

**~ NOTICE OF MEETING ~**  
**CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY**  
**BOARD OF DIRECTORS MEETING**  
2910 East Fifth Street Austin, TX 78702

**~ AGENDA ~**

Executive Assistant/Board Liaison Gina Estrada  
512-389-7458

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Wednesday, December 5, 2018

12:15 PM

Capital Metro Board Room

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**I. Oath of Office**

**II. Public Comment:**

**III. Action Items:**

1. Approval of a resolution appointing Eric Stratton to the Finance, Audit and Administration Committee.
2. Approval of a resolution adopting a change to the Capital Metro Fare Structure to provide Free Fares for K-12 students on all Capital Metro services and MetroAccess passengers under the age of 19, and authorizing the President & CEO, or his designee, to implement the change.
3. Approval of a resolution requesting that the Austin City Council consider amendments to the City Code of Ordinances, Chapter 25-10 – Sign Regulations, to allow advertising at bus stops and transit facilities for additional revenue for transit services.

**IV. Items for Future Discussion:**

**V. Adjournment**

**ADA Compliance**

*Reasonable modifications and equal access to communications are provided upon request. Please call (512)389-7458 or email [gina.estrada@capmetro.org](mailto:gina.estrada@capmetro.org) if you need more information.*

**BOARD OF DIRECTORS:** Wade Cooper, Chair; Delia Garza, Vice Chair; Terry Mitchell; Jeffrey Travillion; Rita Jonse; Ann Kitchen, and Pio Renteria. Board Liaison: Gina Estrada 389-7458, email [gina.estrada@capmetro.org](mailto:gina.estrada@capmetro.org) if you need more information.

The Board of Directors may go into closed session under the Texas Open Meetings Act. In accordance with Texas Government Code, Section 551.071, consultation with attorney for any legal issues, under Section 551.072 for real

property issues; under Section 551.074 for personnel matters, or under Section 551.076, for deliberation regarding the deployment or implementation of security personnel or devices; arising regarding any item listed on this agenda.

**Capital Metropolitan Transportation Authority**

**MEETING DATE: 12/05/2018**

**Board of Directors**

**(ID # 4281)**

**Appointment of Eric Stratton to the Finance, Audit and Administration Committee**

Approval of a resolution appointing Eric Stratton to the Finance, Audit and Administration Committee.

**Capital Metropolitan Transportation Authority  
Board of Directors**

**MEETING DATE: 12/5/2018  
(ID # AI-2018-937)  
Appointment of Board Committee Member**

**SUBJECT:**

Approval of a resolution appointing Board Member Stratton to the Finance, Audit and Administration Committee.

**FISCAL IMPACT:**

This action has no fiscal impact.

**STRATEGIC PLAN:**

Strategic Goal Alignment:  
3. Community

**Strategic Objectives:**

3.1 Educate and inform stakeholders and the community about Capital Metro's vision and mission and the value public transit brings to a community, 3.2 Build Strong Community Partnerships that further Capital Metro's mission and vision.

**EXPLANATION OF STRATEGIC ALIGNMENT:**

Does not apply.

**BUSINESS CASE:**

Does not apply.

**COMMITTEE RECOMMENDATION:**

This agenda item will be presented to the full board on December 5, 2018.

**EXECUTIVE SUMMARY:**

In accordance with the Capital Metropolitan Transportation Authority Board of Directors Bylaws, the board desires to formalize the appointment of a new member to the Finance, Audit and Administration Committee. The Board of Directors Bylaws require that the Chairperson recommend the Chairperson and members of the board committees subject to the concurrence of the members of the board. At this time the Board Chairperson recommends that Board Member Eric Stratton be appointed to the Finance, Audit and Administration Committee.

**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**

**RESOLUTION (ID # AI-2018-937)  
Appointment of Board Committee Member**

WHEREAS, the Capital Metro Board of Directors desires to formalize the appointment of a member to a Board committee in accordance with the Board Bylaws; and

WHEREAS, the Chairperson of the Board has recommended a new member to serve on the Finance, Audit and Administration Committee.

NOW, THEREFORE, BE IT RESOLVED that the Capital Metro Board of Directors hereby approves the appointment of Eric Stratton as a member of the Finance, Audit and Administration Committee.

\_\_\_\_\_  
**Secretary of the Board**

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

Attachment: Resolution-AI-2018-937 (4281 : Appointment of Eric Stratton to the Finance, Audit and Administration Committee)

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

**MEETING DATE: 12/05/2018**  
**(ID # 4279)**

***Fare Structure Change for K-12 Students***

Approval of a resolution adopting a change to the Capital Metro Fare Structure to provide Free Fares for K-12 students on all Capital Metro services and MetroAccess passengers under the age of 19, and authorizing the President & CEO, or his designee, to implement the change.

