



Agenda - Final
Capital Metropolitan
Transportation Authority
Board of Directors

2910 East 5th Street
Austin, TX 78702

Monday, August 29, 2022

12:30 PM

Rosa Parks Boardroom

This meeting will be livestreamed at capmetrotx.legistar.com

I. Call to Order

II. Public Comment:

III. Advisory Committee Updates:

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

IV. Board Committee Updates:

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

V. Consent Items

1. Approval of minutes from the July 25, 2022 public hearing and Cap Metro board meeting.
2. Approval of a resolution authorizing the Interim President & CEO, or their designee, to finalize and execute a contract with Caldwell Country Ford, LLC to purchase nine (9) Ford F450 Facility Maintenance Trucks in an amount not to exceed \$1,184,366.
3. Approval of a resolution authorizing the Interim President & CEO, or their designee, to finalize and execute a contract with Creative Bus Sales, Inc., utilizing the State of Oklahoma Contract SW0797C, to purchase twenty-six (26) Pickup vehicles in an amount not to exceed \$4,706,970 for the purpose of expanding Pickup Service into new zones.

4. Approval of a resolution authorizing the Interim President & CEO, or their designee, to finalize and execute a contract with Trapeze Software Group, Inc. to provide new software and implementation services to support two capital projects, OPS-Web and Rail Planning, in the amount not to exceed \$252,901.
5. Approval of a resolution authorizing the Interim President & CEO, or their designee, to finalize and execute a contract with ETC Institute to conduct an Origin and Destination Survey in an amount not to exceed \$699,476.
6. Approval of a resolution authorizing the Interim President & CEO, or their designee, to execute an Interlocal Agreement (ILA) with Travis County for employee transit passes for a period of one (1) year from October 1, 2022, to September 30, 2023, and that includes an option to extend the ILA for four (4) additional twelve-month periods.
7. Approval of a resolution authorizing the Interim President & CEO, or their designee, to approve and execute a contract modification with Bright Horizons Family Solutions in the amount of \$448,373 for the period of September 1, 2022 to August 31, 2023.

VI. Action Items:

1. Approval of a resolution authorizing updates to the Debt Management Policy.
2. Approval of a resolution authorizing the Interim President & CEO, or their designee, to finalize and execute a contract modification with MTM, Inc. (formerly Ride Right, LLC) for operation of the North Demand Response Operation. This resolution is an increase to the total contract amount by \$54,984,671 for a total not to exceed amount of \$133,658,177.
3. Approval of a resolution authorizing the Interim President & CEO, or their designee, to include additional funding of \$3,500,000 in an existing contract with Stacy and Witbeck, Inc. for an in-progress Design-Build project for the McKalla Rail Station for a total contract amount not to exceed \$20,133,945.
4. Approval of a resolution authorizing the Interim President & CEO, or their designee, to finalize and execute contracts with EEA Consulting Engineers, Jackson & McElhaney Architects, McKinney Architects Inc., MWM Design Group, and Stantec Architecture Inc. for Architecture and Engineering services for a two (2) year base period and three (3) option years on a task order basis in an aggregate amount not to exceed \$24,000,000.
5. Approval of a resolution authorizing the Interim President & CEO, or their designee, to finalize and execute a contract with ADS System Safety Consulting, LLC for safety and security certification consulting services for CapMetro's Project Connect and other major capital projects for a base period of three (3) years with seven (7) one-year options in an amount not to exceed \$10,000,000.

VII. Discussion Item:

1. Small Cities Update

VIII. Report:

1. President & CEO Monthly Update

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

Section 551.071 for Consultation with an Attorney regarding current litigation

Section 551.072 for Deliberation regarding Real Estate matters related to the purchase of land at the Travis County Expo Center

Section 551.074 for Personnel Matters related to the President & CEO Search Process

X. Memos:

1. Memo: July 2022 Sales Tax Receipt for May Sales (July 31, 2022)
2. Memo: Cap Metro and ATP Financial Integration (August 4, 2022)
3. Memo: Complimentary Rides to Local Cooling Centers (August 5, 2022)
4. Memo: Transit Advertising Policy Change (August 10, 2022)
5. Memo: July Board and August Board Committee Follow Up (August 22, 2022)

XI. Items for Future Discussion:

XII. Adjournment

ADA Compliance

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

BOARD OF DIRECTORS: Jeffrey Travillion, Chair; Ann Kitchen, Vice Chair; Leslie Pool, Secretary; Becki Ross; Eric Stratton, Wade Cooper and Matt Harriss.

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



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2021-189

Agenda Date: 3/28/2022

Customer Satisfaction Advisory Committee (CSAC)

Capital Metropolitan Transportation Authority

Customer Satisfaction Advisory Committee (CSAC)

Wednesday, August 10th, 2022

6:00 PM

Virtual Presentation

Microsoft Teams meeting

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CapMetro Employees: Peter Breton, Kevin Conlan, Edna Parra, Andrew Skabowski, Lawrence Trevino, Emmanuel Toutin.

Committee Members: David Foster, Betsy Greenberg, Fangda Lu, David Shapiro, Ephraim Taylor, Diana Wheeler

Public: Ruven Brooks, Meghan Healey

Meeting called to order at 6:03 PM

Welcome / Introductions / Call to Order

Chair Taylor

Public Communications

David Foster raised concerns about the trains passing through the Highland neighborhood sounding their horns at Koenig/2222. He asked the status of the quad gates at those intersections. **CapMetro Staff** says that they'll get back to him.

David Foster asks about the search for a new CapMetro CEO and making sure any finalists speak to the public. He is informed that there is a special board meeting on Monday August 15th to discuss specifics around hiring a new CEO. **Betsy Greenberg** inquires about ATP's CEO search, and **CapMetro Staff** note that an upcoming presentation from ATP staff could include that topic.

