for a period of four (4) years from the later of: (a) termination of this Agreement, (b) submission of the final invoices, or (c) until resolution of all billing questions.

d. **Publicity Releases.** Neither Party may issue any press release relating to this Agreement without the prior approval of the other Party.
e. **Liability.** TO THE EXTENT PERMITTED BY LAW, THE PARTIES AGREE THAT EACH PARTY IS RESPONSIBLE FOR ITS OWN PROPORTIONATE SHARE OF ANY LIABILITY FOR THE INTENTIONAL, WRONGFUL, NEGLIGENT ACTS OR OMISSIONS OF ITS EMPLOYEES, AGENTS, CONTRACTORS, OR SUBCONTRACTORS ARISING OUT OF, CONNECTED WITH, OR AS A CONSEQUENCE OF ITS PERFORMANCE UNDER THIS AGREEMENT AND AS DETERMINED BY A COURT OF COMPETENT JURISDICTION.

f. **Force Majeure.** Except as otherwise provided, neither Party is liable for any delay in, or failure of performance, or a requirement contained in this Agreement caused by force majeure. The existence of such causes of delay or failure shall extend the period of performance until after the causes of delay or failure have been removed, provided the non-performing Party exercises all reasonable due diligence to perform. Force majeure is defined as acts of God, or the common enemy, or the result of war, riot, civil corruption, sovereign conduct, strikes, fires, explosions or other causes that are beyond the control of either Party and that by exercise or due foresight, such Party could not reasonably have been expected to avoid, and which, by the exercise of all reasonable due diligence, such Party is unable to overcome. Each Party must inform the other in writing with proof of receipt within three (3) business days of the existence of such force majeure.

g. **Texas Public Information Act.** It will be the responsibility of each Party to comply with the provisions of Chapter 552, Texas Government Code (“Texas Public Information Act”) and the Attorney General Opinions issued under that statute. Neither Party is authorized to receive requests or take any action under the Texas Public Information Act on behalf of the other Party. Responses for requests for confidential information shall be handled in accordance with the provisions of the Texas Public Information Act. The provisions of this Section shall survive the termination of this Agreement.

h. **Independent Contractor.** This Agreement will not be construed as creating an employer-employee relationship, a partnership, or a joint venture between the Parties.

i. **Successors and Assigns.** This Agreement may not be assigned, in whole or in part, by either Party without prior written consent of the other Party. Any attempt to assign this Agreement, without the consent of the non-assigning Party, will be void. This Agreement will be binding upon and inure to the benefit of the Parties and their successors (if any).

j. **Applicable Law.** This Agreement will be governed by and construed in accordance with the laws and constitution of the State of Texas.

k. **Venue.** Venue for any action arising under this Agreement will be in Travis County, Texas.

l. **Severance.** Should any one or more provisions of this Agreement be deemed invalid, illegal, or unenforceable for any reason, such invalidity, illegality or unenforceability shall not affect any other provision held to be void, voidable, or for any reason whatsoever or no force and effect, such provision will be construed as severable from the remainder of this Agreement and will not affect the validity of all provisions of this Agreement, which will remain of full force and effect.

m. **Headings.** The paragraph headings contained in this Agreement are for reference purposes only and do not in any way affect the meaning or interpretation of this Agreement.
n. **Notices.** All notices permitted or required under this Agreement will be in writing and will be delivered by personal delivery, electronic mail, facsimile transmission or by certified or registered mail, return receipt requested, and will be deemed given upon personal delivery, five (5) days after deposit in the mail, or upon acknowledgment of receipt of electronic transmission. Either Party may change its address for notice by written notice to the other Party.

UT Austin: The University of Texas at Austin
Attn: The IC² Institute
2815 San Gabriel St
Austin, Texas 78705
Phone: 512-475-8900
Email: jj@ic2.utexas.edu

CapMetro: Capital Metropolitan Transportation Authority
Attn: Jacqueline Evans
Diversity, Equity, & Inclusion Department
2910 E. 5th Street
Austin, Texas 78702
(512)-389-7542;
Email: Jacqueline.evans@capmetro.org

o. **Sovereign Immunity.** The Parties to this Agreement are governmental entities within the State of Texas and nothing in this Agreement waives or relinquishes the right of the Parties to claim any exemptions, privileges and immunities as may be provided by law.

p. **Execution in Counterparts/Electronic Transmission.** This Agreement may be executed in any number of counterparts with the same effect as if all Parties had signed the same document. All counterparts will be construed together and constitute one agreement. A facsimile or other electronic transmission of a Party's signature page binds that Party with the same force and effect as if signed and delivered in original.

q. ** Entire Agreement.** This Agreement represents the complete and entire Agreement between the Parties respecting the matters addressed herein, and supersedes all prior negotiations, agreements, representations, and understanding, if any, between the Parties to the subject matter contained in this Agreement.