**Capital Metropolitan Transportation Authority  
Board of Directors**

**MEETING DATE: 12/5/2018  
(ID # AI-2018-930)  
Fare Structure Change for K-12 Students**

**SUBJECT:**

Approval of a resolution adopting a change to the Capital Metro Fare Structure to provide Free Fares for K-12 students on all Capital Metro services and MetroAccess passengers under the age of 19, and authorizing the President & CEO, or his designee, to implement the change.

**FISCAL IMPACT:**

Funding for this action is available in the FY2019 Operating Budget.

**STRATEGIC PLAN:**

Strategic Goal Alignment:

1. Customer
3. Community

Strategic Objectives:

- 1.4 Deliver a customer-friendly experience through our people and systems
- 3.4 Support plans and programs designed to build ridership and increase market share of alternate transit use. (This requires support from all departments including planning, IT, Ops, and Marketing)

**EXPLANATION OF STRATEGIC ALIGNMENT:**

An affordable transit option for students and families supports the development of future customers and increase ridership with existing assets and resources.

**BUSINESS CASE:**

Providing free access to transit for primary and secondary students will enhance their mobility options and access to the system that will assist in building lifelong transit riders. This action is important in achieving equity and contributing to the affordability of transit in the region.

**COMMITTEE RECOMMENDATION:**

This agenda item will be presented to the full board on December 5, 2018.

**EXECUTIVE SUMMARY:**

Capital Metro undertook a six-month pilot project offering free fares for K-12 students and MetroAccess passengers under the age of 19 beginning in the Summer of 2018. The project was initially offered for the summer months and extended for the first semester of the school year based on its initial success and requests from the community to continue offering the program. Staff continued the pilot to measure ridership and demand during summer and school months for further evaluation.

Staff anticipates the lost revenue from K-12 students and MetroAccess passengers



under the age of 19 is approximately \$300,000 annually.

In accordance with Title VI of the Civil Rights Act of 1964, a Fare Equity Analysis has been performed for the proposed changes. The analysis concludes that there is no disparate impact on minority populations or disproportionate burden on low-income individuals. On the contrary, the analysis demonstrates that the number of students boarding in low-income and minority tracts makes this change a significant benefit to individuals in these areas.

In 2011, the Capital Metro Board of Directors adopted a Fare Policy to establish goals and objectives for its fare policy. The proposed change to the Fare Structure supports three of the specific fare objectives of the Fare Policy that are summarized as follows:

- Ridership - Promote use of all modes of service by setting fares that are accessible to the widest possible range of existing and potential rider groups.
- Equity - Establish equitable fares that recognize the socioeconomic composition of riders and their use of the different types of services.
- Simplicity - Enhance mobility and system access through a fare system that is easy to use and understand.

After several months of operation of the pilot program and evaluation of its success, staff recommends that free fares for K-12 students with a valid student ID and MetroAccess passengers under the age of 19 be incorporated into the Fare Structure approved by the board as a permanent fare change. Staff further recommends that the Authority seek other resources to offset the lost revenue of providing service without charge.

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**

**RESOLUTION (ID # AI-2018-930)**

**Fare Structure Change for K-12 Students**

WHEREAS, pursuant to the Texas Transportation Code Sec. 451.061(D) the Capital Metropolitan Transportation Authority is required to impose reasonable and nondiscriminatory fares, tolls, charges, rents and other compensation for the use of the transit authority system sufficient to produce revenue, together with the tax revenue received by the authority in an amount adequate to pay all expenses necessary to operate and maintain the transit authority system; and

WHEREAS, the Capital Metro Board of Directors endeavors to accomplish the objectives of the fare policy adopted by the board in 2011; and

WHEREAS, the Capital Metro Board of Directors desires to provide for free fares for K-12 students in order to provide access to the system for this segment of the population; and

WHEREAS, the Capital Metro Board of Directors has sought input from the public at a public hearing as required by the Fare Policy; and

WHEREAS, Capital Metro has conducted a Fare Equity Analysis for the proposed change to the Fare Structure as is required by FTA Title VI Circular 4702.1B and finds no disparate impact or disproportionate burden on minority and low-income individuals.

NOW, THEREFORE, BE IT RESOLVED that the Capital Metropolitan Transportation Authority Board of Directors adopts a change to the Capital Metro Fare Structure to provide for Free Fares for K-12 students with a valid student ID and MetroAccess passengers under the age of 19 on all Capital Metro services and authorizes the President & CEO, or his designee, to implement the change immediately.

