I. Public Comment:

II. Action Items:

   1. Approval of Minutes from the June 15, 2020 Finance, Audit and Administration Committee meeting.

   2. Approval of a resolution authorizing the President & CEO, or his designee, to finalize and execute a contract with _______ for External Auditing services for a base period of three (3) years and two (2) one-year option periods, plus optional services, in an amount not to exceed _______.

   3. Approval of a resolution authorizing the President & CEO, or his designee, to execute an Interlocal Agreement (ILA) with the city of Lago Vista for transit passes with a validity of one year from September 1, 2020 to August 31, 2021, and with two optional one-year extensions.

   4. Approval of a resolution authorizing the President & CEO, or his designee, to extend an Interlocal Agreement (ILA) with Travis County for employee transit passes for a period of one year from October 1, 2020, to September 30, 2021.

   5. Approval of a resolution authorizing the President & CEO, or his designee, to approve and execute a one-year contract extension with UnitedHealthcare in an amount not to exceed $692,772 for continued administration of third party administration services and stop loss insurance for the Capital Metro self-insurance health and dental plans.

III. Presentations:

   1. Internal Audit FY 2020 Audit Plan Status

   2. Internal Audit Report Audit Report – Fuel Management & Controls

4. FY 2021 Budget Update

IV. Items for Future Discussion:

V. 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.

Committee Members: Terry Mitchell, Chair; Wade Cooper, Troy Hill and Pio Renteria.

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.
Approval of Minutes from the June 15, 2020 Finance, Audit and Administration Committee meeting.
Call to Order: 10:02 a.m.

I. Public Comment:

There was no public comment this month.

II. Action Items:

1. Approval of Minutes from the May 15, 2020 Finance, Audit and Administration Committee meeting.
   
   Motion to approve by Board Member Cooper. Hill second. Passes 3-0. (Renteria out.)

2. Approval of a resolution authorizing the President & CEO, or his designee, to finalize and execute a Memorandum of Understanding with the City of Round Rock authorizing Round Rock to be a Direct Recipient of a portion of Capital Metro's FY2021 and FY2022 Federal Section 5307 Program funds.

   CFO Reinet Marneweck presented this item.

   This item authorizes the City of Round Rock to be a direct recipient of a portion of Capital Metro's Federal 5307 funds. The annual allocation for Round Rock is approximately $745,000. The City has been a direct recipient since 2013, and the MOU is reauthorized every two years.

   Board Member Hill asked if Round Rock was the only city in the area that acts as a direct recipient. Reinet confirmed that they are.

   Motion to recommend for the Consent Agenda at the June board meeting by Board Member Hill. Cooper second. Approved 3-0 (Renteria out).

III. Presentations:

1. Internal Audit FY2020 Audit Plan Status

   Vice President of Internal Audit Terry Follmer presented this item, his monthly update on the current status of his department's audits.

   Terry informed the committee that he will shortly be sending them a one-question survey on what each board member thinks are the top risks to the agency. Board Member Cooper asked if a list of last year's identified risks could accompany the email as a frame of reference.
2. Audit Report - OrbCAD, Analysis of Service Delays

Internal Auditor Jeannette Lepe presented this item. She was assisted on this project by interns from the University of Texas.

The objective of this audit was to determine whether internal controls over the service delay reporting process are sufficient. Two findings related to this reporting were identified. Jeanette identified these issues and reported that management agrees with the findings and has provided a response, a copy of which is in the audit report.

Chair Mitchell asked about the amount of extra time that is built into our schedules. President Clarke provided comments on the difficulty of creating accurate schedules with the amount of traffic and construction in Austin, and on the importance of dedicated right of way and signal prioritization in trying to achieve on-time performance metrics.

3. Audit Report - Semi-annual Follow-up on Prior Recommendations

Vice President of Internal Audit Terry Follmer presented this item.

Follow up in this period included 8 prior audit reports, and 35 recommendations that are currently being tracked. Management has currently implemented about half of those. Terry noted that he had nothing unusual to report on these recommendations.

IV. Items for Future Discussion:

V. Adjournment

Adjourn: 10:24 a.m.

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.

Committee Members: Terry Mitchell, Chair; Wade Cooper, Troy Hill and Pio Renteria.

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.
Approval of a resolution authorizing the President & CEO, or his designee, to finalize and execute a contract with RSM US LLP for External Auditing services for a base period of three (3) years and two (2) one-year option periods, plus optional services, in an amount not to exceed $1,269,774.
SUBJECT:
Approval of a resolution authorizing the President & CEO, or his designee, to finalize and execute a contract with for External Auditing services for a base period of three (3) years and two (2) one-year option periods, plus optional services, in an amount not to exceed.

FISCAL IMPACT
Funding for this action is available in the FY2020 Operating Budget. Funding for future years is contingent upon approval of the Operating Budget by the Board of Directors.

STRATEGIC PLAN:

Strategic Objectives: 1.2 Continuous Improvement 3.1 Resource Optimization

EXPLANATION OF STRATEGIC ALIGNMENT: Completion of an annual financial audit by an independent, qualified firm helps to ensure the reporting of accurate financial information that is needed for sound financial decision making.

BUSINESS CASE: The annual financial audit process includes a report on internal controls, which informs the Board of Directors and management about areas of the organization that could benefit from improvements in procedures and processes.

COMMITTEE RECOMMENDATION:
This agenda item was presented and recommended for approval by the Finance, Audit and Administration Committee on August 12, 2020.

EXECUTIVE SUMMARY: This contract is for professional auditing services for Capital Metro’s comprehensive annual financial report (CAFR), single audit report, and other services. The single audit culminates in a report on compliance and internal control over federal financial assistance programs in accordance with guidance published by the U.S. Office of Management and Budget. Other services include an audit of the financial statements of Capital Metro’s retirement plans, the application of agreed-upon procedures related to compliance with the Public Funds Investment Act. In the event that the Board of Directors approves major capital improvements that require the issuance of debt, the scope of work includes a provision for a review of the interim financial statements preceding each debt issuance, as well as reviews of official statements issued for any type of debt, if needed.

The original term of the contract is 36 months for the audits of fiscal years ending September 30, 2020, 2021 and 2022.
DBE/SBE PARTICIPATION: Contractor established "Good Faith" efforts and will be utilizing the following DBE subcontractor/s.

<table>
<thead>
<tr>
<th>DBE</th>
<th>Service/Product</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

PROCUREMENT: On April 21, 2020, a Request for Proposals was issued and formally advertised. By the closing date of May 21, 2020, six proposals were received. The evaluation team used the following factors in the evaluation of proposals:

1. The offeror’s demonstrated technical background, past performance and relevant work experience on projects of a similar size, scope, complexity and nature.

2. Qualifications, experience, and capabilities of the proposed project personnel, and any subcontractors, on projects of a similar size, scope, complexity and nature.

3. The methodology and quality of the work plan for the performance of the work by the offeror.

The proposal from [redacted] was determined to be the best value to the Authority, price and other factors considered. The contract is a fixed price contract. The term of the Contract is three (3) years, with two (2) one-year option periods, plus optional services, for pricing offered as follows.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

STATE OF TEXAS
COUNTY OF TRAVIS

RESOLUTION (ID # AI-2020-1226)
External Auditing Services Contract

WHEREAS, the Board of Directors and Capital Metro management recognize the need to obtain professional auditing services.

NOW THEREFORE BE IT RESOLVED, by the Capital Metropolitan Transportation Authority Board of Directors that the President & CEO, or his designee, is authorized to finalize and execute a contract with [redacted] for professional auditing services for a three-year period with two (2) one-year extension options in a total amount not to exceed [redacted].

________________________
Date: ____________________

Secretary of the Board
Eric Stratton
Approval of a resolution authorizing the President & CEO, or his designee, to execute an Interlocal Agreement (ILA) with the city of Lago Vista for transit passes with a validity of one year from September 1, 2020 to August 31, 2021, and with two optional one-year extensions.
SUBJECT:
Approval of a resolution authorizing the President & CEO, or his designee, to execute an Interlocal Agreement (ILA) with the city of Lago Vista for transit passes with a validity of one year from September 1, 2020 to August 31, 2021, and with two optional one-year extensions.

FISCAL IMPACT
Refer to executive summary for clarification.

STRATEGIC PLAN:
Strategic Goal Alignment:
4. Valued Community Partner

Strategic Objectives:
4.3 Value of Transit

EXPLANATION OF STRATEGIC ALIGNMENT:
The ILA with the city of Lago Vista will create a strong partnership that supports Capital Metro’s mission and vision. The ILA has the potential to increase ridership on Capital Metro services and increase revenue.

BUSINESS CASE:
The proposed ILA will help establish a strong partnership with the city of Lago Vista that supports Capital Metro’s strategic objectives. The ILA will allow the city of Lago Vista to become a re-seller of Capital Metro’s transit passes, thereby supporting Capital Metro’s efforts to implement Pick Up service in Lago Vista. The ILA has the potential to increase the usage of our services by residents of Lago Vista.

COMMITTEE RECOMMENDATION:
This agenda item was presented and recommended for approval at the Finance, Audit and Administration Committee on August 12, 2020.

EXECUTIVE SUMMARY:
As part of Capital Metro’s desire to build strong community partnerships that further Capital Metro’s mission and vision and as part of Capital Metro’s and the city of Lago Vista’s continued joint effort to promote sustainability through transportation alternatives, this resolution allows execution of an ILA that establishes a transit pass reseller arrangement with the city of Lago Vista with a validity of one year from September 1, 2020 to August 31, 2021, and with two optional one-year extensions.
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-2020-1290)
Lago Vista Interlocal Agreement for Transit Passes

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and Capital Metro management endeavor to build strong community partnerships that further Capital Metro’s mission and vision; and

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and Capital Metro management recognize the need to build ridership and increase market share of alternate transit use.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the President & CEO, or his designee, is authorized to execute an Interlocal Agreement (ILA) with the city of Lago Vista for transit passes with a validity of one year from September 1, 2020 to August 31, 2021, and with two optional one-year extensions.