*[Signatures Page Follows]*
In Witness Whereof, the Parties have caused this Agreement to be executed by their undersigned, duly authorized representatives to be effective as of the Effective Date.

Capital Metropolitan Transportation Authority

By: ____________________________
   NAME
   TITLE

Date: ____________________________

The University of Texas at Austin

By: ____________________________
   NAME
   TITLE

Date: ____________________________
SUBJECT:
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.

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: The transformers and switchboards will enable End-of-line charging for the clean, quiet all electric buses on the Expo Center and Pleasant Valley bus rapid transit lines. This electric infrastructure will be installed at the Expo Center and Goodnight Ranch Park and Rides as well as at the 2910 E. 5th Street Bus Operations Facility. This will further CapMetro’s goal of being a leader in supporting a growing region, collaborating with partners and communities and the objective of continuing to improve the environment by transforming into a fully carbon-neutral transit agency.

BUSINESS CASE: The transformers and switchboards are necessary in order to charge Battery Electric Bus vehicles that will serve the new MetroRapid routes along with others and provide depot charging at the 2910 E. 5th Street Bus Operations Facility. The funding for this contract is included in the FY 2024 capital
improvement budget.

COMMITTEE RECOMMENDATION: This item will be presented to the full board on October 23, 2023.

EXECUTIVE SUMMARY: The Capital Metropolitan Transportation Authority (CapMetro) has identified the need to purchase Buy America compliant electric bus charging equipment for federally funded projects. MetroRapid end of line charging and the 2910 E. 5th Street Bus Operations Facility are receiving federal grant funds in support of this effort. The equipment require very long lead items; therefore, it is being procured by CapMetro in advance of solicitation and selection of a construction contractor. One 2000 kva/480v, 3 phase transformer is needed for the MetroRapid Expo Center Line to be located at the Expo Center Park and Ride, and one 2500 kva transformer is needed for the MetroRapid Pleasant Valley Line to be located at the Goodnight Ranch Park and Ride. In addition, two 1500 kva transformers are being procured for the 2910 E. 5th St. south garage bus charging location. The specifications for the transformers meet Austin Energy (AE) specifications (E-649), and the transformers will be transferred to AE for long term operation and maintenance. AE was not able to supply this equipment with the necessary Buy America provisions required with federal funding. The two switchboards will be owned, operated and maintained by CapMetro on the secondary side.

DBE/SBE PARTICIPATION: Technology International is committing to 0% DBE participation. The company acts as the sales representative for the manufacturer that will handle the production/manufacturing of the equipment and delivery.

PROCUREMENT: On September 11, 2023, an Invitation for Bids was issued and formally advertised. By the closing date of October 11, 2023, one (1) bid was received for a total fixed price of $990,900.00 from Technology International, Inc. Technology International, Inc. was deemed to be responsive and responsible to the solicitation requirements. Pricing was deemed fair and reasonable based on adequate competition and through cost analysis. Technology International, Inc. is not on federal or state debarred vendor lists. The contract will be a fixed unit price contract.

RESPONSIBLE DEPARTMENT: Capital Construction Engineering & Design
RESOLUTION
OF THE
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS

STATE OF TEXAS
COUNTY OF TRAVIS

AI-2023-975

WHEREAS, CapMetro has received federal funds for electric charging equipment for the Project Connect Expo Center and Pleasant Valley Rapid Lines and for the 2910 E. 5th Street operations and maintenance facility, which require Buy America compliance; and

WHEREAS, CapMetro is procuring transformers and switchboards, which are necessary to support Battery Electric Bus charging and are a very long lead items.

NOW, THEREFORE, BE IT RESOLVED that the Capital Metropolitan Transportation Authority Board of Directors is 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.

____________________
Date: __________________

Secretary of the Board
Becki Ross
SUBJECT:
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.

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: The McKalla Station will serve as a key transit option for Q2 stadium customers and serve the greater community as an expanded daily service option for the MetroRail Red Line. It will support sustainable regional growth in this rapidly growing area of the community.