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**Secretary of the Board**

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

**Attachment: Resolution-AI-2018-930 (4279 : Fare Structure Change for K-12 Students)**

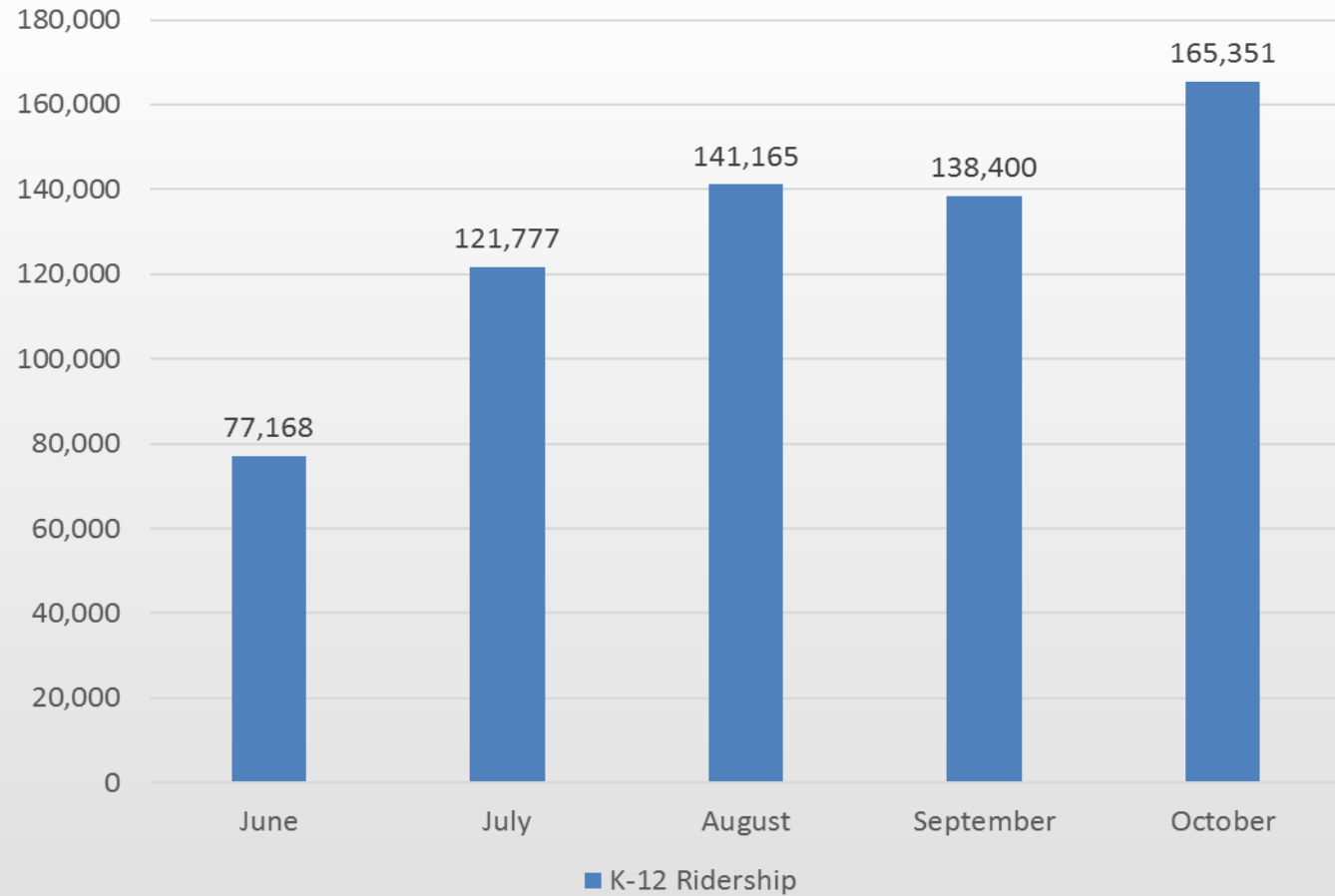
# K-12 Fare Structure Change

*Board Meeting  
December 2018*

# K-12 Kids Ride for Free

- Summer pilot – extended to December
  - Access to transit for students and families
  - Builds lifelong transit habits
  - Strong support from community
- Utilizes existing assets and resources
- Estimated lost fare revenues of \$250 to \$300K