_____________________________________
Date: _____________________________

Secretary of the Board
Eric Stratton
INTERLOCAL COOPERATION AGREEMENT
BY AND BETWEEN
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
AND
THE CITY OF LAGO VISTA

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 (“Capital Metro”) and the City of Lago Vista, a home-rule municipality (“City”). Capital Metro and the City are referred to in this Agreement collectively as the “Parties” and individually as a “Party”.

RECITALS

1. The Parties recognize the importance of a regional mobility system and would like to encourage access to public transportation within the City.

2. The Parties now desire to enter into a mutually beneficial agreement for the City’s purchase of Capital Metro’s transit service passes for sale or distribution to the general public.

3. 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. **Right to Purchase and Resale.** Capital Metro grants the City the non-exclusive and non-assignable right to resell all types of passes for bus, rail and other transit services (the “Services”) currently provided by Capital Metro for sale or distribution to the general public in accordance with the terms and conditions of this Agreement (collectively “Transit Passes”). The Services include, but are not limited to:

   a. Local Services, which consist of MetroBus, UT Shuttle, MetroRapid and High-Frequency Routes, and Pickup;

   b. Commuter Services, which consist of Local Services, MetroExpress Routes and MetroRail; and

   c. MetroAccess, which is shared-ride paratransit service for registered customers with disabilities.

2. **Resale Prices.** The City may not markup resale prices of the Transit Passes above the current retail fares and may not sell Transit Passes at lower than current retail fares.

3. **Resale Customers.** The City may sell the Transit Passes to the general public, with the exception of Transit Passes which may only be sold to registered MetroAccess customers, as evidenced by MetroAccess identification cards.
4. Purchase Process. The City will contact the Capital Metro Transit Store by phone (512-389-7454) or email (TransitStore@capmetro.org) to order the number and type of Transit Passes needed by the City. Within three (3) business days of the request, Capital Metro will deliver the requested Transit Passes to the City at the following address:

   City of Lago Vista
   Attn: Nichole Navarro
   5803 Thunderbird
   Lago Vista, TX 78645

The City will provide Capital Metro with written notice of any changes to the above address. Upon delivery of the Transit Passes, the City shall solely bear the risk of any loss of the Transit Passes, including but not limited to, any Transit Passes that are accidentally destroyed, damaged, stolen, whether such loss was through negligence, accident the result of a casualty loss, or are otherwise rendered un-salable or any losses resulting from theft by third parties.

5. Pass Prices, Invoicing and Payment.

   a. Pass Prices. Capital Metro will charge the City for Transit Passes at rates that are five (5%) discounted off the current retail fares of the Transit Passes.

   b. Invoices. Capital Metro will submit monthly invoices to the City for the Transit Passes delivered in the previous month. Invoices shall be sent to the below address:

   City of Lago Vista
   Attn: Nichole Navarro
   5803 Thunderbird
   Lago Vista, TX 78645

   The City will provide Capital Metro with written notice of any changes to the above address.

   c. Payment.

   i. The City’s payments to Capital Metro for Transit Passes will be made in accordance with, and otherwise subject to, Chapter 2251 of the Texas Government Code (Texas Prompt Payment Act).

   ii. This Agreement is dependent upon the availability of City funding. City’s payment obligations are payable only from current funds appropriated and available for the Agreement. City will provide City written notice if it fails to appropriate funds to pay the amounts due under this Agreement. City will also notify City as soon as practicable if there is a reduction of the appropriated funds necessary for City to perform under this Agreement.

6. Term and Termination. The term of this Agreement will commence on September 1, 2020 (“Effective Date”) and will remain in effect through August 31, 2021 (“Term”). The Parties may extend the Term by mutually written agreement for up to two (2) additional twelve (12)-month option extension periods. Either Party may terminate this Agreement, in whole or part, without cause, upon thirty (30) days’ prior written notice.
7. General Terms and Conditions

a. Amendment. This Agreement may be amended only in writing by an instrument signed by an authorized representative of each of the Parties. The City’s City Manager and the Capital Metro President & CEO will have the authority to negotiate and execute amendments to this Agreement without further action from City or action from the Capital Metro Board of Directors, but only to the extent necessary to implement and further the clear intent of the respective City and Capital Metro Board of Directors’ approval, and not in such a way as would constitute a substantive modification of the terms and conditions hereof or otherwise violate Chapter 791 of the Texas Government Code. Any amendments that would constitute a substantive modification to the Agreement must be approved by the governing bodies of the Parties.

b. Maintenance of Records. Capital Metro and City 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.

c. Disputes. The Parties will make every possible attempt to resolve, in an amicable manner, all disputes between the Parties concerning the interpretation of this Agreement. City will submit written notice of any claim of breach of contract under this Agreement to Capital Metro, who will examine City’s claim and any counterclaim and negotiate with City in an effort to resolve the claim.

d. Liability. TO EXTENT PERMITTED BY LAW, THE PARTIES AGREE THAT EACH GOVERNMENTAL ENTITY IS RESPONSIBLE FOR ITS OWN PROPORTIONATE SHARE OF ANY LIABILITY FOR THE NEGLIGENCE 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.

e. 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.

f. 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.

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

h. **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).

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

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

k. **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.

l. **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.

m. **Notices.** All notices or reports 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.

City: City of Lago Vista  
Attn: City Manager  
5803 Thunderbird  
Lago Vista, TX 78645

Capital Metro: Capital Metropolitan Transportation Authority  
Attn: Chief Counsel  
2910 E. 5th Street  
Austin, Texas 78702

n. **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.

o. **Publicity Releases.** All publicity releases or releases of reports, papers, articles, maps, or other documents in any way concerning this Agreement which the City desires to make for
the purposes of publication in whole or in part, shall be subject to approval by Capital Metro prior to release.

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: _______________________
Signature Date: ___________________

City of Lago Vista

By: _______________________
Name: Joshua W. Ray
Title: City Manager
Signature Date: 27 July 2020
Approval of a resolution authorizing the President & CEO, or his designee, to extend an Interlocal Agreement (ILA) with Travis County for employee transit passes for a period of one year from October 1, 2020, to September 30, 2021.
SUBJECT:
Approval of a resolution authorizing the President & CEO, or his designee, to extend an Interlocal Agreement (ILA) with Travis County for employee transit passes for a period of one year from October 1, 2020, to September 30, 2021.

FISCAL IMPACT
Refer to executive summary for clarification.

STRATEGIC PLAN:
Strategic Goal Alignment:
4. Valued Community Partner

Strategic Objectives:
4.3 Value of Transit

EXPLANATION OF STRATEGIC ALIGNMENT:
Extension of the ILA with Travis County will maintain a strong partnership that supports Capital Metro’s mission and vision. The ILA extension has the potential to increase ridership on Capital Metro services and increase revenue.

BUSINESS CASE:
The ILA has helped establish a strong partnership with Travis County that supports Capital Metro’s strategic objectives. The proposed ILA extension will maintain this relationship. The ILA has been well utilized by Travis County employees, and the proposed extension has the potential to increase the usage of our services by Travis County employees.

COMMITTEE RECOMMENDATION:
This agenda item was presented and recommended for approval at the Finance, Audit and Administration Committee meeting on August 12, 2020.

EXECUTIVE SUMMARY:
As part of Capital Metro’s desire to build strong community partnerships that further Capital Metro’s mission and vision and as part of Capital Metro’s and Travis County’s continued joint effort to promote sustainability through transportation alternatives, this agreement is an extension of an Interlocal Agreement (ILA) with Travis County for employee transit passes for a period of one year from October 1, 2020, to September 30, 2021. This extension is the second of three, one-year, optional extensions allowed under the ILA.
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-2020-1288)
Travis County Interlocal Agreement Extension

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and Capital Metro management endeavor to build strong community partnerships that further Capital Metro’s mission and vision; and

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and Capital Metro management recognize the need to build ridership and increase market share of alternate transit use.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the President & CEO, or his designee, is authorized to execute an extension of an Interlocal Agreement (ILA) with Travis County for employee transit passes for a period of one year from October 1, 2020, to September 30, 2021.

________________________  ______________________
Secretary of the Board  Date: ______________________
Eric Stratton
AMENDMENT NO. 3 TO THE INTERLOCAL AGREEMENT  
BETWEEN  
TRAVIS COUNTY AND  
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY  
FOR EMPLOYEE TRANSIT SERVICES  

This Amendment No. 3 to the Interlocal Agreement for Employee Transit Services (“Amendment”) is entered into by and between Travis County, Texas (“Travis County”), a political subdivision of the State of Texas, and Capital Metropolitan Transportation Authority (“Capital Metro”), a transportation authority and political subdivision organized under Chapter 451 of the Texas Transportation Code. Capital Metro and Travis County are referred to in this Amendment collectively referred the “Parties” and individually as a “Party”.

I.  Recitals

1.  The Parties entered into that certain Interlocal Agreement for Employee Transit Services dated effective September 26, 2018 under which Capital Metro provides transit services to employees of Travis County (as amended, the “Interlocal Agreement”).

2.  Article III.1 of the Interlocal Agreement provides the term of the Interlocal Agreement (the “Term”) will initially remain in effect until September 30, 2019 and may be extended for up to three additional 12-month optional renewals.

3.  Pursuant to that certain Amendment No. 1 to the Interlocal Agreement, dated effective September 3, 2019, the term of the Interlocal Agreement was extended through September 30, 2020.

4.  The Parties desire to extend the Term for another twelve-month (12-month) renewal period, from October 1, 2020 to September 30, 2021.

In consideration of mutual covenants and agreements contained herein, the Parties agree to amend the Interlocal Agreement as evidenced by the signatures of their respective authorized representatives.

II.  Agreement

1.  Article III.1 of the Interlocal Agreement provides that all optional renewals and extensions are subject to the review and approval of the Capital Metro Board of Directors and the Travis County Commissioners Court. Pursuant to Article III.1 of the Interlocal Agreement, the Parties hereby agree to renew the Interlocal Agreement for an additional 12-month period from October 1, 2020 through September 30, 2021.

2.  The terms of this Amendment are in addition to, and construed together with, the terms of the Interlocal Agreement. In the event of conflict in any language in the Interlocal Agreement and this Amendment, the language in this Amendment will control.

3.  Capitalized items used in this Amendment and not otherwise defined have the meanings assigned to them in the Interlocal Agreement.

