I. **Pledge of Allegiance**

II. **Safety Briefing**

Donna Simmons, Vice President of Administration, provided the safety briefing for the month. She thanked staff, service providers and bus operators for providing safe service to the community.

III. **Public Comment and**

IV. **Public Comment on President/CEO Candidate Profile:**

There was no public comment at this meeting.

V. **Advisory Committee Updates:**

1. **Update on the Customer Satisfaction Advisory Committee (CSAC)**

Sam Sargent, Community Involvement Team Coordinator, delivered the update for the CSAC. The following items were presented at the August 9th CSAC meeting:

   - Proposed FY 2018 Budget Presentation
   - Upcoming Connections 2025 based service changes
   - June 2018 Service Changes will be presented to the committee next month

2. **Update on the Access Advisory Committee (AAC)**

Sam Sargent, Community Involvement Team Coordinator, provided the update. The committee met on August 2nd and topics of discussion included:

   - Proposed FY2018 Budget Presentation
   - Pickup Pilot Project Update
   - Future Agenda Items (September - December)

A question regarding committee membership was asked. There is one vacancy on AAC and several resignations on CSAC. We welcome any suggestions and recommendations on how to fill those vacancies.

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

Section 551.072 for real property issues - Real Estate - Lakeline Development and Facilities.

Went into executive session at 12:02 PM

Returned from executive session at 1:38 PM
VII. Board Committee Updates:

1. Operations, Planning and Safety Committee

Beverly Silas, Committee Chair, conveyed the updates for the Operations, Planning & Safety Committee. There were five action items, 4 that are included on today's Action agenda, items 2, 3, 4, and 5. The committee also heard the following discussions and presentations:

- Discussion on the Vice President, Internal Audit Recruitment and Selection Process
- Update on FY2018 Budget
- 3rd Quarter Safety Update
- Route Analysis Presentation
- Facility Programming and Master Plan Presentation
- 3rd Quarter Operations Report

In addition, the Committee heard an overview on the PTC Implementation Services contract but did not vote on it. That item is on today's Action agenda.

2. Finance, Audit and Administration Committee; and

Terry Mitchell, Committee Chair, delivered the update for the Finance, Audit and Administration Committee. The committee had three action items and two are on today's consent agenda:

- ILA Extension with Travis County for employee passes
- President/CEO Employment Agreement Extension

Additionally, the committee heard the following discussions and presentations:

- Discussion on the Vice President, Internal Audit Recruitment and Selection Process
- Facility Programming and Master Plan Presentation
- Internal Audit Customer Service Call Center Audit
- Update on FY2018 Budget
- Monthly Financial Report

3. CAMPO update

Board Member Mitchell, Capital Metro's CAMPO representative, provided an update from this month's CAMPO meeting. The committee met August 14 and heard the following discussions:

- Discussion and approval of CAMPO reappointment of Wade Cooper to the Capital Metro Board
- Discussion and approval of CAMPO Transportation Development Credit Policy
- Project Connect Presentation by Capital Metro
- Presentation of Georgetown Williams Drive Study

VIII. Consent Items

1. Approval of Board Minutes for the July 11, 2017 Worksession and July 31, 2017 Board Meeting.

2. Approval of a resolution authorizing the President/CEO, or her designee, to amend an existing Interlocal Agreement (ILA) with Travis County for employee transit passes to align with Travis County's fiscal year and extend the term of the Agreement for a period of October 1, 2017 through September 30, 2018, and set the contract amount at $87,000 for the term of the agreement.

3. Approval of the execution of an extension and amendment to the President/CEO Employment Agreement extending the term of the agreement to December 31, 2017.

IX. Action Items:
1. Approval of a resolution authorizing the President/CEO, or her designee, to finalize and execute a Design-Build contract with Modern Railway Systems, Inc. for finalizing the design, installation, testing and commissioning of the Positive Train Control System (PTC) and its supporting Fiber Optic Communication System on Capital Metro’s Commuter Rail Corridor in an amount not to exceed $65,675,000.

Melvin Clark, Rail Systems Safety & Regulatory Compliance Officer, presented this item. He stated the Finance and Administration Committee and Operations Committee recently heard a comprehensive presentation on PTC System and had questions regarding ducts and fiber optics. There will be an empty duct under the entire alignment and we’ve allotted 12 extra fibers for future business use. In continuation, Capital Metro’s commuter rail system is regulated by the Federal Railroad Administration (FRA) which, in response to Congress, mandated that all commuter rail systems install a PTC system by December 31, 2018. PTC systems are designed to prevent derailments or train-to-train collisions, and to ensure trains are not guided onto the wrong track due to a switch being left in the wrong position. The approved contract will allow Modern Railway Systems to complete a portion of the work within 15 months, which will make the agency eligible to apply for a two-year extension to the December 2018 PTC deadline to complete the rest of the system.