Operations Update

Andrew Skabowski, Chief Operating Officer

Andrew Skabowski outlines that CapMetro is currently improving bus service and operations over multiple categories and has hired 285 operators since January, and graduated 26 operators in July. CapMetro's parts availability is not the best due to supply chain issues, and while they are short on mechanics, at some point in May the mechanics turned a corner on the backlog of work, and the department is now hitting their goal for vehicle availability reliably.

Betsy Greenberg asks if staffing levels were higher pre-pandemic, and **CapMetro Staff** says they would have to get back to her.

Betsy Greenberg and **Diana Wheeler** ask if the UT and commuter services will be more reliable than the Spring, and **Andrew Skabowski** says yes, due to fixing buses and having more operators.

Ephraim Taylor mentions that during the Spring when bus cancellations were more frequent, there was a lag between the overall drop in service reliability and CapMetro's communications about that fact, and that CapMetro should be vigilant in being communicative about possible service cuts more swiftly.

David Foster asks how comparable our current ridership and staffing is to other transit agencies. **CapMetro Staff** says that ridership is comparable to most other major transit agencies, and travel patterns are changing which affects ridership.

Ephraim Taylor asks about operator retention, and **Andrew Skabowski** mentions that the total added operators added 10 to 15 operators a month, and that CapMetro is working on rebuilding the positive work culture that was lost over the past few years during the pandemic.

CMTA Fiscal Year 23 Budget Proposal

Emmanuel Toutin, Manager, Budget and Financial Planning

Emmanuel Toutin outlined the community engagement calendar for the budget, explains that CapMetro is currently sound and balanced with the budget, and breaks down the operating revenues and operating expenses.

Betsy Greenberg asks why the Project Connect line-item costs are going down year after year, and **Emmanuel Toutin** says that CapMetro is contracted to build only some parts of Project Connect, and that ATP will pick up more of the cost of Project Connect on their balance sheet year over year.

August Service Changes

Roberto Gonzalez; Director, Service Planning

Roberto Gonzalez outlines the engagement process for service changes, CapMetro's current and expected service levels for the Fall. Next year, CapMetro is expecting to make minor changes to the majority of routes, combine a few routes that end in downtown, and bring on new services.

Betsy Greenberg mentions how low frequency on some routes may impact ridership negatively, and **Roberto Gonzalez** agrees, and explains that the Service Planning department is closely monitoring the lower frequency lines in order to address increasing need.

Betsy Greenberg inquires about the future of E-Bus routes, and **Roberto Gonzalez** explains that much of the E-Bus service is well served by Night Owl, and before E-buses come back online, they may increase MetroRapid frequency during late nights.

Ephraim Taylor asks that **CapMetro Staff** keep in mind CapReMap and promise of lower transfer times, and **Roberto Gonzalez** agrees, and explains that there is an internal plan to increase frequency to routes that were cut during the pandemic.

Betsy Greenberg mentions the program that incentivized drivers to park at One Texas Center and take a shuttle to Zilker, and **Roberto Gonzalez** explains that future plans may increase ridership from UT to Zilker and reduce car usage overall.

Approval of May minutes – Motion by David Shapiro / 2nd by David Foster, passed unanimously

Approval of June minutes – Motion by David Foster / 2nd by Diana Wheeler, passed unanimously

The committee and CapMetro Staff speak on the CSAC recruitment process and possible future meetings.

Meeting adjourned at 7:32 PM.



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2021-190

Agenda Date: 3/28/2022

Access Advisory Committee

Capital Metropolitan Transportation Authority

Access Advisory Committee

Wednesday, August 3rd, 2022

5:30 PM

Virtual Presentation

Join on your computer or mobile app

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[+1 512-910-8291,,376363580#](#) United States, Austin

Phone Conference ID: 376 363 580#

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CapMetro Employees: Chad Ballentine, Brian Booth, Peter Breton, Kevin Conlan, Suzie Edrington, Roberto Gonzalez, Martin Kareithi, Julie Lampkin, Andrew Skabowski, Emmanuel Toutin, Edna Parra, Raul Vela, Chris Westbrook.

Interpretation Services provided by Communication by Hand.

Committee Members: Andrew Bernet, Glenda Born, Audrea Diaz, Mike Gorse, Tullos Horn, Paul Hunt, John McNabb.

Public: CBS Austin, Denise Dodd.

Meeting called to order at 5:34 PM

Welcome / Introductions / Call to Order

Chair Hunt

Tullos Horn has been appointed to the committee. He is Deaf and works as a case manager for Travis County's Services for the Deaf and Hard of Hearing.

Public Communications

Glenda Born mentions that they have encountered issues involving low GPS accuracy in the app. **Andrew Skabowski** responds and says that the Demand Response team will investigate, and that CapMetro is upgrading the dispatching software that they use, and that will have an impact in the future.

Audrea Diaz discusses how to improve the accessibility of the Blues on the Green pickup and drop-off location for MetroAccess. **Glenda Born** asks if there's a reason why a person can't request a different location than the designated one. **CapMetro Staff** explain that site evaluations happen on a regularly scheduled basis, but if the site has changed, they can re-evaluate pickup and drop-off locations earlier.

Mike Gorse reminds the committee that the Community Advisory Committee (CAC) is looking for a member to serve as a representative from the committee. After a brief discussion amongst the members, it is decided that **Mike Gorse** will serve on the CAC.

CMTA Fiscal Year 23 Budget Proposal

Kevin Conlan, Deputy Chief Financial Officer

Kevin Conlan outlined the community engagement calendar for the budget. He explains that CapMetro is currently sound and balanced with the budget, and that most of the high capital costs come from Project Connect, and that those costs will be reimbursed through Austin Transit Partnership (ATP).

Paul Hunt asks how 48% of CapMetro's operating expenses goes to purchased transportation. **Kevin Conlan** explains that purchased transportation pays for CapMetro's bus and paratransit services, which is contracted

through other companies, while the personnel category pays for CapMetro staff only, which is a much smaller part of CapMetro's operations.

Glenda Born asks about the ratio of boots-on-the-ground staff versus administrative staff. **CapMetro Staff** and **Glenda Born** discuss the number of staff in multiple departments, but no definitive ratio is agreed upon.