4.  This Amendment may be executed by the Parties in one or more counterparts, each of which shall be considered one and the same Amendment. Signatures transmitted electronically by e-mail in a “PDF” format, by DocuSign or similar e-signature service shall have the same force and effect as original signatures in this Amendment.

[Signatures on following page]
IN WITNESS WHEREOF, this Amendment has been signed by an authorized representative of each Party, to be effective as of the last signature date below.

Capital Metropolitan Transportation Authority
By: __________________________
   Reinet Marneweck
   Chief Financial Officer
Date: __________________________

Travis County, Texas
By: __________________________
   Samuel T. Biscoe
   Travis County Judge
Date: __________________________

Approved as to form:
By: __________________________
   CMTA Legal
Approval of a resolution authorizing the President & CEO, or his designee, to approve and execute a one-year contract extension with UnitedHealthcare in an amount not to exceed $692,772 for continued administration of third party administration services and stop loss insurance for the Capital Metro self-insurance health and dental plans.
SUBJECT:
Approval of a resolution authorizing the President & CEO, or his designee, to approve and execute a one-year contract extension with UnitedHealthcare in an amount not to exceed $692,772 for continued administration of third party administration services and stop loss insurance for the Capital Metro self-insurance health and dental plans.

FISCAL IMPACT
Funding for this action is available in the FY2021 Operating Budget.

STRATEGIC PLAN:
Strategic Goal Alignment:
2. Engaged Workforce

Strategic Objectives:
2.1 Be An Employer of Choice

EXPLANATION OF STRATEGIC ALIGNMENT:
Providing high quality and competitive benefit services enables Capital Metro to provide benefit programs that will attract and retain the type of employees needed to meet our strategic goals.

BUSINESS CASE:
The current 6-year (3 base + 3 option years) contract for Health Plan Administrative Services is set to expire on December 31, 2020. As we are in the midst of the healthcare crisis related to COVID-19, we are requesting a one-year extension. Attempting to procure a contract for administration of third party administration services and stop loss insurance for self-insurance health and dental plans would produce limited and potentially costly bids during this current healthcare crisis.

COMMITTEE RECOMMENDATION:
This agenda item was presented and recommended for approval at the Finance, Audit and Administration Committee meeting on August 12, 2020.

EXECUTIVE SUMMARY:
The Health Plan Administrative Services contract includes the following services to provide benefit plan coverage and/or administration for the health and dental plans for Capital Metro employees:
Medical Plan Administration
Medical Plan PPO Network of Providers
Dental Plan Administration
Flexible Spending Account Administration
Health Savings Account Administration
DBE/SBE PARTICIPATION: Any DBE participation will be captured as race neutral.

PROCUREMENT:
On July 28, 2014, Capital Metro awarded a contract to UnitedHealthcare in the amount of $3,173,651 following approval by the Board of Directors for a base contract of three years with three one-year options. The contract for these services will expire on December 31, 2020. Capital Metro reached out to the contractor for a proposal to continue the existing services for another one-year term. The contractor provided a price proposal for the 2021 plan year which reflected a reduction in administrative fees from the current plan year, not inclusive of stop loss coverage, which is anticipated to be determined by September 2020. Capital Metro is requesting to add $692,772, which includes the estimated stop loss coverage. Following approval by the Board of Directors, Capital Metro will modify the contract to incorporate this amount and to extend the contract through December 31, 2021.

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

STATE OF TEXAS
COUNTY OF TRAVIS

RESOLUTION (ID # AI-2020-1289)
Health Plan Administrative Services Modification Approval

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and Capital Metro management endeavor to continue providing health and dental benefits to employees; and

WHEREAS, The Capital Metropolitan Transportation Authority Board of Directors and Capital Metro management recognize that self-insurance has proven to be a more cost-effective approach to providing health and dental benefits; and

WHEREAS, the COVID-19 pandemic has prevented staff from procuring a replacement contract for third party administration services and stop loss insurance for the 2021 plan year.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the President & CEO, or his designee, is authorized to finalize and execute a one-year contract extension with UnitedHealthcare in an amount not to exceed $692,772 for continued administration of third party administration services and stop loss insurance for the Capital Metro self-insurance health and dental plans.

________________________
Date: _____________________

Secretary of the Board
Eric Stratton
TITLE: Internal Audit FY 2020 Audit Plan Status
TITLE: Internal Audit Report Audit Report – Fuel Management & Controls
Terry Follmer, VP of Internal Audit

Distribution List:
Capital Metro Board of Directors
Randy Clarke, President and CEO
Kerri Butcher, EVP, Chief Counsel & Chief of Staff
Donna Simmons, EVP, Administration & EEO Officer
Dottie Watkins, Chief Customer Officer/Chief Operating Officer
Reinette Marnweck, EVP, Chief Financial Officer
Sharmila Mukherjee, EVP, Planning & Development
Jane Schrater, VP, Chief Information Officer
Tangie Mobley, VP, Bus Operations & Maintenance
Shanea Davis, VP, Real Estate, Property & Asset Management
David Dech, VP, Rail Operations
Chad Ballentine, VP, Demand Response and Innovative Mobility
Ken Cartwright, VP, Capital Projects
Brian Carter, VP, Marketing and Communications
Gardner Tabon, VP, Safety, Risk Management, and Accessible Services
Muhammad Abdullah, Senior Director/Chief of Procurement & Compliance Officer
Andrew Murphy, Director, Vehicle Maintenance
Rafael Villarreal Jr., Director of Contract Oversight – Bus and Paratransit Services
Darryl Jamail, Director of Security & Emergency Management
Table of Contents

Executive Summary .................................................................................................................................................. 1

Results .................................................................................................................................................................... 3
  1. Update Fueling Procedures & Improve Gasboy Controls................................................................................ 3
  2. Improve Data Analytics & Investigate Unusual Variances.............................................................................. 4
  3. Special Equipment Code For Fueling Not Monitored...................................................................................... 5
  4. Improve Controls for Overrides.................................................................................................................... 6-7

Appendix ............................................................................................................................................................... 8
  A. Summary of Fuel Cost and Quantity for Calendar Year 2019.................................................................... 8
  B. Flowchart of Gasboy Fuel Dispensing Process............................................................................................ 9
  C. Pictures of Gasboy Equipment.................................................................................................................. 10
EXECUTIVE SUMMARY

The Fuel Management & Controls audit was originally listed as a contingent project in our FY2019 - 2020 Audit Plan approved by the Capital Metro Board, however, management requested that it be completed this year because a new Fuel Management System was implemented. The audit covered Capital Metro’s fuel program and determined whether internal controls over fuel management were effective and critical contractual obligations were being performed and adequately monitored. The audit results including the objective, scope, and conclusion are as follows.

Background

Capital Metro purchased a new Fuel Management System called Gasboy that was installed by Petroleum Solutions, Inc. (PSI) for $384,950 from 2016 to 2018. The installation was at three bus/paratransit locations (Gasboy was not installed at a fourth Paratransit location) and included equipment (e.g. rings, badge ID’s, pedestal, pump), technical support, and training. Gasboy helps automate and track dispensing of fuel and other liquids (e.g. oil, coolant) at the pumps and in some of the work bays. The Gasboy system includes RFID (Radio-Frequency Identification) rings installed on each vehicle which allows eight fields to auto-populate (Vehicle ID, Serial Number, Station Name, Date, Time, Product, Pump Number, and Quantity) and requires manual entry for two fields (Fueeler ID and Mileage). Capital Metro also purchased badge ID’s to auto-populate the Fueeler ID, but this has not been implemented. Additionally, an automatic mileage reader feature is available for purchase to auto-populate the mileage.

In CY 2019, Capital Metro paid $14 million for fuel (unleaded gasoline, diesel, and red-dye diesel) which is the fourth highest operating expense (see Appendix A for a summary of fuel cost and quantity for 2019). The Gasboy system is used to dispense fuel by service providers within Capital Metro’s Bus Operations, Paratransit, Rail, Security, and Real Estate & Asset Management departments and stored in 18 tanks across four Capital Metro locations. (See Appendix B for a flowchart of the fuel dispensing process and Appendix C for pictures of Gasboy equipment.) Capital Metro uses several systems to manage fuel including Gasboy (fueling), Veeder Root (tank measurement), Sharepoint, a webpage used to verify fuel payments, and AX Accounting System for payment. Capital Metro pays for fuel and monitors the management of fuel by the service providers. Because service providers do not actually pay for fuel, it is especially important for Capital Metro staff to have strong fuel controls in place to monitor the service provider’s performance.

The Gasboy system allows you to control access to fuel while also providing improved analysis and feeds data to other systems. Data from Gasboy is automatically uploaded into Spear (Capital Metro’s Asset Management System) and is important for the preventative maintenance of the vehicles. For example, when a bus is fueled the Service Island Attendant manually enters the mileage from the hubodometer (attached to the wheel) into Gasboy and this data is uploaded into Spear. Once the bus reaches 6,000 miles, Spear alerts staff that the bus needs preventative maintenance to help keep the buses in good condition. Gasboy also acts as a preventative control.

and only allows authorized fuelers and vehicles numbers to be entered into the system and as a
detective control because historical data can be analyzed by fueler name, vehicle number, date,
pump, liquid type, or quantity to look for outliers and unusual patterns.

Audit Objective & Scope
The primary objective of this audit was to determine whether internal controls over fuel
management were effective and contractual obligations were being performed and adequately
monitored. The audit scope included a review of the project management and installation of
Gasboy system, analysis of Gasboy data from January 2019 through January 2020, and controls
testing. Additionally, we performed a process walkthrough of the fuel dispensing controls.

Opinion
Overall, we determined that Capital Metro needs to strengthen fuel controls and assign one-
person responsibility over the whole fuel program. We made the following recommendations
(see finding table below for full listing):

- Update fueling procedures and improve Gasboy controls.
- Improve data analytics and investigate unusual variances.
- Increase monitoring for special equipment codes.
- Improve controls for overrides.

The detailed audit report that follows provides more context and understanding on the
audit opinion and recommendations above.