BUSINESS CASE: The McKalla Station project is an essential part of addressing the transportation and mobility needs of the Austin community, increasing access to entertainment, jobs, and services in a reliable, safe, and convenient manner. The station design will facilitate multimodal transportation options including travel by foot, bicycle, bus, rideshare and other active transit options. Large residential areas exist to the east of the proposed station, and there are major commercial, retail, and university facilities in the vicinity. The funding for this action is available in the FY2024 Capital Budget and the five-year capital improvement plan.
COMMITTEE RECOMMENDATION: This item will be presented to the full board on October 23, 2023.

EXECUTIVE SUMMARY: The Board awarded a Design-Build contract to Stacy and Witbeck on March 28, 2022 for the McKalla Station platforms, canopies, other amenities, accessibility and relocation and upsizing of wastewater line. The contract is to design, construct, and deliver a fully functioning passenger rail station in accordance with the Authority’s technical requirements, guidelines, and all other provisions.

Design Build projects, by design, may require periodic changes to the contract as the project progresses. With this proposed contract amendment, the project remains on-time and on-budget, with a scheduled completion in early 2024, in advance of the start of the Austin FC 2024 Season.

Additional scope of work for the relocation, design and construction of 42” diameter Storm Sewer (storm drain) was added to the project in April 2023. Time was required for arranging the approval of the easements and permitting to meet the City design and construction criteria for the work to be completed within the easements. The design and construction of wastewater and stormwater drainage lines resulted in station design changes to the platform ramps and required an increase in the contract amount, from the existing project budget, in an amount of $676,028, and a 102 day adjustment to the contract performance period.

DBE/SBE PARTICIPATION: There is a DBE goal of 15% applied against this contract. To meet the assigned goal, the prime contractor has committed to contract with 12 DBE subcontractors.

PROCUREMENT: The original contract procurement was conducted pursuant to the Design Build Procedure for Certain Civil Works Projects, Texas Government Code Title 10, Chapter 2269, Sub chapter H to procure design and construction services. CapMetro staff identified an opportunity to add scope to Project 2 facilitating an acceleration of the project schedule and design & construction of the storm sewer. The design-build contractor, Stacey and Witbeck Inc., had to make changes to the design of the stormwater line and proposed easements due to changes in the city design criteria that caused other design and construction changes to the south ramp of NB platform and the wastewater line. The cost proposal was received from Stacy and Witbeck, Inc., for the construction changes and time extension and was further negotiated based on prevailing market rates and as per the current trend of significant increase in the construction material and labor costs. The existing contract is in an amount not to exceed $20,883,945. The total amount of the contract including the change will be not to exceed $21,559,973.

RESPONSIBLE DEPARTMENT: Capital Construction and Engineering Design
RESOLUTION
OF THE
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS

STATE OF TEXAS
COUNTY OF TRAVIS

WHEREAS, The Capital Metropolitan Transportation Authority Board of Directors and Capital Metro Management endeavor to provide the best customer experience and to better serve Central Texas residents; and

WHEREAS, The Capital Metropolitan Transportation Authority Board of Directors and Capital Metro Management recognize the need to add additional scope, time and funding to the contract for the design and construction (Design-Build) of the McKalla Station Project.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors 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.

Date: ______________________

Secretary of the Board
Becki Ross
2023 Origin and Destination Survey Presentation
CapMetro
2023 Origin & Destination Survey

October 23, 2023
Agenda

- Background & Methodology
- Origins & Destinations
- Key Findings Weekday - Compared to 2015
- 2023 Key Findings Weekday & by Mode
- Summary
Background & Methodology
Background

Purpose
- Statistically valid and accurate
- Travel behavior/demographics

How Often
- Every 5 years
- Pandemic
- 2023 Study new base line

Who Benefits
- CapMetro Customers
- Planning and Demand forecasting
- Federal Reporting
Methodology

- Statistical sampling method
- Survey design
- Interviewing Methodology
- Survey Pilot Test
- Data Quality checks
- Data Expansion
Origins & Destinations
2023 Origins (Region-wide)
2023 Destinations (Region-wide)
2023 Origins & Destinations (Zoomed in)

Maps nearly identical
2023 Origins & Destinations

**Boarding Locations**

**Alighting Locations**

Maps nearly identical
Observations

Top origins and destinations along central core of Austin

Regional Planning is and will be a key component to future development of service with many riders to and from outside service area