Glenda Born asks what the cost per ride is for paratransit and bus services. **Kevin Conlan** estimates for paratransit that the cost is about \$60 per ride, and explains that during the worst of the pandemic it hit anywhere from \$75 to \$90. He further estimated that a bus ride was previously \$5, and jumped to \$7 to \$9 per ride.

Denise Dodd asks about the property tax increase from Prop A and where that factors into the budget. **Kevin Conlan** explains that that money shows up in ATP's budget.

Operations Update

Andrew Skabowski, Chief Operating Officer

Andrew Skabowski outlines that CapMetro is currently improving bus service and operations over multiple categories and has hired 285 operators since January. CapMetro's parts availability is not the best due to supply chain issues, and while CapMetro is short on mechanics, at some point in May the mechanics turned a corner on the backlog of work, and CapMetro is now hitting their goal for vehicle availability reliably.

Denise Dodd asks how CapMetro prioritizes backfilling routes that they cut due to low ridership during COVID. **Andrew Skabowski** explains that CapMetro is still currently shoring up the current services they provide before returning frequency to routes that have been cut. **Roberto Gonzalez** affirms that CapMetro is still shoring up the current service, and explains that during COVID, CapMetro not only lost overall service, but the patterns of the services needed by customers changed, and the Service Planning department does have a plan to improve the frequencies towards pre-covid services as needed.

Mike Gorse asks if pay has gone up for CapMetro operators, and **Andrew Skabowski** responds that yes, the base rate pre-COVID for operators was around \$18/hr, and now it is \$22/hr.

August Service Changes

Roberto Gonzalez; Director, Service Planning

Roberto Gonzalez outlines the engagement process for service changes, CapMetro's current service levels, and CapMetro's expected service levels for the Fall. Next year, CapMetro is expecting to make minor changes to the majority of routes, combine a few routes that end in downtown, and bring on new services.

Audrea Diaz asked if Night Owl service was retained through the service changes, and **Roberto Gonzalez** confirmed.

Glenda Born asked if Roberto believes that WFH will continue to impact service. **Roberto Gonzalez** confirms but explains that the Austin area population is continuing to grow and so will CapMetro's ridership.

Fixed Route Services and Paratransit

Martin Kareithi; Director, Systemwide Accessibility

Martin Kareithi explains how CapMetro administers their paratransit services, and how they match over to CapMetro's fixed-route services.

Denise Dodd asks how much time in advance you must schedule a pickup, and **Martin Kareithi** and **Glenda Born** explain that it is at latest 5pm the day before, and at the earliest, up to 3 days over the phone or 6 days over the internet.

Mike Gorse asks if the origin and destination points must be within the 3/4ths of a mile region of fixed route services, and **Chad Ballentine** and **Martin Kareithi** confirm that that is the case.

Audrea Diaz proposes that Pickup be expanded to the whole city, and **Chad Ballentine** explains that that CapMetro uses pickup to fill gaps and the fixed-route services to create city-wide services.

Audrea Diaz mentions that coach buses are sometimes being used for UT shuttles, and she has encountered operators that do not know how to operate the lifts for those buses. **CapMetro Staff** affirms that they will make an effort to train operators on how to use the coach buses correctly, and **Martin Kareithi** reminds **Audrea Diaz** that any time they encounter an issue of that sort to report it.

Chair Hunt asks for there to be a presentation on the conditional system for MetroAccess.

Approval of the minutes - Motion to approve by John McNabb / 2nd by Glenda Born. Passed with unanimous consent.

Meeting adjourned at 7:34 PM.



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2022-329

Agenda Date: 1/24/2022

Public Service Advisory Committee (PSAC)



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2022-541

Agenda Date: 8/29/2022

Approval of minutes from the July 25, 2022 public hearing and Cap Metro board meeting.



Minutes
Capital Metropolitan
Transportation Authority
Board of Directors

2910 East 5th Street
Austin, TX 78702

Monday, July 25, 2022

12:00 PM

Rosa Parks Boardroom

Public Hearing on Capital Metro Fare Structure and Proposed Capital Budget Amendment

I. Call to Order

12:11 p.m. Meeting Called to Order

Present:	Travillion, Kitchen, Cooper, Stratton, Ross, Kitchen, and Pool
Absent:	Renteria, and Harriss

II. Discussion Items:

1. Fiscal Year 2022 Capital Budget Amendment Public Hearing Presentation
2. Capital Metro Fare Structure Public Hearing Presentation

III. Public Comment:

Audrey Beard, Emily Seales, Paulette Soltani, Eli Cortez, Joe Perez, Joao Paulo Connolly, and Sherry Taylor provided public comment.

IV. Adjournment

1:28 Meeting Adjourned

ADA Compliance

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BOARD OF DIRECTORS: Jeffrey Travillion, Chair; Ann Kitchen, Vice Chair; Leslie Pool, Secretary; Becki Ross; Eric Stratton, Wade Cooper and Matt Harriss.

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Minutes
Capital Metropolitan
Transportation Authority
Board of Directors

2910 East 5th Street
Austin, TX 78702

Monday, July 25, 2022

12:30 PM

Rosa Parks Boardroom

I. Call to Order

1:40 p.m. Meeting Called to Order

Present:	Travillion, Kitchen, Cooper, Stratton, Ross, Kitchen, and Pool
Absent:	Renteria, and Harriss

II. Public Comment:

Deb Miller, Rick Hall, Sherry Taylor, Sallie Decker, and Joao Paulo Connolly provided public comments. Bus Operator Anthony Walker also provided public comments later in the meeting.

III. Advisory Committee Update:

1. Public Service Advisory Committee (PSAC)

IV. Board Committee Updates:

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

V. Consent Items:

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

Aye: Travillion, Kitchen, Cooper, Stratton, Ross, Kitchen, and Pool

1. Approval of minutes from the June 27, 2022 board meeting.
2. Approval of a resolution appointing Tullos Horn to the Access Advisory Committee.
3. Approval of a resolution authorizing the Interim President & CEO, or their designee, to extend an Interlocal Agreement (ILA) with Austin Community College for student and employee transit passes for a period of one (1) year from September 1, 2022, to August 31, 2023.