This audit was conducted in accordance with US Government Accountability Office’s
Generally Accepted Government Auditing Standards (GAGAS) and the Institute of Internal
Auditor’s International Standards for the Professional Practice of Internal Auditing. These
standards require that we plan and perform the audit to obtain sufficient, appropriate
evidence to provide a reasonable basis for our findings and conclusions based on our
audit objective. We believe the evidence obtained provides a reasonable basis for our
findings and conclusions based on our audit objectives. The audit was conducted by the
following staff members in the Capital Metro Internal Audit Department:
  • Sarah Daigle, Internal Auditor II (Project Lead)
  • Terry Follmer, VP of Internal Audit

Recommendations to strengthen controls and improve accountability were provided to
management. Management agrees with the internal audit recommendations and has provided
target completion dates which are included in the detailed audit report below. A follow-up
audit is performed semi-annually (i.e. May and November) to ensure management action plans
for all issued audit reports are completed timely.

We appreciate the cooperation and assistance provided to us throughout this audit.
**Issues & Risk**

**1. UPDATE FUELING PROCEDURES & IMPROVE GASBOY CONTROLS**

The Gasboy system is very important because it controls and records who dispenses fuel together with other details (e.g. gallons dispensed, Vehicle ID, mileage, pump number, etc.). We reviewed user access controls related to the dispensing of fuel and noted the following weaknesses:

- Fueling Procedures were last updated in 2017 but have not been updated to reflect the new Gasboy system, staffing changes, and other current practices. According to management this is because they are still addressing some system issues.
- We noted that 434 employee ID numbers have been programmed to allow them to dispense fuel which seems unnecessarily high.
- One Gasboy system administrator also had the ability to dispense gas.
- Two terminated Fueler ID’s still had access to dispense fuel.
- Security camera in the following area was broken: 2910 (camera facing unleaded gasoline pump).
- Location 817 (Paratransit) did not have Gasboy and there was no automated fuel system used for monitoring. CY 2019 unleaded fuel dispensed was $142,479 at location 817.
- CMTA security vehicles are not required to enter a Fueler ID into the Gasboy system and instead enter a generic code which does not provide an audit trail.

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Management Action Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Chief Customer Officer/Chief Operating Officer, VP of Bus Operations &amp; Maintenance, Director of Vehicle Maintenance, Director of Security &amp; Emergency Management, and VP of Demand Response and Innovative Mobility should complete the following:</td>
<td>Management agrees with the recommendations.</td>
</tr>
</tbody>
</table>

a) Assign a single member of management with direct responsibility over the entire Capital Metro fuel system and program.  
b) Update the Fueling Procedures to reflect current practices and expectations for all users.  
c) Each department and respective service provider should determine which positions have a need to dispense fuel and formalize this into a written document. Additionally, review the Vehicle ID’s and 434 Fueler ID’s with access to pump fuel and eliminate any that are unnecessary.  
d) Request that the service providers send list of terminations to Gasboy administrators on at least a monthly basis to ensure they are removed from the system in a timely manner.  
e) Ensure the security camera facing the gas pump at 2910 is functioning and repaired.  
f) Establish monitoring controls for dispensing fuel at the 817 Paratransit location since there is no Gasboy system.  
g) Identify a process for establishing a monthly review of fuel data for security vehicles to monitor consumption and review for reasonableness.  

**Target Completion Date:** March 31, 2021
## Issues & Risk

### 2. IMPROVE DATA ANALYTICS & INVESTIGATE UNUSUAL VARIANCES

We performed data analytics on Gasboy data from January 2019 to January 2020 to ensure controls are working properly and identified the following unusual variances:

- **Improper Fuel Type**: There appears to be data and system limitations because 775 gallons of gas were recorded as being dispensed into 35 diesel-using vehicles. Additionally, 515 gallons of diesel were recorded as being dispensed into 14 gas-using vehicles. For example, some staff used a vehicle number instead of a special equipment code to track fueling.

- **High Frequency of Fueling**: One Fueler ID at 9315 location fueled 1,278,606 gallons of diesel and gas (27,826 instances) which represented 13% of total fueling instances.

- **Zero Vehicle Mileage**: Gasboy has a system control that prevents the pump from being activated when odometer/hubodometer mileage is 500 miles greater or less than the last fueling mileage. However, we found 274 transactions where mileage was zero and the system control did not work as intended.

The unusual variances listed above should be investigated to ensure that the Gasboy system is properly configured and functioning as intended and staff are not misusing fuel.

## Recommendation

The VP of Bus Operations & Maintenance and Director of Vehicle Maintenance should complete the following:

- **a)** CMTA monitoring should include data analytics to identify unusual trends and outliers that might indicate theft or improper fueling on an annual basis and send results to each department for further investigation.

- **b)** Evaluate configuration of Gasboy system to prevent the following: wrong fuel (diesel or unleaded) for Vehicle ID; blank fueler ID; blank Vehicle ID; and vehicles with unusual odometer/hubodometer mileage.

## Management Action Plan

Management agrees with the recommendations.

**Target Completion Date:**

March 31, 2021
### Issues & Risk

**3. SPECIAL EQUIPMENT CODE FOR FUELING NOT MONITORED**

Special equipment codes are used by service providers and some Cap Metro employees to dispense unleaded fuel for gas cans, generators, weed-eaters, lights, etc. These types of equipment do not have a Vehicle ID so staff use a “catch-all” code for the three locations. They are monitored and reviewed on a quarterly basis by management by looking for high quantities over 10 gallons and other anomalies. The unleaded fuel consumption for the 3 special codes from January 2019 through January 2020 was:

- **2910 Location**: 443 gallons of gas dispensed.
- **9315 Location**: 284 gallons of gas dispensed.
- **509 Location**: 106 gallons of gas, diesel, motor oil, transmission oil, and coolant dispensed.

After analyzing Gasboy data for the 509 location, we found that 13% (9 out of 69) of dispensing instances were over 10 gallons (11-28 gallons) and 5 different types of liquid were dispensed instead of just gas which is used in the equipment. All of these could indicate improper fueling. Additionally, we found that the 509 location special equipment code was not monitored and reviewed on an ongoing basis like the other two codes used at locations 2910 and 9315.

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Management Action Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>The VP of Bus Operations &amp; Maintenance, Director of Vehicle Maintenance, and VP of Demand Response and Innovative Mobility should complete the following:</td>
<td>Management agrees with the recommendations.</td>
</tr>
<tr>
<td>a) Appoint one CMTA employee responsible for reviewing and monitoring all three of the special equipment codes.</td>
<td><strong>Target Completion Date</strong>: March 31, 2021</td>
</tr>
<tr>
<td>b) If possible, set a quantity limit for the special equipment codes in Gasboy to help prevent improper fueling over 10 gallons.</td>
<td></td>
</tr>
<tr>
<td>c) Location 509 data analytics and unusual usage of fuel should be shared with Paratransit for possible investigation.</td>
<td></td>
</tr>
</tbody>
</table>
## 4. IMPROVE CONTROLS FOR OVERRIDES
According to the Fueling Procedures, only supervisors should enter an override which is a ghost bus code (one of 4 specific Vehicle ID’s) into Gasboy when the ring is not working or the hubodometer is defective and the 500-mile system control prevents fuel dispensing. When an override code is used, mileage is not automatically uploaded into Spear and MV has to manually update Spear and Cap Metro staff have to manually update Gasboy (to prevent the 500-mile system control from being triggered the next time and requiring another override.) The service provider is contractually required to monitor and address override issues and Capital Metro oversees the service provider’s monitoring. According to management, these special codes were designed to address system issues by improving dispensing efficiency and allow management to document which vehicle received the fuel later. Override codes from January 2019 through January 2020 were as follows:

- **2910 Location**: 2,302 instances
- **9315 Location**: 2,293 instances
- **509 Location**: 0 instances
- **Override Code for Test Equipment**: 2 instances

We analyzed Gasboy overrides and identified the following areas of control weakness:

- **High Frequency of Overrides**: On average, 354 overrides were completed each month for all locations which means MV and Cap Metro staff had to complete a manual mileage update for each one of these to ensure mileage was tracked accurately.

### Recommendation

The VP of Bus Operations & Maintenance and Director of Vehicle Maintenance should complete the following:

- a) Appoint a CMTA employee with responsibility for monitoring all overrides to ensure that the service providers and Cap Metro staff are tracking the reasons for overrides and working towards reducing overrides.
- b) If possible, add a system control to Gasboy that only allows overrides to be performed by supervisor Fueler ID’s.
- c) Change the override codes on a yearly basis and delete the override code for test equipment since it was only used twice.
- d) Ensure the service providers properly train staff on when/how overrides are used (e.g. make 3 attempts before overriding, only supervisors can complete overrides, etc.)

### Management Action Plan

Management agrees with the recommendations.

**Target Completion Date:**
December 31, 2020
<table>
<thead>
<tr>
<th>Issues &amp; Risk</th>
<th>Recommendation</th>
<th>Management Action Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>• <strong>Reasons are Not Adequately Tracked</strong>: MV records a generic reason for an override (e.g. Invalid Number for the Vehicle ID) in Spear, however, this doesn’t capture the underlying reason for the override. Cap Metro also does not track reasons for overrides.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• <strong>Non-Supervisors Performing Overrides</strong>: Only supervisors are authorized to perform overrides, however, out of the top 5 individuals who completed overrides, only 2 were supervisors and the other 3 were service island attendants who are not authorized to perform overrides. These 3 attendants performed 1,095 overrides during the year.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Appendix A: Summary of Fuel Cost and Quantity
For Calendar Year 2019

<table>
<thead>
<tr>
<th>Fuel Type</th>
<th>Cost</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diesel</td>
<td>$12,553,607</td>
<td>5,706,081</td>
</tr>
<tr>
<td>Gas</td>
<td>$993,358</td>
<td>426,184</td>
</tr>
<tr>
<td>Red-Dye Diesel</td>
<td>$488,385</td>
<td>No Data</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$14,035,351</strong></td>
<td><strong>6,132,265</strong></td>
</tr>
</tbody>
</table>

*Note: One Paratransit location was excluded from the quantity because they do not have Gasboy installed.*
Appendix B: Flowchart of Gasboy Fuel Dispensing Process

CMTA Facility Fuel Island

Service Attendant:
- Positions vehicle with fuel fill compartment close to fuel dispenser.
- Applies park brake, sets transmission in neutral or park, and shuts off engine.
- Slowly and carefully removes fuel fill cap from vehicle.