# K-12 Ridership

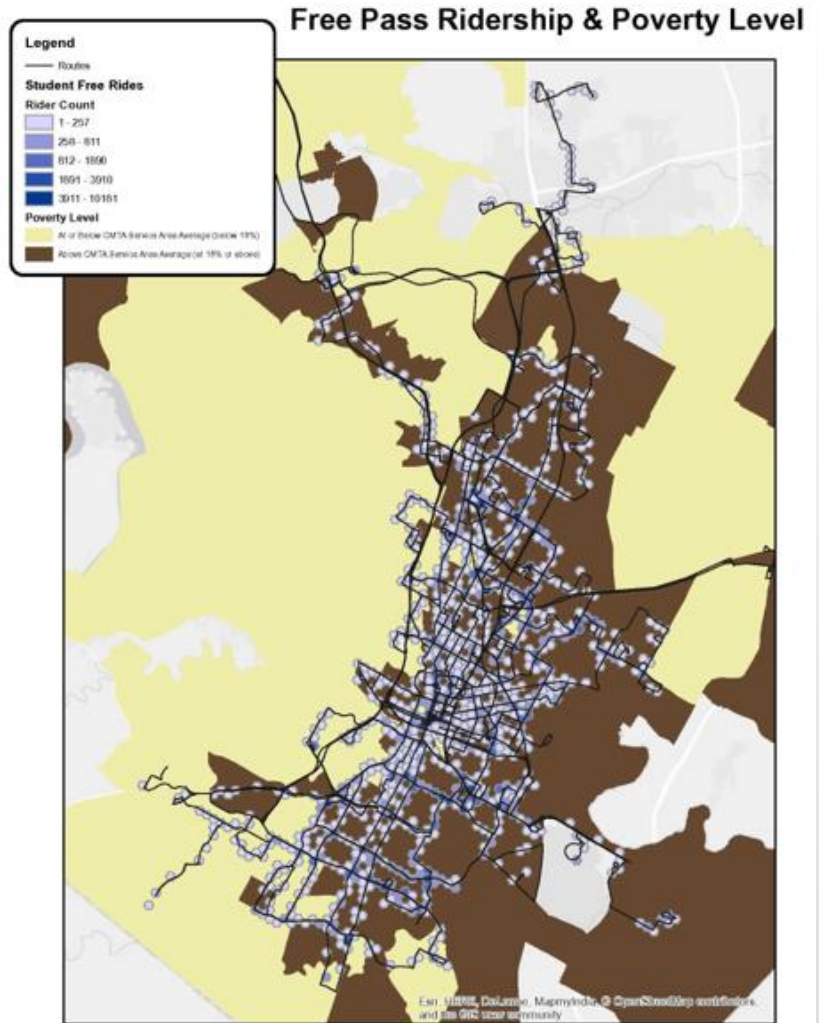
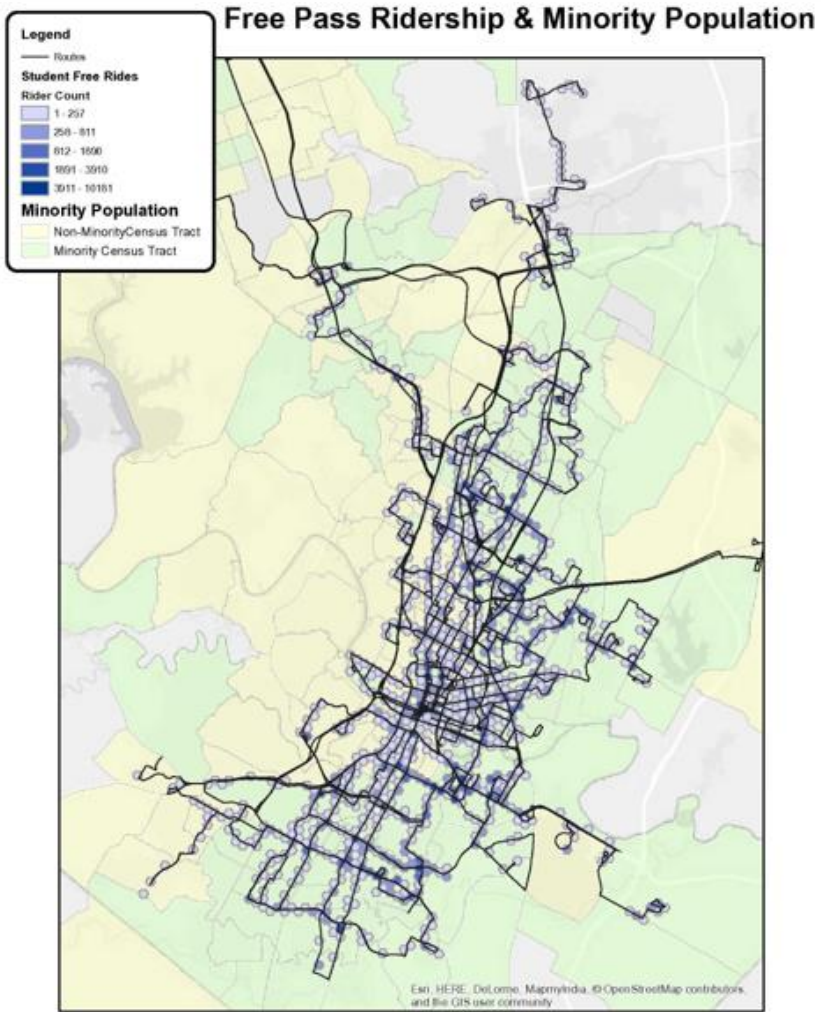


*Note: Estimated Ridership as manually recorded on farebox*

# Fare Equity Analysis

- Fare equity analysis performed
  - No disparate impact on minority populations
  - No disproportionate burden on low-income individuals
- Significant benefit

# Equity Analysis



**Title VI Fare Equity Analysis  
for  
Proposed K-12 Free Fare**



**Capital Metropolitan Transportation Authority  
Austin, TX**

**November 2018**

Attachment: Title VI Fare Equity Analysis 2018 for K-12 Free Fares (4279 : Fare Structure Change for K-12 Students)

## INTRODUCTION

Capital Metro has recently started a pilot program to offer free fares to all students in grades K-12. Initially, this pilot project was proposed to run from June 3 through September 1, but it was later extended through December 6, 2018. Teenagers can get a free ride using their school ID while children five and younger with an accompanying adult always ride free under the existing fare structure. This project allows all kids to take advantage of free and safe public transportation to explore the region and have better access to summer programs and beyond.