4. Approval of a resolution appointing Ayeola Williams as an Investment Officer on the Capital Metro Investment Committee.

VI. Action Items:

1. Approval of an amendment increasing the Fiscal Year 2022 Capital Budget in the amount of \$8,000,000.

A motion was made by Secretary of the Board Pool, seconded by Board Member Cooper, that this Resolution be adopted. The motion carried by the following vote:

Aye: Travillion, Kitchen, Cooper, Stratton, Ross, Kitchen, and Pool

Memo: Proposed FY2022 CapMetro Budget Amendment (July 6, 2022)

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

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

Aye: Travillion, Kitchen, Cooper, Stratton, Ross, Kitchen, and Pool

3. Approval of a resolution adopting changes to the CapMetro Fare Structure.

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

Aye: Travillion, Kitchen, Cooper, Stratton, Ross, Kitchen, and Pool

4. Approval of a resolution authorizing the Interim President & CEO, or their designee, to finalize and execute a contract with ABC Bus, Inc., to purchase up to 144 paratransit vans over a five-year period in a total amount not to exceed \$21,019,104.

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

Aye: Travillion, Kitchen, Cooper, Stratton, Ross, Kitchen, and Pool

5. Approval of a resolution authorizing the Interim President & CEO, or their designee, to finalize and execute a contract with Circuitlink LLC to replace the bus onboard event data recorders for the CapMetro fixed route fleet in an amount not to exceed \$516,297.

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

Aye: Travillion, Kitchen, Cooper, Stratton, Ross, Kitchen, and Pool

6. Approval of a resolution authorizing the Interim President & CEO, or their designee, to finalize and execute contracts with Huitt-Zollars, Inc., Bowman Engineers, HNTB Corporation, Bridgefarmer Associates, Kimley Horn Inc., WSP Inc., and AECOM for General Engineering Consulting Services for a three-year base period and five (5) option years on a task order basis in an aggregate amount not to exceed \$150,000,000.

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

Aye: Travillion, Kitchen, Cooper, Stratton, Ross, Kitchen, and Pool

7. Approval of a resolution authorizing the Interim President & CEO, or their designee, to finalize and execute a contract with SELS USA LLC for the fabrication and delivery of bus stop solar lighting for a one (1) year base period and four (4) option years for \$1,144,263, plus \$286,066, representing a 25% contingency, for a total not to exceed amount of \$1,430,329.

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

Aye: Travillion, Kitchen, Cooper, Stratton, Ross, Kitchen, and Pool

8. Approval of a resolution authorizing the Interim President & CEO, or their designee, to finalize and execute a contract with Tolar Manufacturing, Inc. for the fabrication and delivery of bus stop shelters for a one (1) year base period and four (4) option years for a total of \$8,365,350, plus \$2,091,337, representing 25% contingency, for a total not to exceed amount of \$10,456,687.

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

Aye: Travillion, Kitchen, Cooper, Stratton, Ross, Kitchen, and Pool

9. Approval of a resolution authorizing the Interim President & CEO, or their designee, to finalize and execute an interlocal agreement with Austin Transit Partnership (ATP) for the reimbursement of certain capital costs for the Expo Center and Pleasant Valley MetroRapid bus rapid transit lines, as part of the Project Connect program.

Board Member Kitchen stated that she had some legal questions on this item that she wished to have answered in Executive Session.

Into Executive Session (Texas Government Code, Section 551.071 - Consultation with an Attorney): 3:20 p.m.

Out of Executive Session: 3:50 p.m.

A motion was made by Board Member Cooper, seconded by Secretary of the Board Pool, that this Resolution be adopted. The motion carried by the following vote:

- Aye:** Travillion, Kitchen, Cooper, Stratton, Ross, Kitchen, and Pool
10. Approval of a resolution designating Board Member Matt Harriss as the Capital Metro appointee to the Capital Area Metropolitan Planning Organization Transportation Policy Board.

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

- Aye:** Travillion, Kitchen, Cooper, Stratton, Ross, Kitchen, and Pool
11. Approval of a resolution appointing Board Member Jeffrey Travillion to serve as Capital Metro's representative on the Austin Transit Partnership Board of Directors, effective August 1, 2022.

Board Member Kitchen spoke to the concerns raised by a Public Commenter earlier in the meeting regarding the residency waiver needed for this appointment. She noted that this was a valid concern, but in this case it was appropriate because of the desire to provide continuity and leadership to the ATP Board with the appointment of the Capital Metro Board Chair to this position.

Board Member Pool suggested that language be added to the Capital Metro Bylaws regarding the rules and process for waivers and appointments to the Austin Transit Partnership board.

A motion was made by Board Member Cooper, seconded by Secretary of the Board Pool, that this Resolution be adopted. The motion carried by the following vote:

Aye: Travillion, Kitchen, Cooper, Stratton, Ross, Kitchen, and Pool

VII. Discussion Items:

1. FY2023 Budget Proposal
2. Public Transportation Agency Safety Plan (PTASP) Update

VIII. Report:

1. President & CEO Monthly Update

IX. Memos:

1. Memo: Update on CapMetro Pickup Service Performance and Service Change Integration (July 15, 2022)
2. Memo: June Board and June and July Board Committee Follow Up (July 18, 2022)
3. Memo: CapMetro Monthly Operations Update - June 2022 (July 18, 2022)

X. Items for Future Discussion:

XI. Adjournment

4:55 p.m. Meeting Adjourned

ADA Compliance

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BOARD OF DIRECTORS: Jeffrey Travillion, Chair; Ann Kitchen, Vice Chair; Leslie Pool, Secretary; Becki Ross; Eric Stratton, Wade Cooper and Matt Harriss.