CMTA Contractor Service Attendant

Service attendant fuels vehicle. Dispenser shuts off automatically when fuel tank reaches 95% full.

On the fuel management system module, to activate fuel dispenser, service attendant enters:
1. User ID number
2. Vehicle number, and
3. Hubodometer or odometer mileage reading

Gasboy Database

Vehicle number, gallons of fuel, hubodometer or odometer mileage reading, and user ID number recorded in the Gasboy database and transmitted to Spear.

Spear (Asset Management System)

Spear automatically receives transmitted data in scheduled batches.

The next morning, the supervisor on duty reviews the paper override log, notes the correct mileage reading for each vehicle, and manually transmits the information into Spear so that each vehicle is correct and up to date.

The supervisor attempts the same process that the fueler attempted before performing the override. The supervisor enters the override code. The supervisor then logs the entry in a paper log at the fueling station, noting the correct hubodometer reading.

Does the system require an override? 2 ways to cause an override:
1. GasBoy says that the vehicle has a ring installed, but the reader does not register it. This prompts an error: “No device found.”
2. The mileage input is either negative or greater than 500 miles from the last mileage reading taken. This prompts an error: “Invalid entry.”

Yes

No
Appendix C – Pictures of Gasboy Equipment

The following pictures show a Gasboy pedestal and RFID rings:

The fueler enters their ID number and mileage reading from the hubodometer to begin fueling. The other 8 fields are automatically populated. Once the correct information is input, the dispenser can begin fueling and performing other maintenance on the vehicle. The "rings" are RFID (Radio-Frequency Identification) devices that identify each unique large revenue vehicle. Smaller vehicles use a fuel cube instead of a ring.
Financial Report – Fiscal Year 2020

Year to Date June 30, 2020
Major Highlights

Revenue

- Sales tax remittances received YTD May 2020 are 1.6% higher than YTD May 2019
  - May 2020 remittance is $1.6 million or 7.6% lower than May 2019
- CARES Act draw of $20.2 million received in June 2020, $49.5 million received year to date

Operating Expenses

- $199 million expended to date, or 69.3% of full year budget
- $9.5 million YTD COVID expenses for front-line bonuses, disinfecting and cleaning supplies, personal protective equipment, plexiglass barriers, pandemic communication and signage, pandemic sick leave and estimated contractor pay continuation

Capital Projects

- $57.1 million expended to date, or 51.1% of full year budget
  - Downtown Station, Positive Train Control, Transit Bus Replacements, Battery Electric Buses and Electric Bus Yard Paving
- $21.6 million outstanding commitments have been issued, or 19.3% of full year budget
  - Positive Train Control, Electric Bus Yard Paving and Infrastructure, Battery Electric Buses and Bus Stop Enhancements
## Revenue

<table>
<thead>
<tr>
<th>Category</th>
<th>FY19 Jun YTD Actual</th>
<th>FY20 Jun YTD Actual</th>
<th>FY20 Full Year Budget</th>
<th>% of Budget</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Tax</td>
<td>$192.8</td>
<td>$194.4</td>
<td>$265.7</td>
<td>73.2%</td>
<td>June sales tax receipts accrued</td>
</tr>
<tr>
<td>Passenger Fares</td>
<td>16.3</td>
<td>11.9</td>
<td>22.5</td>
<td>53.0%</td>
<td>Free fares in April and May, June fare revenue down 64%</td>
</tr>
<tr>
<td>Freight Railroad Revenue</td>
<td>3.8</td>
<td>5.2</td>
<td>5.2</td>
<td>99.2%</td>
<td>Unbudgeted 45G Short-line tax credit of $1.1 million</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>6.1</td>
<td>6.9</td>
<td>7.8</td>
<td>89.0%</td>
<td>Investment interest income above budget</td>
</tr>
<tr>
<td>Operating Contributions and Grants</td>
<td>29.1</td>
<td>78.7</td>
<td>32.3</td>
<td>243.4%</td>
<td>CARES Act draw and accrual of $64 million</td>
</tr>
<tr>
<td>Capital Contributions and Grants</td>
<td>8.9</td>
<td>10.4</td>
<td>27.7</td>
<td>37.6%</td>
<td>Timing of processing eligible paid expenses</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$257.0</strong></td>
<td><strong>$307.6</strong></td>
<td><strong>$361.2</strong></td>
<td><strong>85.2%</strong></td>
<td></td>
</tr>
</tbody>
</table>
Actual Sales Tax Receipts

![Bar Chart]

- **Total**
  - FY2018: $243.6M
  - FY2019: $261.5M
  - FY2020: $174.6M

- **Y.O.Y % Growth**
  - FY2018: 6.5%
  - FY2019: 7.5%
  - FY2020: 1.6%

Sales Tax Rolling Average Trend
## Operating Expense

<table>
<thead>
<tr>
<th>Category</th>
<th>FY19 Jun YTD Actual</th>
<th>FY20 Jun YTD Actual</th>
<th>FY20 Full Year Budget</th>
<th>% of Budget</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and Benefits</td>
<td>$30.7</td>
<td>$33.0</td>
<td>$49.2</td>
<td>67.1%</td>
<td>Vacancy savings through June</td>
</tr>
<tr>
<td>Professional Services</td>
<td>14.6</td>
<td>26.3</td>
<td>43.5</td>
<td>60.4%</td>
<td>Timing of consultation and other professional fee payments</td>
</tr>
<tr>
<td>Materials and Supplies</td>
<td>0.9</td>
<td>0.8</td>
<td>2.2</td>
<td>35.5%</td>
<td>Timing of maps, schedules and other supplies expense</td>
</tr>
<tr>
<td>Fuel and Fluids</td>
<td>9.1</td>
<td>9.5</td>
<td>13.7</td>
<td>69.2%</td>
<td></td>
</tr>
<tr>
<td>Utilities</td>
<td>2.1</td>
<td>2.2</td>
<td>3.2</td>
<td>67.1%</td>
<td>Timing of electricity, drainage and water expense</td>
</tr>
<tr>
<td>Insurance</td>
<td>0.5</td>
<td>0.3</td>
<td>1.0</td>
<td>31.3%</td>
<td>Timing of insurance premium payments</td>
</tr>
<tr>
<td>Purchased Transportation</td>
<td>121.1</td>
<td>122.8</td>
<td>165.1</td>
<td>74.4%</td>
<td></td>
</tr>
<tr>
<td>Lease/Rentals</td>
<td>1.0</td>
<td>2.0</td>
<td>2.0</td>
<td>99.8%</td>
<td></td>
</tr>
<tr>
<td>Other Expenses</td>
<td>2.6</td>
<td>2.1</td>
<td>7.2</td>
<td>29.9%</td>
<td>Unspent contingency</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$182.5</strong></td>
<td><strong>$199.0</strong></td>
<td><strong>$287.1</strong></td>
<td><strong>69.3%</strong></td>
<td></td>
</tr>
</tbody>
</table>
# Budget Transfers

Consistent with Capital Metro's Financial Policies, there were five budget transfers that cumulatively exceeded $150,000 to report to the board for the 3rd quarter of FY2020.

<table>
<thead>
<tr>
<th>April-20</th>
<th>Transfer #1</th>
<th>Transfer #2</th>
</tr>
</thead>
<tbody>
<tr>
<td>From:</td>
<td>BPS1602</td>
<td>CPG1271</td>
</tr>
<tr>
<td>To:</td>
<td>CPG1805</td>
<td>CPG2002</td>
</tr>
<tr>
<td></td>
<td>Vehicle Camera Systems</td>
<td>DT Station - Storm Water Improvements</td>
</tr>
<tr>
<td></td>
<td>Connections 2025 - New Bus Stops</td>
<td>North Lamar Mobility Hub - Construction</td>
</tr>
<tr>
<td></td>
<td>CPG2003</td>
<td>CPG1712</td>
</tr>
<tr>
<td></td>
<td>North Ops Fueling System</td>
<td>North Lamar Mobility Hub - Construction</td>
</tr>
<tr>
<td></td>
<td>ITS1601</td>
<td>CPG2002</td>
</tr>
<tr>
<td></td>
<td>ePaper DMS for BRT &amp; Rail Plus IDIQ</td>
<td>North Lamar Mobility Hub - Construction</td>
</tr>
<tr>
<td></td>
<td>ITS1606</td>
<td>CPG2002</td>
</tr>
<tr>
<td></td>
<td>Cap Metro Station WiFi</td>
<td>North Lamar Mobility Hub - Construction</td>
</tr>
<tr>
<td></td>
<td>ITS1805</td>
<td>CPG2002</td>
</tr>
<tr>
<td></td>
<td>Demand Response Transit System</td>
<td>North Lamar Mobility Hub - Construction</td>
</tr>
<tr>
<td></td>
<td>ITS1808</td>
<td>CPG2002</td>
</tr>
<tr>
<td></td>
<td>Enterprise Project Portfolio Management</td>
<td>North Lamar Mobility Hub - Construction</td>
</tr>
<tr>
<td></td>
<td>ITS2009</td>
<td>CPG2002</td>
</tr>
<tr>
<td></td>
<td>Data Warehouse and Business Intelligence Enhancements</td>
<td>North Lamar Mobility Hub - Construction</td>
</tr>
<tr>
<td></td>
<td>ITS2011</td>
<td>CPG2002</td>
</tr>
<tr>
<td></td>
<td>Governance Risk and Compliance Software</td>
<td>North Lamar Mobility Hub - Construction</td>
</tr>
<tr>
<td></td>
<td>ITS2012</td>
<td>CPG2002</td>
</tr>
<tr>
<td></td>
<td>Enterprise Customer Relationship Management System</td>
<td>North Lamar Mobility Hub - Construction</td>
</tr>
<tr>
<td></td>
<td>PAM2008</td>
<td>CPG2002</td>
</tr>
<tr>
<td></td>
<td>HVAC</td>
<td>North Lamar Mobility Hub - Construction</td>
</tr>
<tr>
<td></td>
<td>PAM2020</td>
<td>CPG2002</td>
</tr>
<tr>
<td></td>
<td>Air Compressor - North Ops</td>
<td>North Lamar Mobility Hub - Construction</td>
</tr>
<tr>
<td></td>
<td>PAM2028</td>
<td>CPG2002</td>
</tr>
<tr>
<td></td>
<td>Generator for RMF at North Ops</td>
<td>North Lamar Mobility Hub - Construction</td>
</tr>
<tr>
<td></td>
<td>PAM2043</td>
<td>CPG2002</td>
</tr>
<tr>
<td></td>
<td>Hose Comper 2910</td>
<td>North Lamar Mobility Hub - Construction</td>
</tr>
<tr>
<td></td>
<td>PAM2048</td>
<td>CPG2002</td>
</tr>
<tr>
<td></td>
<td>Chassis Wash Bay Doors at North Ops</td>
<td>North Lamar Mobility Hub - Construction</td>
</tr>
<tr>
<td></td>
<td>PAM2049</td>
<td>CPG2002</td>
</tr>
<tr>
<td></td>
<td>Additional Lift Sets for North Ops</td>
<td>North Lamar Mobility Hub - Construction</td>
</tr>
<tr>
<td></td>
<td>PLN1901</td>
<td>CPG2002</td>
</tr>
<tr>
<td></td>
<td>North Lamar/Airport Intersection</td>
<td>North Lamar Mobility Hub - Construction</td>
</tr>
<tr>
<td></td>
<td>PLN1901</td>
<td>CPG2002</td>
</tr>
<tr>
<td></td>
<td>North Lamar/Airport Intersection</td>
<td>North Lamar Mobility Hub - Construction</td>
</tr>
<tr>
<td></td>
<td>RRC2007</td>
<td>CPG2002</td>
</tr>
<tr>
<td></td>
<td>State of Good Repair for Rail Grade Crossings</td>
<td>North Lamar Mobility Hub - Construction</td>
</tr>
<tr>
<td></td>
<td>RRC2012</td>
<td>CPG2002</td>
</tr>
<tr>
<td></td>
<td>State of Good Repair - Bridge and Track</td>
<td>North Lamar Mobility Hub - Construction</td>
</tr>
<tr>
<td></td>
<td>RRC2015</td>
<td>CPG2002</td>
</tr>
<tr>
<td></td>
<td>DTMF Pre-Emption Kramer</td>
<td>North Lamar Mobility Hub - Construction</td>
</tr>
<tr>
<td></td>
<td>FMC002</td>
<td>CPG2002</td>
</tr>
<tr>
<td></td>
<td>Capital Project FY2019 Carry Forward</td>
<td>North Lamar Mobility Hub - Construction</td>
</tr>
</tbody>
</table>