Board member Cooper had the following questions: What is the cost of this project and the amortization schedule? How does this impact the cost of delivering service?

Staff's response: We are is in the process of compiling this information.

President Watson added that Capital Metro received a $12.8 million federal grant that will help cover the cost of this project.

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2. Approval of a resolution authorizing the President/CEO, or her designee, to finalize and execute a modification of the contract with Verizon Wireless telecommunications services for cellular data service in an amount not to exceed $840,346 for the remaining months of the base year through April 1, 2018 and four option years.

Shawn Brown, Project Manager - IT Department, presented this item. This contract modification provides for monthly cellular unlimited data plans required for the routers that will be installed on Capital Metro's fleet to transmit vehicle information to the Computer Aided-Dispatch/Automated Vehicle Location system (CAD/AVL) and real-time systems such as the mobile app and online trip planner.

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3. Approval of a resolution authorizing the President/CEO, or her designee, to finalize and execute a contract with GTS Technology Solutions in an amount not to exceed $1,470,190 for the implementation of hardware upgrades to Capital Metro’s existing bus fleet and upcoming vehicle purchases.
Shawn Brown, Project Manager - IT Department, presented this item. This is for the purchase of routers required for the upgrade to cellular data transmission. The installation of these routers will consolidate systems for onboard ticket validation and security camera video recording as well as the upcoming transmission of Intelligent Transportation System (ITS) data via cellular service through one router which will greatly improve the maintenance and monitoring of these functions. These routers will also provide the option to expand into future plans for realtime on board validators for fare collection to the entire fleet. This upgrade to cellular will also improve efficiency for dispatching service, field maintenance and supervision, along with security support.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Delia Garza, Board Member
SECONDER: Sabino Renteria, Board Member
AYES: Silas, Mitchell, Cooper, Garza, Kitchen, Jonse, Renteria
ABSENT: Word

4. Approval of a resolution authorizing the President/CEO, or her designee, to finalize and execute a contract with Conduent Transport Solutions, Inc. (formerly Xerox Transportation Solutions, Inc.) for the development and implementation of a cellular-based data feed software upgrade for Capital Metro’s Intelligent Transportation Computer-Aided Dispatch/Automated Vehicle Location system (CAD/AVL) in an amount not to exceed $603,696.

Shawn Brown, Project Manager - IT Department, presented this item. The cellular transmission of data will allow the polling rate of vehicles to be reduced to ten seconds. This GPS and passenger count information will be fed directly to customer-facing tools such as the mobile app and DMS as well as internal functions for dispatching, field maintenance and supervision, and security services. The software upgrade will leverage Capital Metro’s investment in the ITS system through 2023 by expanding the tools available which generate data for Capital Metro staff and the public in order to promote safety, improve reliability and convenience for our ridership.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Ann Kitchen, Board Member
SECONDER: Terry Mitchell, Board Member
AYES: Silas, Mitchell, Cooper, Garza, Kitchen, Jonse, Renteria
ABSENT: Word

5. Approval of a resolution authorizing the President/CEO, or her designee, to finalize and execute a contract modification with Watco Companies, L.L.C. to allow Watco to expand the freight service area to utilize the track from the Giddings Industrial Lead at MP 27.20 Elgin, TX to MP 0.00 Giddings, TX, under the Contract No. 137737 for Freight Operations and Maintenance services on the Capital Metro Railroad.

Elaine Timbes, Deputy CEO/Chief Operating Officer, presented this item. This is a revenue generating contract. The term of the contract is twenty (20) year base period with six, five year renewal options. Capital Metro's intent in executing this contract modification is to increase the freight revenue by allowing Watco to utilize tracks from Elgin to Giddings. Watco will be 100% responsible for operating and maintaining the track, bridges, culverts, grade crossing and warning systems and all related costs, primarily brush clearing. In addition, Watco agrees to pay all the labor costs associated with building a half mile siding. Capital Metro will receive 16.5% of the gross revenue of the freight service as currently identified in the contract. It is estimated that this contract amendment will generate $111,918,661 in a 20 year partnership with Watco. Lastly, we have strengthen the contract language as requested by the Operations Committee and have transmitted that contract amendment to the Board. We are also half way done with community outreach. We have sent information to elected officials and property owners along that line. We are now reaching out to businesses, schools and area residents.
In conclusion, Board member Jonse thanked staff for addressing the railroad ties issue. She stated all railroad ties have been picked up and the area looks wonderful.