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Board of Directors

Item #: AI-2021-272

Agenda Date: 8/29/2022

SUBJECT:

Approval of a resolution authorizing the Interim President & CEO, or their designee, to finalize and execute a contract with Caldwell Country Ford, LLC to purchase nine (9) Ford F450 Facility Maintenance Trucks in an amount not to exceed \$1,184,366.

FISCAL IMPACT:

Funding for this action is available in the FY2022 Capital Budget

STRATEGIC PLAN:

Strategic Goal Alignment:

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

Strategic Objectives:

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

EXPLANATION OF STRATEGIC ALIGNMENT: This item will allow for the replacement of facility maintenance vehicles used throughout the Capital Metro service area. The vehicles being replaced have exceeded their useful life and need replacement to maintain a state of good repair.

BUSINESS CASE: To maintain a state of good repair of the non-revenue vehicle fleet, Capital Metro establishes a fleet plan for scheduled replacement of vehicles. This item will allow for the replacement of nine (9) maintenance trucks under that plan. The vehicles being retired have exceeded their scheduled useful life.

COMMITTEE RECOMMENDATION: This item was presented and recommended for approval by the Operations, Planning and Safety Committee on August 15, 2022.

EXECUTIVE SUMMARY: CapMetro operations uses the non-revenue vehicle fleet for various operational functions. This vehicle purchase will provide for the replacement of nine (9) life-expired vehicles used to support CapMetro's mission. Given the planned use of the vehicles, the Ford F450 Facility Maintenance Vehicles is the most appropriate vehicle.

DBE/SBE PARTICIPATION: No SBE goal is assigned to this procurement due to no subcontracting opportunity.

PROCUREMENT: The contract will utilize the Local Government Purchasing Cooperative (BuyBoard) cooperative Contract # 601-19 held by Caldwell Country Ford for Vehicles.

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

Purchases made using BuyBoard contracts satisfy otherwise applicable competitive bidding requirements. Pricing for Caldwell Country Ford's Facility Maintenance Trucks was determined to be fair & reasonable by the BuyBoard organization during its solicitation and award process.

Additionally, a bid request was submitted to four (4) vendors who are authorized to resell Facility Maintenance Trucks via cooperatives. By the due date of July 18, 2022, one (1) vendor responded with a bid. The bid provided by Caldwell Country Ford was determined to be responsive and responsible.

The contract is a fixed price contract for delivery of Nine (9) Facility Maintenance Trucks in the Total Not to Exceed amount described below.

ITEM #	DESCRIPTION	(A) QUANTITY	UOM	(B) UNIT PRICE	(A x B) EXTENDED PRICE
1	Two (2) Wheel Drive, Facility Maintenance Truck, as per Exhibit F, Technical Specifications	7	Each	\$130,594	\$ 914,158 -
2	Four (4) Wheel Drive, Facility Maintenance Truck, as per Exhibit F, Technical Specifications	2	Each	\$ 134,904	\$ 269,808 -
3	BuyBoard Administrative Fee	1	Lot	\$ 400.00	\$ 400.00 -
Grand Total Price:					\$ 1,184,366 -

RESPONSIBLE DEPARTMENT: Operations and Maintenance Oversight

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

**STATE OF TEXAS
COUNTY OF TRAVIS**

AI-2021-272

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors recognizes the need to purchase vehicles for the Capital Metro non-revenue vehicle fleet.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the Interim President & CEO, or their designee, is authorized to finalize and execute a contract with Caldwell Country Ford, LLC to purchase nine (9) Ford F450 Facility Maintenance Trucks in an amount not to exceed \$1,184,366.

Date: _____

**Secretary of the Board
Leslie Pool**

Board of Directors

Item #: AI-2022-524

Agenda Date: 8/29/2022

SUBJECT:

Approval of a resolution authorizing the Interim President & CEO, or their designee, to finalize and execute a contract with Creative Bus Sales, Inc., utilizing the State of Oklahoma Contract SW0797C, to purchase twenty-six (26) Pickup vehicles in an amount not to exceed \$4,706,970 for the purpose of expanding Pickup Service into new zones.

FISCAL IMPACT:

Funding for this action is available in the FY2023 Capital Budget

STRATEGIC PLAN:

Strategic Goal Alignment:

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

Strategic Objectives:

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

EXPLANATION OF STRATEGIC ALIGNMENT: This item will promote the customer experience by supporting the implementation of a new Pickup service zone. The twenty-six (26) additional vehicles will be used to support Pickup Service that will start operating next calendar year.

BUSINESS CASE: This item will allow for the expansion of Pickup Services into new zones as part of Project Connect approved initial investment plan.

COMMITTEE RECOMMENDATION: This item was presented and recommended for approval by the Operations, Planning, and Safety Committee on August 15, 2022.

EXECUTIVE SUMMARY: CapMetro's Pickup Service provides on-demand transit service in pre-defined zones. This service type provides customers in hard-to-reach zones the ability to request a ride using a smartphone app or by calling Pickup dispatch directly. Customers may travel anywhere within the defined zone. Pickup services are managed according to the board-approved Pickup Service Guidelines.

This contract will purchase twenty-six (26) additional Pickup vehicles that are required to operate additional Pickup Service zones which are planned for summer to fall 2023.

DBE/SBE PARTICIPATION: No SBE goal is assigned to this procurement due to no subcontracting opportunity.

PROCUREMENT: The contract will utilize the State of Oklahoma Contract SW0797C held by Creative Bus Sales, Inc. to sell Lone Star Promaster 3500 branded wheelchair accessible Pickup vehicles.

The State of Oklahoma awarded contracts are made available to use by Capital Metro via Title 7, Intergovernmental Relations Chapter 791, Interlocal Cooperation Contracts and The Texas Interlocal Cooperation Act.

Purchases made using the State of Oklahoma contracts satisfy otherwise applicable bidding requirements. Pricing for the Lone Star Promaster 3500 Pickup vehicles was determined to be fair & reasonable by the State of Oklahoma during its solicitation and award process.