**April-20**

<table>
<thead>
<tr>
<th>From:</th>
<th>To:</th>
<th>Amount</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>BPS1602</td>
<td>CPG1805</td>
<td>(1,500,000)</td>
<td>Capital Projects placed on hold and moved to COVID reserve.</td>
</tr>
<tr>
<td>CPG1805</td>
<td>CPG2003</td>
<td>(200,000)</td>
<td></td>
</tr>
<tr>
<td>ITS1601</td>
<td>ITS1606</td>
<td>(450,000)</td>
<td></td>
</tr>
<tr>
<td>ITS1606</td>
<td>ITS1805</td>
<td>(250,000)</td>
<td></td>
</tr>
<tr>
<td>ITS1805</td>
<td>ITS1808</td>
<td>(150,000)</td>
<td></td>
</tr>
<tr>
<td>ITS1808</td>
<td>ITS2009</td>
<td>(200,000)</td>
<td></td>
</tr>
<tr>
<td>ITS2009</td>
<td>ITS2011</td>
<td>(600,000)</td>
<td></td>
</tr>
<tr>
<td>ITS2011</td>
<td>ITS2012</td>
<td>(50,000)</td>
<td></td>
</tr>
<tr>
<td>ITS2012</td>
<td>PAM2008</td>
<td>(400,000)</td>
<td></td>
</tr>
<tr>
<td>PAM2008</td>
<td>PAM2020</td>
<td>(11,469)</td>
<td></td>
</tr>
<tr>
<td>PAM2020</td>
<td>PAM2026</td>
<td>(10,100)</td>
<td></td>
</tr>
<tr>
<td>PAM2026</td>
<td>PAM2043</td>
<td>(30,000)</td>
<td></td>
</tr>
<tr>
<td>PAM2043</td>
<td>PAM2048</td>
<td>(10,310)</td>
<td></td>
</tr>
<tr>
<td>PAM2048</td>
<td>PAM2049</td>
<td>(37,070)</td>
<td></td>
</tr>
<tr>
<td>PAM2049</td>
<td>PLN1901</td>
<td>(400,000)</td>
<td></td>
</tr>
<tr>
<td>PLN1901</td>
<td>PLN1901</td>
<td>(100,000)</td>
<td></td>
</tr>
<tr>
<td>PLN1901</td>
<td>RRC2007</td>
<td>(300,000)</td>
<td></td>
</tr>
<tr>
<td>RRC2007</td>
<td>RRC2012</td>
<td>(600,000)</td>
<td></td>
</tr>
<tr>
<td>RRC2012</td>
<td>RRC2015</td>
<td>(20,000)</td>
<td></td>
</tr>
<tr>
<td>RRC2015</td>
<td>FMC002</td>
<td>6,512,323</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>April-20</th>
<th>Transfer #2</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>From:</td>
<td>CPG1271</td>
<td>DT Station - Storm Water Improvements</td>
</tr>
<tr>
<td>To:</td>
<td>CPG1712</td>
<td>North Lamar Mobility Hub - Construction</td>
</tr>
<tr>
<td></td>
<td>(189,125)</td>
<td>North Lamar Mobility Hub - Construction</td>
</tr>
<tr>
<td></td>
<td>(189,125)</td>
<td>North Lamar Mobility Hub - Construction</td>
</tr>
<tr>
<td></td>
<td>(189,125)</td>
<td>North Lamar Mobility Hub - Construction</td>
</tr>
<tr>
<td></td>
<td>(189,125)</td>
<td>North Lamar Mobility Hub - Construction</td>
</tr>
</tbody>
</table>

**Transferred funds to start the design and evaluation on North Lamar Mobility Hub - Construction project.**
Consistent with Capital Metro’s Financial Policies, there were five budget transfers that cumulatively exceeded $150,000 to report to the board for the 3rd quarter of FY2020.

<table>
<thead>
<tr>
<th>Transfer #3</th>
<th>From:</th>
<th>DT Station - Storm Water Improvements</th>
<th>Office Space Re-Configuration (Headquarters Facility)</th>
</tr>
</thead>
<tbody>
<tr>
<td>April-20</td>
<td>To:</td>
<td>CPG1712</td>
<td>CPG1807</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(188,000)</td>
<td>188,000</td>
</tr>
<tr>
<td>Transfer #4</td>
<td>From:</td>
<td>510-50900703-220</td>
<td>Budget Reallocation Account</td>
</tr>
<tr>
<td></td>
<td>To:</td>
<td>510-50900303-920</td>
<td>Consultation Fees</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(2,000,000)</td>
<td>2,000,000</td>
</tr>
<tr>
<td>June-20</td>
<td>Transfer funds from the operating budget reallocation account for Project Connect’s Blue and Orange lines and Project Management.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfer #5</td>
<td>From:</td>
<td>FIN2002</td>
<td>Capital Project FY2019 Carry Forward</td>
</tr>
<tr>
<td></td>
<td>To:</td>
<td>RRC1965</td>
<td>Track Undercutting</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(800,000)</td>
<td>800,000</td>
</tr>
<tr>
<td></td>
<td>Transfer funds from COVID reserve for acceleration of Track Undercutting.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Reserve, Allocated & Restricted Funds

**Reserve Funds**
- Statutory Operating Reserve, $41.0
- Budget Stabilization Reserve, $20.5
- Self Insurance Reserve, $1.3
- Capital Expansion Fund, $40.0

**Allocated & Restricted Funds**
- FY2020 Capital Budget Funds, $44.6
- Future Capital Budget Funds, $91.6
- Restricted for Downtown Station Improvements, $0.1
- Restricted for City of Austin Mobility Programs, $10.5

**Notes:**
- Additional funding was allocated to the statutory operating and budget stabilization reserves based on the board approved funding formula. The statutory operating reserve equals 2 months of estimated FY2019 operating expenses. Contributions to the budget stabilization reserve began in February 2016 with $7 million reserved in FY2016 and $3 million in FY2017. An additional contribution of $9.8 million was made in FY2018 to fully fund the budget stabilization reserve. The capital expansion fund was established in FY2018 with $9.6 million reserved along with an additional $30.4 million from FY2019 as Capital Metro looks forward to future needs in the region.