Due to the success of this project, Capital Metro is now proposing to make this project permanent where students of grades K-12 will always ride free. To compliment this fare change, Capital Metro is also offering free fare for MetroAccess riders who are under 19 years of age. MetroAccess is the ADA paratransit service of Capital Metro. However, since this project exceeds six months, it has triggered the requirement to conduct a Title VI Fare Equity Analysis.

This document provides an equity analysis for this proposed free fare to all students in grades K-12 based on the Federal Transit Administration Circular 4702.1B: *Title VI Requirements and Guidelines for Federal Transit Administration Recipients* (Section IV-7: Requirement to Evaluate Service and Fare Changes). This FTA Circular requires that under Title VI of the Civil Rights Act of 1964 (written below), Capital Metro evaluate proposed fare changes to determine if they pose a disparate impact on minority populations or disproportionate burden on low-income individuals.

*“No persons in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.”*

Transit Providers, like Capital Metro, that operate 50 or more fixed route vehicles in peak service and are located in a UZA of 200,000 or more in population are required to conduct a Title VI equity analysis for any major service changes or any fare increases or decreases. This equity analysis only addresses the free fare for K-12 students. Prior to continuing this fare change for more than six months, Capital Metro is required to analyze to determine its impact on minority and low-income populations.

In 2010, Capital Metro’s Board of Directors adopted a Fare Policy to formally establish its fare goals and objectives. The Fare Policy’s primary goal is “to support Capital Metro’s overall strategic mission to provide quality public transportation choices for our community that meet the needs of our growing region. To accomplish this mission, Capital Metro must develop and use its resources in a manner that ensures sustainable business growth.” Crucial to ensuring sustainable



business growth is increasing Capital Metro's ridership. This fare change is completely aligned with Capital Metro's strategic mission.

## METHODOLOGY AND DATA ANALYSIS

Since Capital Metro is reducing a type of fare, this analysis will examine if the benefit from the proposed fare reduction is distributed to minority and low-income riders equitably. If it finds any disproportionate distribution, this equity analysis will also look at the alternatives available to avoid, minimize, and mitigate any impacts on minority and low-income populations.

As suggested by the FTA training materials, the ridership data will be used, not the census data to conduct this Fare Equity Analysis. Capital Metro's 2015 Origin & Destination data will be used as shown in **Table 1**. This survey provides the most current information on rider demographics available and was conducted by *Creative Consumer Research*, a contractor hired by Capital Metro, where Research surveyors conducted 21,153 surveys which included General Rider interviews onboard Capital Metro's rail and fixed route bus systems.

According to FTA Circular 4702.1B, "minority persons" include the following: (1) American Indian and Alaska Native, (2) Asian, (3) Black or African American, (4) Hispanic or Latino, and (5) Native Hawaiian and Other Pacific Islander. In the 2015 Origin & Destination Survey, those who reported themselves as Asian, Black or African-American, Hispanic, or Native American were coded as minority. In addition, those who classified themselves as multiple ethnicities were also counted as minority. Approximately 61% of riders surveyed were self-classified as minority persons.

For the purposes of this analysis, Capital Metro defines low-income households as those at less than 125% of the federal poverty guideline for a family of four. The federal guideline is currently \$23,050 and, when the Capital Metro poverty definition of 125% is applied, low-income riders are considered to be those whose household income is below \$28,812.50. However, because information from the survey was collected in \$10,000 increments, low-income is defined as households with incomes below \$29,999. Approximately 46% of riders surveyed were self-classified as low-income persons.

This document has considered various perspectives to perform the equity analysis for this fare change. First, the board approved Disparate Impact and Disproportionate Burden threshold of  $\pm 2\%$  is used to compare the minority and low-income riders with non-minority and non-low-income riders for the distribution of benefit. The calculation for finding the effect of this fare change on

minority and low-income populations is shown in **Table 2**. If any disparate impact or disproportionate burden is found, then alternative proposals need to be considered in order to avoid, minimize, or mitigate the impact.

Systemwide ridership characteristics from the 2015 Origin & Destination Survey and the Board adopted population thresholds for the Capital Metro’s service area are as provided below:

**Table 1 – Capital Metro’s Thresholds for Equity Analysis**

	Minority	Low-Income
Ridership*	61%	46%

\*- 2015 O&D Survey

Disparate Impact Policy:  
Greater than 2% of overall riders or minority population when using ridership data or population data respectively.

Disproportionate Burden Policy:  
Greater than 2% of overall riders or low-income population when using ridership data or population data respectively.