Creative Bus Sales pricing for (26) Lone Star Promaster 3500 Pickup vehicles per the State of Oklahoma Contract is referred as follows:

ITEM	DESCRIPTION	Required Delivery Date	Quantity	Unit Price	Extended Price
1	Lone Star Promaster 3500 Pickup vehicle Model Year 2022 - Body Only, Excluding Chassis	5/30/2023	17	\$145,422.00	\$2,472,174.00
2	Lone Star Promaster 3500 Pickup vehicle Model Year 2022 - Dodge Chassis	5/30/2023	17	\$33,708.00	\$573,036.00
3	Total for Complete Vehicle Model Year 2022 (Item 1 and 2 Inclusive):				\$3,045,210.00
4	Lone Star Promaster 3500 Pickup vehicle Model Year 2023 - Body Only, Excluding Chassis	9/30/2023	9	\$146,780.00	\$1,321,020.00
5	Lone Star Promaster 3500 Pickup vehicle Model Year 2023 - Dodge Chassis	9/30/2023	9	\$37,860.00	\$340,740.00
6	Total for Complete Vehicle Model Year 2023 (Item 4 and 5 Inclusive):				\$1,661,760.00
7	GRAND TOTAL PRICE (ITEM 3 AND 6 INCLUSIVE):				\$4,706,970.00

RESPONSIBLE DEPARTMENT: Operations and Maintenance Oversight

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

**STATE OF TEXAS
COUNTY OF TRAVIS**

AI-2022-524

WHEREAS, The Capital Metropolitan Transportation Authority Board of Directors and Capital Metro management endeavor to expand the Pickup service in accordance with adopted service guidelines; and.

WHEREAS, The CapMetro management has identified the need to increase the Pickup vehicle fleet to support additional service.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the Interim President & CEO, or their designee, to finalize and execute a contract with Creative Bus Sales, Inc., utilizing the State of Oklahoma Contract SW0797C, to purchase twenty-six (26) Pickup vehicles in an amount not to exceed \$4,706,970 for the purpose of expanding Pickup Service into new zones.

Date: _____

**Secretary of the Board
Leslie Pool**

CapMetro

PickUp Vehicle Procurement

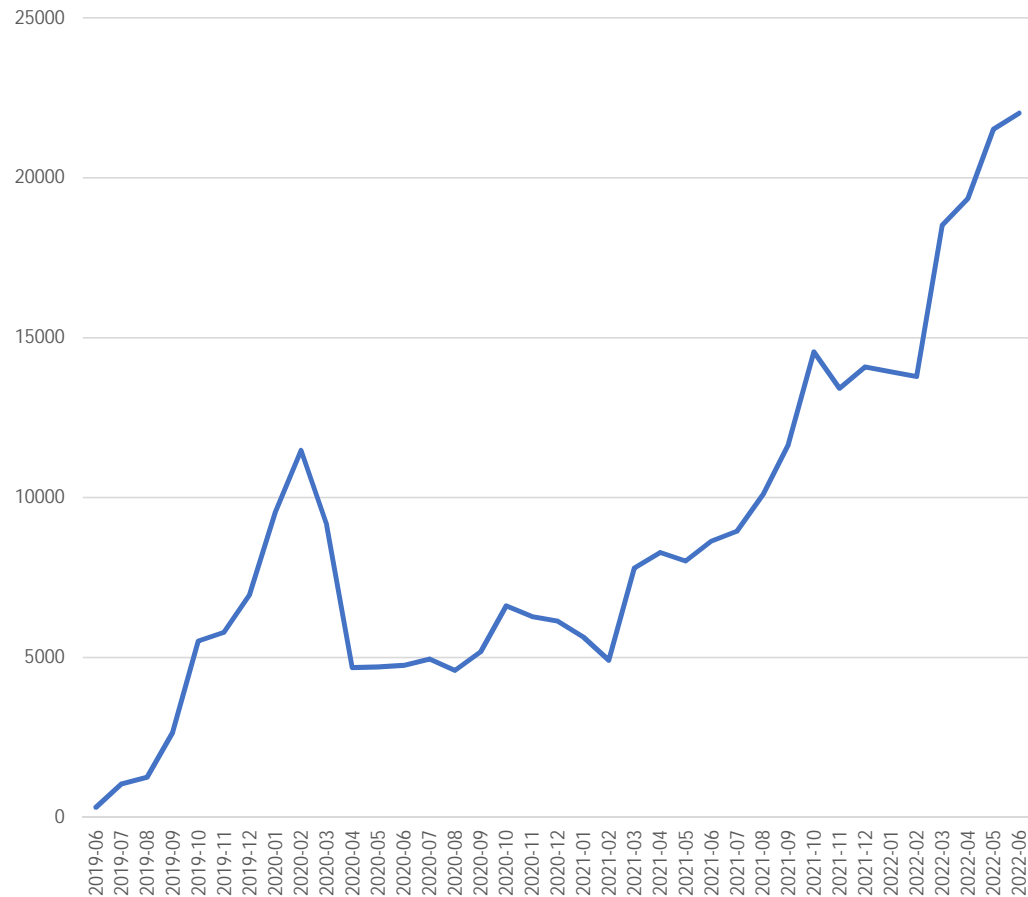
AI-2022-524

August 2022 Board Meeting

PickUp Ridership

- Pickup began regularly breaking monthly ridership records recently, and it's popularity continues to increase.
- In June 2022, Pickup service saw more than 22,000 rides.
- Therefore, staff intends to begin reviewing Pickup performance compared to the Board-approved service standards, and integrating recommendations into the agency's regular service change process.