- Funds for capital investment are required to help address extensive capital needs. The capital budget for FY2020 is $111.8 million, with $67.2 million funded by FY2020 income and $44.6 million from reserves. Due to project delays, $22 million of the FY2019 capital budget was carried forward to FY2020. These capital improvements are needed to maintain the state of good repair of the community’s transit infrastructure and to be in compliance with Federal regulations. The City of Austin Mobility Fund was reduced by $6 million in FY2019 to assist with Project Connect preliminary engineering and environmental analysis and by $1.6 million with a payment in November 2019.
## Statement of Revenue, Expenses and Change in Net Position

<table>
<thead>
<tr>
<th></th>
<th>FY19 Jun YTD Actual</th>
<th>FY20 Jun YTD Actual</th>
<th>FY20 Full Year Budget</th>
<th>% of Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passenger Fares</td>
<td>$16.3</td>
<td>$11.9</td>
<td>$22.5</td>
<td>53.0%</td>
</tr>
<tr>
<td>Freight Railroad Revenue</td>
<td>3.8</td>
<td>5.2</td>
<td>5.2</td>
<td>99.2%</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>3.3</td>
<td>4.0</td>
<td>5.3</td>
<td>76.0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>23.3</td>
<td>21.1</td>
<td>33.0</td>
<td>64.0%</td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Benefits</td>
<td>30.7</td>
<td>33.0</td>
<td>49.2</td>
<td>67.1%</td>
</tr>
<tr>
<td>Professional Services</td>
<td>14.6</td>
<td>26.3</td>
<td>43.5</td>
<td>60.4%</td>
</tr>
<tr>
<td>Fuel and Fluids</td>
<td>9.1</td>
<td>9.5</td>
<td>13.7</td>
<td>69.2%</td>
</tr>
<tr>
<td>Utilities</td>
<td>2.1</td>
<td>2.2</td>
<td>3.2</td>
<td>67.1%</td>
</tr>
<tr>
<td>Purchased Transportation</td>
<td>121.1</td>
<td>122.8</td>
<td>165.1</td>
<td>74.4%</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>3.9</td>
<td>3.2</td>
<td>10.3</td>
<td>31.2%</td>
</tr>
<tr>
<td>Lease/Rental</td>
<td>1.0</td>
<td>2.0</td>
<td>2.0</td>
<td>99.8%</td>
</tr>
<tr>
<td>Depreciation &amp; Amortization</td>
<td>33.3</td>
<td>32.3</td>
<td>50.7</td>
<td>63.7%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>215.8</td>
<td>231.3</td>
<td>337.8</td>
<td>68.5%</td>
</tr>
<tr>
<td><strong>Operating Income/Loss</strong></td>
<td>(192.4)</td>
<td>(210.1)</td>
<td>(304.8)</td>
<td>68.9%</td>
</tr>
<tr>
<td><strong>Non-Operating Income/(Expenses)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales Tax</td>
<td>192.8</td>
<td>194.4</td>
<td>265.7</td>
<td>73.2%</td>
</tr>
<tr>
<td>Investment Income</td>
<td>3.0</td>
<td>3.0</td>
<td>2.5</td>
<td>121.2%</td>
</tr>
<tr>
<td>Operating Contributions and Grants</td>
<td>29.1</td>
<td>78.7</td>
<td>32.3</td>
<td>243.4%</td>
</tr>
<tr>
<td>Capital Contributions and Grants</td>
<td>8.9</td>
<td>10.4</td>
<td>27.7</td>
<td>375%</td>
</tr>
<tr>
<td>Mobility Intercity Agreements</td>
<td>(4.6)</td>
<td>(3.3)</td>
<td>(8.9)</td>
<td>48.1%</td>
</tr>
<tr>
<td>Other</td>
<td>(1.0)</td>
<td>(1.0)</td>
<td>(1.0)</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>Non-Operating Income/(Loss)</strong></td>
<td>229.0</td>
<td>283.2</td>
<td>321.3</td>
<td>88.1%</td>
</tr>
<tr>
<td><strong>Change in Net Position</strong></td>
<td>$36.6</td>
<td>$73.0</td>
<td>$16.6</td>
<td>440.0%</td>
</tr>
</tbody>
</table>
## Budget Variances by Department

<table>
<thead>
<tr>
<th>ST#00 Department</th>
<th>FY19 YTD Actual</th>
<th>FY20 YTD Revised Budget</th>
<th>YTD % of Revised Budget</th>
<th>YTD Budget Full Year Actual</th>
<th>FY20 Budget Full Year</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>100 - Non-Allocated Benefits</td>
<td>$7,812</td>
<td>$8,883</td>
<td>$10,513</td>
<td>82.4%</td>
<td>$1,851</td>
<td>$14,374</td>
</tr>
<tr>
<td>102 - Wellness Center</td>
<td>150</td>
<td>159</td>
<td>202</td>
<td>83.9%</td>
<td>12</td>
<td>388</td>
</tr>
<tr>
<td>105 - Child Care Center</td>
<td>701</td>
<td>729</td>
<td>745</td>
<td>97.0%</td>
<td>16</td>
<td>696</td>
</tr>
<tr>
<td>105 - Business Center</td>
<td>283</td>
<td>243</td>
<td>271</td>
<td>86.9%</td>
<td>27</td>
<td>388</td>
</tr>
<tr>
<td>110 - Executive Staff</td>
<td>485</td>
<td>495</td>
<td>502</td>
<td>78.3%</td>
<td>137</td>
<td>801</td>
</tr>
<tr>
<td>115 - Communications</td>
<td>346</td>
<td>0</td>
<td>0</td>
<td>0.0%</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>118 - Government Relations</td>
<td>450</td>
<td>431</td>
<td>788</td>
<td>54.0%</td>
<td>367</td>
<td>951</td>
</tr>
<tr>
<td>119 - Diversity and Compliance</td>
<td>558</td>
<td>150</td>
<td>167</td>
<td>92.7%</td>
<td>17</td>
<td>214</td>
</tr>
<tr>
<td>120 - Board of Directors</td>
<td>150</td>
<td>108</td>
<td>97</td>
<td>110.0%</td>
<td>11</td>
<td>152</td>
</tr>
<tr>
<td>125 - Internal Audit</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.0%</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>130 - Strategic Open Mgmt &amp; Administration</td>
<td>589</td>
<td>582</td>
<td>594</td>
<td>80.0%</td>
<td>12</td>
<td>783</td>
</tr>
<tr>
<td>141 - Security</td>
<td>3,316</td>
<td>3,270</td>
<td>3,036</td>
<td>83.1%</td>
<td>557</td>
<td>7,183</td>
</tr>
<tr>
<td>150 - Legal</td>
<td>547</td>
<td>663</td>
<td>734</td>
<td>90.2%</td>
<td>72</td>
<td>891</td>
</tr>
<tr>
<td>200 - Finance</td>
<td>2,517</td>
<td>2,796</td>
<td>12,721</td>
<td>21.2%</td>
<td>10,391</td>
<td>12,229</td>
</tr>
<tr>
<td>200 - Information Technology</td>
<td>7,028</td>
<td>7,800</td>
<td>8,509</td>
<td>90.7%</td>
<td>789</td>
<td>10,818</td>
</tr>
<tr>
<td>205 - Programmatic</td>
<td>1,202</td>
<td>1,182</td>
<td>1,246</td>
<td>94.0%</td>
<td>83</td>
<td>1,854</td>
</tr>
<tr>
<td>215 - RideShare</td>
<td>2,153</td>
<td>2,585</td>
<td>2,440</td>
<td>105.0%</td>
<td>(145)</td>
<td>3,300</td>
</tr>
<tr>
<td>300 - Planning</td>
<td>1,272</td>
<td>1,897</td>
<td>2,444</td>
<td>77.5%</td>
<td>547</td>
<td>3,314</td>
</tr>
<tr>
<td>330 - Marketing and Communications</td>
<td>1,707</td>
<td>2,398</td>
<td>2,752</td>
<td>87.1%</td>
<td>354</td>
<td>3,872</td>
</tr>
<tr>
<td>331 - Community Engagement</td>
<td>692</td>
<td>700</td>
<td>796</td>
<td>87.6%</td>
<td>97</td>
<td>1,033</td>
</tr>
<tr>
<td>332 - Customer Service</td>
<td>881</td>
<td>785</td>
<td>813</td>
<td>94.2%</td>
<td>47</td>
<td>1,089</td>
</tr>
<tr>
<td>340 - People and Culture</td>
<td>1,405</td>
<td>1,730</td>
<td>1,889</td>
<td>103.7%</td>
<td>(51)</td>
<td>2,277</td>
</tr>
<tr>
<td>400 - Risk Management And Safety</td>
<td>1,430</td>
<td>1,589</td>
<td>2,182</td>
<td>77.4%</td>
<td>492</td>
<td>2,576</td>
</tr>
<tr>
<td>457 - Public Facilities</td>
<td>3,323</td>
<td>3,306</td>
<td>3,008</td>
<td>84.0%</td>
<td>002</td>
<td>5,281</td>
</tr>
<tr>
<td>500 - Capital Projects</td>
<td>1,001</td>
<td>1,042</td>
<td>1,496</td>
<td>94.2%</td>
<td>71</td>
<td>2,026</td>
</tr>
<tr>
<td>510 - Real Estate And Property Mgt</td>
<td>1,143</td>
<td>1,790</td>
<td>2,140</td>
<td>84.1%</td>
<td>340</td>
<td>2,055</td>
</tr>
<tr>
<td>540 - Freight Rail Management</td>
<td>1,204</td>
<td>1,138</td>
<td>1,201</td>
<td>88.1%</td>
<td>103</td>
<td>1,714</td>
</tr>
<tr>
<td>544 - Commuter Rail Operations</td>
<td>13,444</td>
<td>13,044</td>
<td>15,203</td>
<td>80.0%</td>
<td>1,000</td>
<td>20,290</td>
</tr>
<tr>
<td>550 - Real Estate and Facility Planning</td>
<td>1,240</td>
<td>1,896</td>
<td>2,182</td>
<td>87.8%</td>
<td>204</td>
<td>2,000</td>
</tr>
<tr>
<td>600 - Operations and Maintenance Oversight</td>
<td>9,477</td>
<td>7,033</td>
<td>8,734</td>
<td>90.2%</td>
<td>801</td>
<td>130,601</td>
</tr>
<tr>
<td>016 - Innovative Mobility</td>
<td>385</td>
<td>2,483</td>
<td>2,013</td>
<td>90.6%</td>
<td>120</td>
<td>3,204</td>
</tr>
<tr>
<td>620 - Paratransit Contract Operations</td>
<td>19,818</td>
<td>22,770</td>
<td>21,089</td>
<td>103.9%</td>
<td>(784)</td>
<td>20,384</td>
</tr>
<tr>
<td>040 - Paratransit Reimbursement &amp; Control</td>
<td>1,269</td>
<td>1,506</td>
<td>1,078</td>
<td>93.9%</td>
<td>100</td>
<td>2,196</td>
</tr>
<tr>
<td>600 - Paratransit Eligibility</td>
<td>331</td>
<td>643</td>
<td>670</td>
<td>90.5%</td>
<td>27</td>
<td>312</td>
</tr>
<tr>
<td>900 - Project Connect</td>
<td>2,846</td>
<td>11,121</td>
<td>12,575</td>
<td>88.4%</td>
<td>1,454</td>
<td>17,259</td>
</tr>
</tbody>
</table>
# Capital Projects Summary