Capital Metro collected the boarding data for all K-12 students who rode buses between June 10 - August 18, 2018. This customer segment is not required to have any type of pass, therefore, a special Key on the farebox was set up to collect data for K-12 students. As shown in **Table 2**, there were 266,439 total boardings.

**Table 2 – K-12 students boarded buses with free fare June 10-August 18, 2018**

Total Students Boarded	Within Minority Tracts	% within Minority Tracts	Equity	Within Low-Income	% within Lo-Income Tracts	Equity
266,439	218,544	82%	+21%	228,076	85%	+39%

Then, we used GIS to geocode and group those points into polygons. These polygons were overlaid on minority and low-income layers as shown in **Figures 1 and 2**. The rider counts were generated by selecting the rider count polygons that have their centroid within a minority or low-income tract. Since there is no data

available on race or income of those student riders, we assume that riders who boarded from minority or low-income tracts very likely belong to those groups. This is the closest race or income data we can get to study the equity analysis.

As shown in **Table 2**, a significant number of students boarded the buses from minority or low-income tracts. 82% are from minority tracts and 85% are from low-income tracts. In comparing **Tables 1 and 2**, the possibilities are: 21% more minority students than the average and 39% more low-income students than the average got this benefit of a free fare.

**COMPLIMENTARY PARATRANSIT**

Capital Metro provides a complimentary paratransit service known as MetroAccess, a demand-response, shared-ride service for people whose disabilities prevent them from riding regular bus and rail service. MetroAccess service complies with the Americans with Disabilities Act of 1990 (ADA). The term "paratransit" in this section refers to transit that is parallel in service to fixed-route bus service.

As defined by the ADA, a disability is recognized, with respect to an individual, as a physical or mental impairment that substantially limits one or more major life activities. Anyone who, by reason of disability, is unable to use Capital Metro's fully accessible bus and rail services may be eligible for MetroAccess Service.

Along with the free fare for students K-12, Capital Metro will also provide free fare for Metro Access customers who are under 19 years of age. Currently, there are about 30 to 40 customers in this group. Table 3 below shows detailed monthly ridership by that group of customers for the last six months. Even though paratransit service is covered by the ADA guidelines, this information is added to this Title VI Fare Equity Analysis to show a comparable benefit of this fare change to the complimentary service.

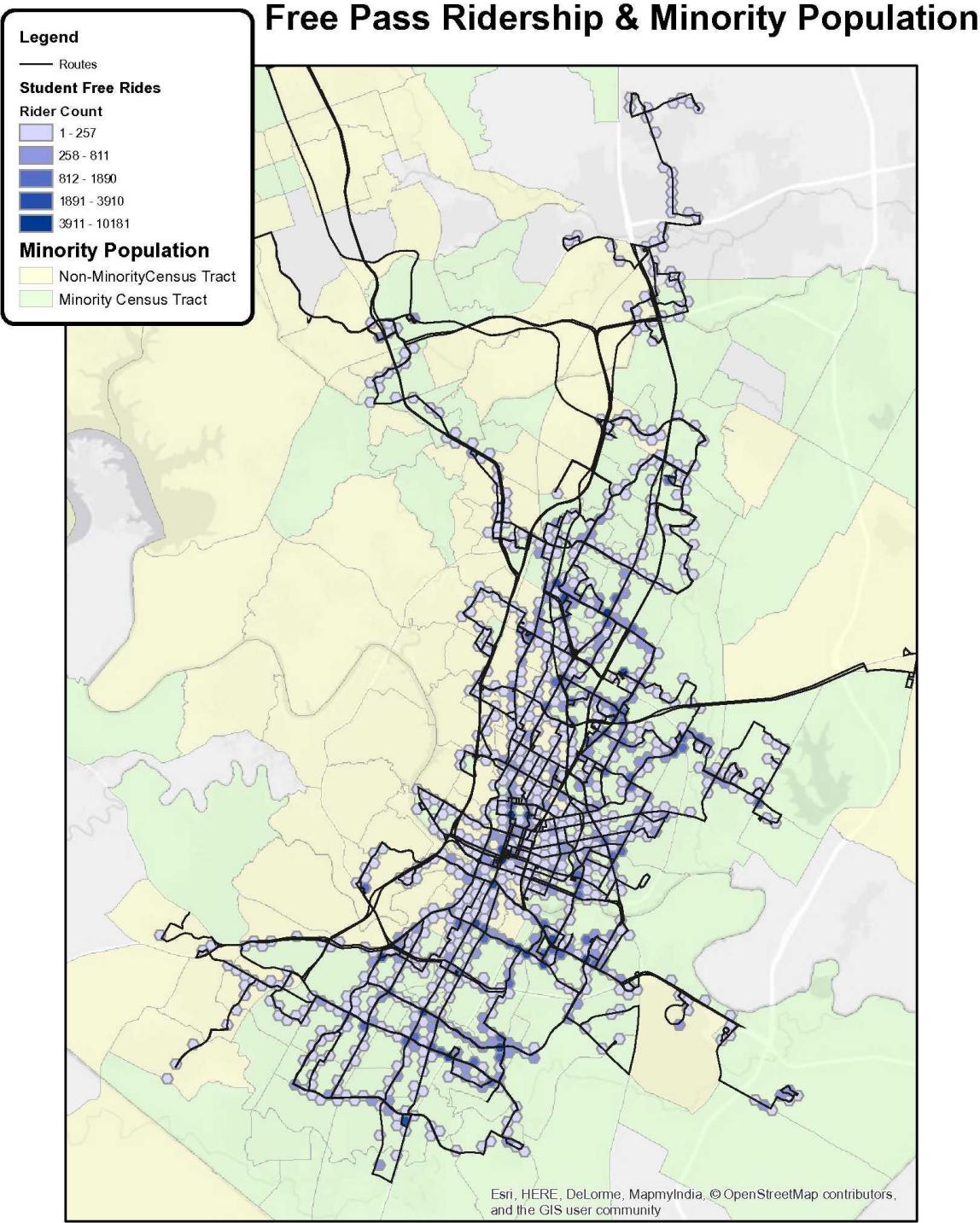
**Table 3 – Under 19 MetroAccess Ridership June-November 2018**