Chart 1: Monthly Pickup Service Ridership (June 2019 - May 2022)



PickUp Vehicle Procurement

- Contract with Creative Bus Sales, Inc., to purchase 26 PickUp vehicles in an amount not to exceed \$4,706,970
- Goal: leverage new vehicles to expand PickUp service
 - New zones
 - Expanded hours in existing zones
 - Improved response time in existing zones



PickUp Service Opportunities & Planning

- PickUp service changes, including proposed expansion, will be included as part of Spring and Fall service changes going forward
- Vehicles one example of resources currently constraining service offerings
- Service expansion goals contingent on:
 - Evaluation of existing PickUp Zones compared to Board-approved performance standards
 - Collaboration and coordination with changes to bus service
 - Continued improvements in hiring and retention of PickUp and MetroAccess operators, and mechanics

CapMetro

Thank you!

Board of Directors

Item #: AI-2021-288

Agenda Date: 8/29/2022

SUBJECT:

Approval of a resolution authorizing the Interim President & CEO, or their designee, to finalize and execute a contract with Trapeze Software Group, Inc. to provide new software and implementation services to support two capital projects, OPS-Web and Rail Planning, in the amount not to exceed \$252,901.

FISCAL IMPACT:

Funding for this action is available in the FY2022 Capital Budget

STRATEGIC PLAN:

Strategic Goal Alignment:

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

Strategic Objectives:

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

EXPLANATION OF STRATEGIC ALIGNMENT: The Trapeze suite of software is used by route and service planning, and bus operations, and these new software modules will improve overall efficiency and improve operations. OPS-Web will provide an online system for MetroBus operator markup, bidding, and scheduling. Rail Planning will provide software to improve planning and scheduling for MetroRail.

BUSINESS CASE: The purchase and implementation of both of these software systems is expected to reduce costs of manually operating markup and run cutting at two garages and reduce costs of manually scheduling rail services.

COMMITTEE RECOMMENDATION: This item will be presented to the Operations, Planning and Safety

Committee on August 15, 2022.

EXECUTIVE SUMMARY: Capital Metro bus Operators are required to enter their preferred schedule during each service change into the Trapeze OPS system. However, this requires them to be physically present at two garages during markup. This project will allow Operators to enter their preferred schedules online. Implementation will require the purchase and implementation of a new software module (Trapeze OPS-Web). Rail schedules are updated multiple times throughout the year and services to update Trapeze FX will greatly reduce manual work.

DBE/SBE PARTICIPATION: No SBE goal is assigned to this solicitation because it is a sole source procurement and there is no scope of subcontracting. It is justified as a sole source because it is a proprietary system and software modules can only be provided from a single source.

PROCUREMENT: On July 26, 2022, a Sole Source Procurement request was issued and advertised. The proposal from Trapeze Software Group, Inc. was received on August 8, 2022. The proposal was reviewed in all aspects of pricing and technical support, and was determined to be fair and reasonable based on established market prices and cost analysis of preceding modules provided by Trapeze Software Group, Inc. The contract is for software purchase and implementation of Trapeze OPS WEB module and Health Check of our current FX Rail Scheduling module. The following is a breakdown of the fixed not to exceed lump sum amount for the contract:

ITEM #	DESCRIPTION	LUMP SUM
1	Software & Implementation of OPS WEB Module	\$227,901.00
2	FX Health Check for Rail Scheduling Module	\$25,000.00
3	Grand Total (Items 1 and 2 inclusive):	\$252,901.00

RESPONSIBLE DEPARTMENT: Information Technology

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

**STATE OF TEXAS
COUNTY OF TRAVIS**

AI-2021-288

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and Capital Metro management endeavor to ensure that critical operating systems are enhanced to improve overall efficiency of operations.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the Interim President & CEO, or their designee, is authorized to finalize and execute a contract with Trapeze Software Group, Inc. to provide new software and implementation services and ongoing support for two capital projects, OPS-Web and Rail Planning, in the amount not to exceed \$252,901.