<table>
<thead>
<tr>
<th>Project Category</th>
<th>Expended ($'000)</th>
<th>Outstanding Commitments ($'000)</th>
<th>Budget ($'000)</th>
<th>Expended &amp; Committed as % of Budget</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commuter Rail</td>
<td>$8,988</td>
<td>$5,825</td>
<td>$22,060</td>
<td>67.1%</td>
<td>Positive Train Control and Track Undercutting</td>
</tr>
<tr>
<td>Vehicles</td>
<td>15,638</td>
<td>4,084</td>
<td>30,174</td>
<td>66.0%</td>
<td>23 Transit Buses and 8 Battery Electric Buses</td>
</tr>
<tr>
<td>Information Technology</td>
<td>2,921</td>
<td>3,758</td>
<td>15,337</td>
<td>43.6%</td>
<td>Onboard Validators and ePaper Dynamic Message Signs</td>
</tr>
<tr>
<td>Facilities</td>
<td>27,187</td>
<td>7,544</td>
<td>37,799</td>
<td>91.9%</td>
<td>Downtown Station, N Ops Electric Bus Yard Paving and CARTS Eastside Bus Plaza</td>
</tr>
<tr>
<td>Freight Railroad</td>
<td>279</td>
<td>0</td>
<td>295</td>
<td>94.4%</td>
<td>Bridge Replacement Design</td>
</tr>
<tr>
<td>Property and Asset Mgmt</td>
<td>1,170</td>
<td>94</td>
<td>1,524</td>
<td>83.0%</td>
<td>Plaza Saltillo Revitalization, Crossings and Signals and Express Bus Lifts</td>
</tr>
<tr>
<td>Contingency</td>
<td>-</td>
<td>-</td>
<td>2,000</td>
<td>0.0%</td>
<td></td>
</tr>
<tr>
<td>Strategic Planning</td>
<td>-</td>
<td>-</td>
<td>500</td>
<td>0.0%</td>
<td></td>
</tr>
<tr>
<td>Security</td>
<td>743</td>
<td>286</td>
<td>2,093</td>
<td>49.2%</td>
<td>Property Perimeter Hardening and Security Cameras in Metro Police Vehicles</td>
</tr>
</tbody>
</table>

**Total**  
$57,126  
$21,592  
$111,783  
70.4%

*Outstanding commitments are for the purchase orders that have been issued.*
THANK YOU!
TITLE: FY 2021 Budget Update
FY2021 Budget Update

Presented on August 12, 2020
FY2021 Budget Development Calendar

- Feb 6  Operating and Capital Budget kick-off meeting with departments
- Apr 15 Capital Budget requests received from departments
- Apr 19 Operating Budget requests received from departments
- May 22 Board reviews proposed budget calendar
- Jun 3  Initial review with Access Advisory Committee
- Jun 10 Initial review with Customer Satisfaction Advisory Committee
- Jun 22 Board initial review and discussion
- Jul 15 Budget proposal presented to Board Committees
- Jul 20 Budget proposal presented to Board of Directors
FY2021 Budget Development Calendar

PUBLIC OUTREACH / FEEDBACK PROCESS

• Aug 5       Presentation to Access Advisory Committee
• Aug 12      Presentation to Customer Satisfaction Advisory Committee
• Aug 12      Update Board Committees
• Aug 24      Proposed budget document is published online
• Aug 24      Notice of public hearing on proposed budget and capital improvement plan
• Aug 24-28   Webinars and public outreach
• Sep 16      Update Board Committees
• Sep 16      Public hearing on proposed budget and capital improvement plan at noon
• Sep 28      Board of Directors considers budget proposal
Operating Expense Update

- Additional operating expense contingency - $2 million
  - Flexibility for COVID related expenses or recovery budget items

- Administration pension plan expense - $500 thousand
  - Actuary report received in July 2020

- Consulting expense for financial services - $200 thousand
  - Verification audits of 3 revenue share programs
  - Accounting guidance for 2 new GASB statements
  - Austin Transit Partnership new entity GASB guidance
5-Year Capital Improvement Plan - Additions

- Project Connect commitments from Capital Expansion Fund
  - Red Line improvements - $25 million
  - MetroRapid project development for 3 lines - $6.5 million
- Shift of funding from FY2020 to FY2021 - $3.1 million
  - Paratransit Van
  - Non-Revenue Vehicle Replacement
  - Vehicle Camera Systems
- Customer Payment Systems – $1.2 million
# Proposed 5-Year Capital Plan

<table>
<thead>
<tr>
<th>$' Million Project Category</th>
<th>FY2021</th>
<th>FY2022</th>
<th>FY2023</th>
<th>FY2024</th>
<th>FY2025</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bus and Paratransit</td>
<td>$3.3</td>
<td>$37.8</td>
<td>$41.1</td>
<td>$11.6</td>
<td>$3.6</td>
<td>$97.3</td>
</tr>
<tr>
<td>Commuter Rail</td>
<td>11.3</td>
<td>11.7</td>
<td>3.3</td>
<td>2.0</td>
<td>.3</td>
<td>28.6</td>
</tr>
<tr>
<td>Facilities</td>
<td>23.2</td>
<td>6.5</td>
<td>3.3</td>
<td>4.3</td>
<td>1.6</td>
<td>38.8</td>
</tr>
<tr>
<td>Freight Railroad</td>
<td>4.0</td>
<td>.0</td>
<td>1.5</td>
<td>.0</td>
<td>0.0</td>
<td>5.7</td>
</tr>
<tr>
<td>Information Technology</td>
<td>11.0</td>
<td>11.8</td>
<td>12.0</td>
<td>9.5</td>
<td>8.0</td>
<td>52.2</td>
</tr>
<tr>
<td>Other</td>
<td>8.6</td>
<td>2.6</td>
<td>2.6</td>
<td>2.7</td>
<td>2.5</td>
<td>19.0</td>
</tr>
<tr>
<td>Project Connect</td>
<td>33.5</td>
<td>10.0</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>43.5</td>
</tr>
<tr>
<td>Property and Asset Mgmt</td>
<td>.7</td>
<td>1.2</td>
<td>1.3</td>
<td>2.9</td>
<td>1.9</td>
<td>8.1</td>
</tr>
<tr>
<td><strong>Total Capital Projects</strong></td>
<td><strong>$95.6</strong></td>
<td><strong>$81.6</strong></td>
<td><strong>$65.1</strong></td>
<td><strong>$33.0</strong></td>
<td><strong>$17.9</strong></td>
<td><strong>$293.3</strong></td>
</tr>
</tbody>
</table>

**Funding**

<table>
<thead>
<tr>
<th>Funding Category</th>
<th>FY2021</th>
<th>FY2022</th>
<th>FY2023</th>
<th>FY2024</th>
<th>FY2025</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Funding</td>
<td>85.1</td>
<td>59.5</td>
<td>59.1</td>
<td>27.0</td>
<td>11.9</td>
<td>242.4</td>
</tr>
<tr>
<td>Grants/Contributions</td>
<td>10.5</td>
<td>22.1</td>
<td>6.1</td>
<td>6.1</td>
<td>6.1</td>
<td>50.8</td>
</tr>
<tr>
<td><strong>Total Capital Projects</strong></td>
<td><strong>$95.6</strong></td>
<td><strong>$81.6</strong></td>
<td><strong>$65.1</strong></td>
<td><strong>$33.0</strong></td>
<td><strong>$17.9</strong></td>
<td><strong>$293.3</strong></td>
</tr>
</tbody>
</table>

**Project Type**

<table>
<thead>
<tr>
<th>Project Type</th>
<th>FY2021</th>
<th>FY2022</th>
<th>FY2023</th>
<th>FY2024</th>
<th>FY2025</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enhancement</td>
<td>74.3</td>
<td>32.0</td>
<td>9.7</td>
<td>7.4</td>
<td>4.0</td>
<td>127.3</td>
</tr>
<tr>
<td>Regulatory</td>
<td>3.4</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3.4</td>
</tr>
<tr>
<td>State of Good Repair</td>
<td>18.0</td>
<td>49.6</td>
<td>55.4</td>
<td>25.7</td>
<td>13.9</td>
<td>162.6</td>
</tr>
<tr>
<td><strong>Total Capital Projects</strong></td>
<td><strong>$95.6</strong></td>
<td><strong>$81.6</strong></td>
<td><strong>$65.1</strong></td>
<td><strong>$33.0</strong></td>
<td><strong>$17.9</strong></td>
<td><strong>$293.3</strong></td>
</tr>
</tbody>
</table>
## Project Connect Commitments

<table>
<thead>
<tr>
<th></th>
<th>FY2021 Budget</th>
<th>FY2022 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Red Line Improvements</strong></td>
<td>$3,150</td>
<td>$2,100</td>
</tr>
<tr>
<td><strong>MetroRapid Lines - Project Development</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expo Center Project Development</td>
<td>2.4</td>
<td>$2.4</td>
</tr>
<tr>
<td>Pleasant Valley Project Development</td>
<td>2.1</td>
<td>$2.1</td>
</tr>
<tr>
<td>South Lamar (803 Extensions) Project Development</td>
<td>2.0</td>
<td>$2.0</td>
</tr>
<tr>
<td>Capital Expansion Funds Transferred to Austin Transit Partnership</td>
<td>38.5</td>
<td>$38.5</td>
</tr>
<tr>
<td><strong>Total Commitments from Capital Expansion Fund</strong></td>
<td><strong>60.0</strong></td>
<td><strong>10.0</strong></td>
</tr>
<tr>
<td>Capital - Preliminary Design and NEPA (Orange, Blue, Gold Line)</td>
<td>11.9</td>
<td>10.4</td>
</tr>
<tr>
<td>Operating Expense - Project Connect</td>
<td>1.1</td>
<td>$1.1</td>
</tr>
<tr>
<td><strong>Total Project Connect Commitments</strong></td>
<td><strong>$73.0</strong></td>
<td><strong>$20.4</strong></td>
</tr>
</tbody>
</table>
Next Steps

- Publish draft budget document online
- Virtual public meetings across Capital Metro’s service area
- Public hearing on the proposed budget
- Budget updates to Board Committees
- Board update on Long-Range Financial Plan
- Final Board approval scheduled for September 28