Months	Number of Clients	Completed Trips
June	5	65
July	7	62
August	8	79
September	7	58
October	6	65
November (1 - 26)	6	65

## CONCLUSION

This analysis considered boarding locations of K-12 student riders who used free fare on all buses. When applying the Board adopted Disparate Impact and Disproportionate Burden Policies, this analysis demonstrates that the proposed free fare for K-12 students will not have any disparate impact and disproportionate burden on minority and low-income populations respectively. Based on the location of students' boarding in minority and low-income tracts, there is a significant benefit to minority and low-income populations from this fare reduction.

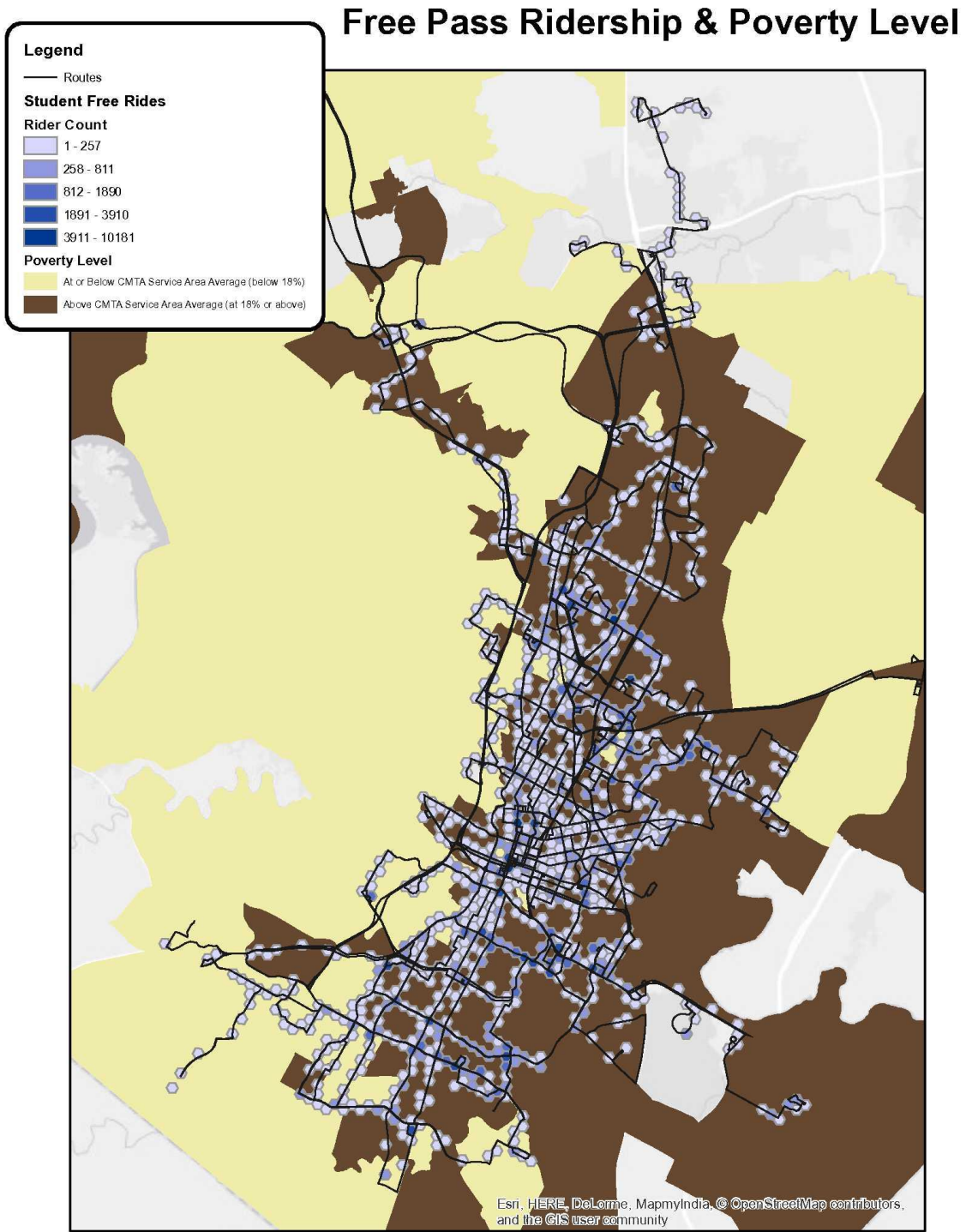
In conclusion, Capital Metro has followed the requirements of fare changes equity analysis according to Title VI Circular 4702.1B. It has met the legal test as described in the circular to justify that the proposed fare changes will have no disparate impact and disproportionate burden on minority and low-income riders respectively. No alternatives or mitigations are necessary at this point to implement permanent free fares for K-12 students.