Heavily shaded areas through UT and Downtown support current Project Connect corridor plans

Medium shaded areas further north/south and toward airport support future Project Connect expansion plans
Key Findings (Weekday)

Compared to 2015
Trip Purpose Origin or Destination
Frequency of Use

- 6-7 days a week: 39% (2015), 35% (2023)
- 5 day a week: 33% (2015), 30% (2023)
- 3-4 days a week: 16% (2015), 20% (2023)
- 1-2 days a week: 7% (2015), 9% (2023)
- 1-2 days a month: 2% (2015), 2% (2023)
- Less than 1 day a month: 1% (2015), 1% (2023)
- First Time: 1% (2015), 2% (2023)
Gender

- Female alone: 43% (2015), 38% (2023)
- Male alone: 56% (2015), 60% (2023)
- Other identified gender: 0% (2015), 2% (2023)
Transit Dependency

- Transit Dependent:
  - 2015: 77%
  - 2023: 80%

- By Ethnicity:
  - African American: 84% (2015) to 88% (2023)
  - Asian: 73% to 74%
  - Hispanic: 81% (2015) to 81% (2023)
  - Native American: 88% (2015) to 86% (2023)
  - White/Anglo: 70% to 75%
  - Other: 74% to 80%
Race/Ethnicity

- **2023 OD**
  - African American: 18%
  - Asian: 10%
  - Hispanic: 34%
  - Native American: 1%
  - Other: 2%

- **2015 OD**
  - African American: 19%
  - Asian: 9%
  - Hispanic: 30%
  - Native American: 1%
  - Other: 2%

*Hispanic = Any race*
2023 Key Findings (Weekday)
Ethnicity by Mode

- **Rapid**
  - African American: 17%
  - Asian: 11%
  - Hispanic: 30%
  - Native American: 1%
  - White/Anglo: 36%
  - Other: 3%
  - No Response: 2%

- **Rail**
  - African American: 5%
  - Asian: 16%
  - Hispanic: 20%
  - Native American: 2%
  - White/Anglo: 54%
  - Other: 1%
  - No Response: 1%

- **Pickup**
  - African American: 25%
  - Asian: 11%
  - Hispanic: 29%
  - Native American: 0%
  - White/Anglo: 31%
  - Other: 0%
  - No Response: 4%

- **Bus**
  - African American: 18%
  - Asian: 10%
  - Hispanic: 36%
  - Native American: 1%
  - White/Anglo: 32%
  - Other: 2%
  - No Response: 2%

**Hispanic** = Any race
Speak English well or better

- 92.8% English well or better
- 6.2% English not well/not at all
- 1.0% No answer

Other than English at home?

- 60% No
- 40% Yes

Of 40% other language at home

- Portuguese: 1.1%
- German: 1.1%
- Korean: 1.3%
- Arabic: 1.5%
- Vietnamese: 1.6%
- French: 2.8%
- Hindi: 4.7%
- Chinese: 5.5%
- Spanish: 12.0%
- Other: 68.4%
Riders with Disability

<table>
<thead>
<tr>
<th>Mode</th>
<th>No</th>
<th>Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bus</td>
<td>86%</td>
<td>14%</td>
</tr>
<tr>
<td>Pickup</td>
<td>29%</td>
<td>71%</td>
</tr>
<tr>
<td>Rail</td>
<td>96%</td>
<td>4%</td>
</tr>
<tr>
<td>Rapid</td>
<td>87%</td>
<td>13%</td>
</tr>
</tbody>
</table>
Fare Type

- 32% - UT ID
- 26% - College
- 20% - Monthly
- 13% - Free
- 5% - Single Ride
- 2% - Weekly
- 1% - Business
- 1% - MetroAccess
- 1% - Emp/Dep
- 0% - Other/Refused
- 2% - Day Pass
- 9% - Single Ride
- 23% - UT ID
- 3% - College Other
Income Distribution

<table>
<thead>
<tr>
<th>Income Range</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under $23,000</td>
<td>37%</td>
</tr>
<tr>
<td>$23,001 - $38,000</td>
<td>17%</td>
</tr>
<tr>
<td>$38,001 - $51,000</td>
<td>10%</td>
</tr>
<tr>
<td>$51,001 - $76,000</td>
<td>10%</td>
</tr>
<tr>
<td>$76,001 - $100,000</td>
<td>5%</td>
</tr>
<tr>
<td>$100,001 and above</td>
<td>4%</td>
</tr>
<tr>
<td>Refused/No Answer</td>
<td>17%</td>
</tr>
</tbody>
</table>
Income Distribution by Mode

- under $23,000
- $23,001 - $38,000
- $38,001 - $51,000
- $51,001 - $76,000
- $76,001 - $100,000
- $100,001 and above
- Refused/No Answer

- Bus
- Pickup
- Rail
- Rapid
Service Use - How many years?