Board member Kitchen also thanked staff for strengthening the contract language to reflect that commuter service will always have priority should there be any changes we would want to make in the future.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Beverly Silas, Vice Chair
SECONDER: Sabino Renteria, Board Member
AYES: Silas, Mitchell, Cooper, Garza, Kitchen, Jonse, Renteria
ABSENT: Word

X. Discussion:

1. President/CEO Search and Selection Process

Donna Simmons, Vice President, Administration, provided an update and timeline on the President/CEO search and selection process. She discussed the following:

- Phase 1: CEO Profile Development
- Phase 2: Recruitment of Presentation of Candidates
- Phase 3: Selection of Finalists
- Phase 4: Selection of CEO
- Phase 5: Contract Negotiation and CEO Appointment

Next, she provided key proposed dates:

- September 14: Public Comment for CEO Profile- Gregg Moser to provide a draft of the CEO profile for the Board’s review
- September 29: Public Comment and Board Adoption of Profile
- October - December: Job will be posted, Gregg will start recruiting; initial interviews and Board selection of Finalists
- January: Final Selection and Town Hall with Finalist
- January 29: Final Selection of CEO at Board Meeting

Board member Kitchen asked Donna to speak about the questions that were sent to the stakeholders (for the public’s benefit). The questions are:

1. Name the top three professional qualifications you believe Capital Metro’s new president/CEO should have.
2. What are the three personal characteristics you would like to see in Capital Metro’s new president/CEO?
3. What do you think will be Capital Metro’s greatest challenge in the next five years?

In conclusion, Board member Kitchen suggested that the list of stakeholders be provided to all Board members for input.

XI. Presentations:

1. Legislative Update

Eric Bustos, Interim Government Relations Manager, introduced Representative Celia Israel. Representative Israel provided an update on the 85th Regular and Special Session. Highlights included bills that passed:

- TxDOT sunset Bill
State wide regulations for ride-hailing companies
State wide ban on texting while driving
Self Driving Vehicle Regulations

And, bills that failed:
- Legislation that would have allowed Capital Metro operations to own facilities instead of leasing them
- Bill that would allow buses on highway shoulders to bypass heavy traffic congestion
- Legislation to lower the default speed limit on residential streets, which would make it safe to walk/bike to transit connections
- Legislation to continue toll discounts on SH-130 for larger trucks as an incentive to use SH-130 and reduce traffic on I-35

2. Sustainability Report

Rob Borowsk, Sustainability Officer, provided this report. The report focused on plans to conserve materials, energy and water at all our facilities. In summary, Board members discussed solar energy and Rob indicated staff will be meeting with the State Energy Conservation Office soon to discuss solar programs, incentives, etc.

XII. Reports:

1. Quarterly Planning/Ridership Report

Todd Hemingson, Vice President of Planning and Development, presented the Ridership Quarterly Report. The report included the following:

- Ridership Quarterly Summary - System ridership up 0.7% Q3 2017 compared to Q3 2016
- Fuel prices up 7.5% from Q3 2016
- Ridership by Mode
- Business Partnerships

2. Quarterly Finance Report

Reinet Marneweck, Chief Financial Officer, presented the Finance Report. The report included the following:

- Revenue - we are below budget - fare revenue (below budget due to elimination of premium fare); Plaza Saltillo lease income budgeted for $1.6M and will not realize in FY 2017 Plaza Saltillo; and Capital Grants are below budget due to delayed spending on Downtown Station and Rail Tiger projects
- Sales Tax Receipts - we estimate that we will be $2.8 million under budget for the full year, expenses are also under budget so we will be able to absorb that.
- Growth Rate Trends
- Operating Expenses are favorable to budget
- Budget Transfers
- Cash, Investments and Reserves
- Budget Variances by Department
- Capital Projects Summary - we are significantly below budget. We estimate $57 million will roll to next year, mostly due to PTC, Tiger Grant improvements and Downtown Station
- CMTA Sales Tax Trend
- Surrounding Cities Sales Tax Growth
- FY2018 Budget Sales Tax Growth Rate Update (FY 2018 sales tax growth rate assumption has been updated from 3.5% to 2.5%) which is a reduction of $5 million dollars

3. President’s Report

Linda Watson, President & CEO, presented the report. The President’s report included the following:
• Round Rock Transit Center and New Service
• Introduction of Darryl Jamail, new Capital Metro Security Director
• MetroAccess Service Metrics Reach New High
• Todd Hemingson Briefs Senate Committee on CMTA Technology Related Initiatives
• Hurricane Harvey Update
• Congratulations to our Board Chair Cooper for being reappointed to the CMTA Board for another 3 years

XIII. Items for Future Discussion:

XIV. 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 if you need more information.

BOARD OF DIRECTORS: Wade Cooper, Chair; Beverly Silas, Vice Chair; Juli Word, Board Secretary; Terry Mitchell, Pio Renteria, Delia Garza, Ann Kitchen and Rita Jonse. Board Liaison: Gina Estrada (512)389-7458, email 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.

Date: August 28, 2017

Chris Brent
Executive Assistant to the President/CEO