**Figure 2 –Students Riders Boarded within the Minority tracts in Capital Metro Service area.**

Attachment: Title VI Fare Equity Analysis 2018 for K-12 Free Fares (4279 : Fare Structure Change for K-12 Students)





**Figure 2 –Students Riders Boarded within the Low-income tracts in Capital Metro Service area.**

**Attachment: Title VI Fare Equity Analysis 2018 for K-12 Free Fares (4279 : Fare Structure Change for K-12 Students)**

**Capital Metropolitan Transportation Authority  
Board of Directors**

**MEETING DATE: 12/05/2018  
(ID # 4280)**

***Request for City of Austin to Consider Sign Ordinance Change***

Approval of a resolution requesting that the Austin City Council consider amendments to the City Code of Ordinances, Chapter 25-10 – Sign Regulations, to allow advertising at bus stops and transit facilities for additional revenue for transit services.

**Capital Metropolitan Transportation Authority  
Board of Directors**

**MEETING DATE: 12/5/2018**

**(ID # AI-2018-933)**

**Request for City of Austin to Consider Sign Ordinance Change**

**SUBJECT:**

Approval of a resolution requesting that the Austin City Council consider amendments to the City Code of Ordinances, Chapter 25-10 – Sign Regulations, to allow advertising at bus stops and transit facilities for additional revenue for transit services.

**FISCAL IMPACT:**

This action has no fiscal impact.

**STRATEGIC PLAN:**

Strategic Goal Alignment:

1. Customer
3. Community

Strategic Objectives:

- 1.4 Deliver a customer-friendly experience through our people and systems
- 2.5 Generate funding
- 3.4 Support plans and programs designed to build ridership and increase market share of alternate transit use. (This requires support from all departments including planning, IT, Ops, and Marketing)

**EXPLANATION OF STRATEGIC ALIGNMENT:**

Capital Metro has an obligation to identify and pursue additional means of generating funding to support the transit system.

**BUSINESS CASE:**

Pursuit of an opportunity to advertise at bus stops and transit facilities allows Capital Metro to diversify its revenue streams to provide enhanced transit benefits such as free fares for K-12 students and MetroAccess passengers under the age of 19, additional bus stop amenities and potentially other fare discounts.

**COMMITTEE RECOMMENDATION:**

This agenda item will be presented to the full board on December 5, 2018.

**EXECUTIVE SUMMARY:**

Advertising space at bus stops and transit facilities has proven to be a valuable funding source for transit services throughout the country. In order for Capital Metro to access this funding opportunity a change to the City of Austin Code of Ordinances is required to allow off-premises signs in certain circumstances.

**DBE/SBE PARTICIPATION:** Does not apply.





RESPONSIBLE DEPARTMENT: Operations



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

**STATE OF TEXAS**

**COUNTY OF TRAVIS**

**RESOLUTION (ID # AI-2018-933)**

**Request for City of Austin to Consider Sign Ordinance Change**

WHEREAS, Capital Metro desires to provide enhanced transit service in the region and requires additional funding sources to provide these enhancements; and

WHEREAS, advertising at bus stops and transit facilities is a customary and common source of funding for transit systems around the country; and

WHEREAS, City Code, Chapter 25-10 – Sign Regulations, prohibits Capital Metro from advertising at its bus stops and transit facilities to access this valuable funding source.

NOW, THEREFORE, BE IT RESOLVED that the Capital Metro Board of Directors respectfully requests that the Austin City Council consider amendments to the City Code of Ordinances, Chapter 25-10 – Sign Regulations, to allow advertising at bus stops and transit facilities to support enhanced transit benefits for the community.

\_\_\_\_\_  
**Secretary of the Board**

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

**Attachment: Resolution-AI-2018-933 (4280 : Request for City of Austin to Consider Sign Ordinance Change)**