<table>
<thead>
<tr>
<th>Service Use</th>
<th>Percentage of Riders</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 or more years</td>
<td>33.7%</td>
</tr>
<tr>
<td>4-5 years</td>
<td>7.7%</td>
</tr>
<tr>
<td>2-3 years</td>
<td>14.5%</td>
</tr>
<tr>
<td>13-24 months</td>
<td>10.1%</td>
</tr>
<tr>
<td>6-12 months</td>
<td>12.5%</td>
</tr>
<tr>
<td>4-6 months</td>
<td>7.7%</td>
</tr>
<tr>
<td>2-4 months</td>
<td>5.9%</td>
</tr>
<tr>
<td>Less than 1 month</td>
<td>6.4%</td>
</tr>
<tr>
<td>This is my first time</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

- 5 or more years, 33.7%
- Less than 3 Years, 58.6%
- 4-5 years, 7.7%
Summary
Immediate Take Aways

- Pandemic Impacts
- Less frequent riding
- More personal/recreation and shopping trips
- Continued online classes and people working from home
- Half of riders are new since pandemic
### Planning Uses

<table>
<thead>
<tr>
<th>Transit Plan</th>
<th>Project Connect</th>
<th>Regional Planning</th>
<th>Value Added</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Next 5-10 years</td>
<td>• Long Range Planning efforts</td>
<td>• CAMPO travel demand modeling</td>
<td>• Fare/Service Equity Analysis</td>
</tr>
<tr>
<td>• Travel Pattern</td>
<td>• Corridor Analysis</td>
<td>• Out of service area planning</td>
<td>• Population &amp; Census Alignment</td>
</tr>
<tr>
<td>Analysis</td>
<td>• Alignment Planning</td>
<td>• OD analysis</td>
<td>• Marketing efforts</td>
</tr>
<tr>
<td>• How patrons use</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>service</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Thank you!
President & CEO Monthly Update - October
Memo: Board Follow-Up - September Committee (September 25, 2023)
During the September 2023 Operations, Planning, and Safety Committee and Board Meeting, a public speaker discussed their concerns on a couple of topics. Additional information on these topics is provided here for your review. If you are interested in additional details or a briefing, please contact Ed Easton (Ed.Easton@CapMetro.org). Topics covered in this memo include:

- Bus Stop Request
- Use of Benches and Safety Concern

**Bus Stop Request**

Ms. Zenobia is requesting a stop at Merrilltown Drive that will assist senior citizens who live a block away from walking too far to reach the closest bus stop.

CapMetro had previously operated regular service in this area on Route 243 for several years to serve residents of The Lodge at Merrilltown, an apartment community for seniors. Following a decline in ridership, the service was later limited to specific trips and ultimately removed from service as part of the 2018 CapRemap.

CapMetro does not have any plans to reintroduce new service in this area or create new stops. However, as part of the long-range transit planning process, which will begin in early 2024, CapMetro will review this area in detail to determine if transit service changes are warranted in alignment with our system-wide assessment.

**Use of Benches and Safety Concern**

Ms. Joseph also outlined her concern that CapMetro customers and senior citizens at the Village at Collinwood are unable to use the benches at the CapMetro stop closest to them because a person experiencing homelessness is frequently occupying the entire space. Ms. Joseph is concerned that CapMetro customers should be prioritized for use of transit stop benches and urged CapMetro to work with the City regarding services for our unhoused community.

Regarding this specific stop, CapMetro’s public safety team is aware of the individual who is frequently using the bench and who is not a CapMetro customer. Our Community Intervention Specialists have contacted this individual to ensure they have a more appropriate place to take refuge, and access to other social services. More broadly, CapMetro recognizes that people experiencing homelessness may take shelter at transit stops not because it’s the best place to go – but because they have no other option. We work collaboratively with the City and non-profit social service providers year-round to ensure we are not moving people off our property without working to connect them with resources and shelter options that are more appropriate than transit stops or public right of way.