Date: _____

**Secretary of the Board
Leslie Pool**



Board Operations, Planning & Safety Committee

Agenda Item: AI-2021-288 Contract with Trapeze Software Group

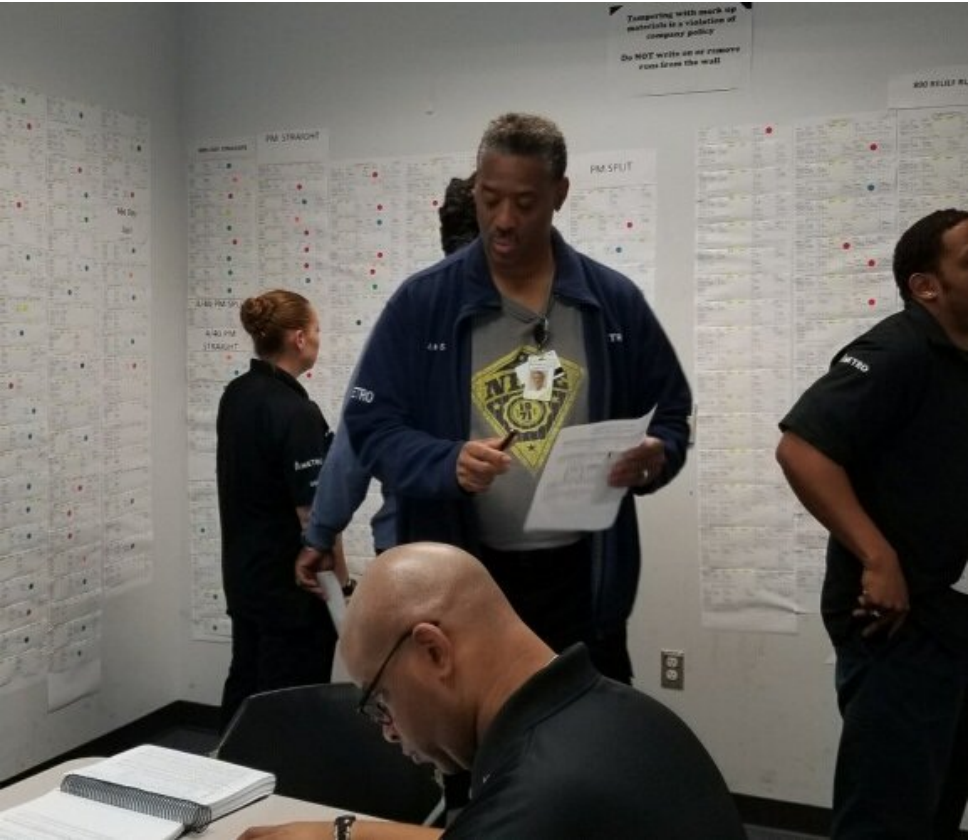
August 15, 2022

Prepared by: Charlie Jackson

Trapeze OPS-Web software and Services

- Provides an online system for bus operator scheduling signup
- Requested by Bus Operations & Maintenance (BOM) Department
- Automates the shift “bidding” for the Operators
- Currently, bus operators must “bid” on shifts in person, reviewing the available work-notices posted; scheduler then enters desired work into Trapeze OPS.
- Contract includes software, training for operators and integration within existing Trapeze suite of 21 applications.
- Costs: Software license: **\$112,326** Implementation services: **\$115,575**

Current Driver "Bid" Process



OPS-Web Shift Bid Automation

1. Click Messages > Personal Messages.

2. Click the Driver Paddle or Manifest button. The driver paddle or manifest appears in a printer friendly format.

Employee: 1011 Smith, Auckland
 Division: Central
 Employee Type: Fixed Route FT Operator
 Date: 07-10-2018

Work Name: 243
 Division: Central
 Service Group: Monday to Friday
 Exception: <Off>

Block Name	Sign On	Sign Off
24	10:25	10:11

LINE 1		<<	INBOUND	>>	Plaza Arena Shuttle						>>
RTE	NOTE		LVR26N	JRP26S	BRR0	LVR	HOG4	JRJR			
		++	10:30	--	10:34	--	10:38	10:38			>>
		<<	--	10:50	--	10:45	--	--			<<

LINE 2		<<	INBOUND	>>	Southside Medical Shuttle						>>	
RTE	NOTE		LVPWR	ARPWR	WASTH	SDI	SDI	BAHE	SAGR	ARCHH	LVDHHA	
		++	11:00	--	11:02	11:05	--	11:08	--	11:10	--	>>
		<<	--	11:50	11:48	--	11:42	--	11:30	--	11:05	<<

3. Click

Rail Scheduling – Modifications to System

- Purchase of technical services to modify Trapeze FX for Rail scheduling (ITS2209) to “improve planning and scheduling processes for MetroRail”
- Requested by the Planning (PLN) Department
- Changes are made to the MetroRail schedule on a regular basis, particularly for Austin FC games. Trapeze FX software modification will assist the planner to create schedules more efficiently.
- Scope of Work includes a health check of the FX software and modifications to optimize for Rail planning.
- Costs: Technical services: \$25,000

Background and Cost Information

- Single Sole Source Procurement to Trapeze Inc, for software and implementation services for both projects
- Original CAPEX Budgets: ITS2209 \$270,000 ITS2213 \$250,000
- This contract is for the software and services.
- Ongoing warranty & maintenance for OPS-Web will be added to the existing warranty & maintenance IT (OPEX) contract at a cost of \$22,465 annually.
- Board Agenda Item AI-2021-288:

ITEM #	DESCRIPTION	LUMP SUM
1	Software & Implementation of OPS WEB Module	\$227,901.00
2	FX Health Check for Rail Scheduling Module	\$25,000.00
3	Grand Total (Items 1 and 2 inclusive):	\$252,901.00

CapMetro

Thank you!

Board of Directors

Item #: AI-2022-500

Agenda Date: 8/29/2022

SUBJECT:

Approval of a resolution authorizing the Interim President & CEO, or their designee, to finalize and execute a contract with ETC Institute to conduct an Origin and Destination Survey in an amount not to exceed \$699,476.

FISCAL IMPACT:

Funding for this action is available in the FY2023 Operating Budget

STRATEGIC PLAN:

Strategic Goal Alignment:

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

Strategic Objectives:

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

EXPLANATION OF STRATEGIC ALIGNMENT: The on-board origin and destination survey will assist in providing a high-quality customer experience and be responsive to the community and customer needs by better aligning our services with the travel patterns of our patrons.

BUSINESS CASE: CapMetro conducts origin and destinations studies every 5 years and the previous fully complete study was done in 2015. The survey in Spring 2020 was to give CapMetro a new baseline rider profile post-CapRemap (2018 system service overhaul) but was soon halted due to the pandemic. With ridership levels stabilizing, it is time to conduct the survey and obtain that baseline prior to new MetroRapid services coming online later in 2023. These surveys are also required to meet certain federal reporting requirements.

COMMITTEE RECOMMENDATION: This item was presented and recommended for approval by the Operations,

Planning and Safety Committee on August 15, 2022.

EXECUTIVE SUMMARY: The purpose of the on-board origin and destination survey is to gather updated travel behavior and demographic data from transit users which are comprised of all rail and bus fixed route users, as well as on-demand users in and around the CapMetro service area. This includes Metro Bus, Commuter Bus, Rapid Bus, Commuter Rail, Pickup On-demand, and Round Rock Out of Service area routes. The data will be used to: (1) compile statistically accurate information about transit customers and how they use the transit system; (2) produce reliable linked origin and destination data needed for short and long-range planning activities including travel demand forecasting and regional data modeling; (3) assess changes in trip characteristics and ridership profiles of transit passengers by comparing the 2023 origin and destination study results with previous survey results (2015 and, if possible, any collected data from the initial 2020 survey that can be used); and (4) meet Title VI requirements per latest Federal Transit Administration (FTA) guidance. The contractor will be responsible for developing the survey instrument and sampling plan, hiring temporary staff to collect data, managing the collection of data through onboard interviews, and compiling a summary and details of findings in a final report. The contractor will be using the latest technology for on-board data collection using tablet devices and be able to quality check in near real-time.

DBE/SBE PARTICIPATION: The contractor will exceed the goal utilizing the following SBE contractors. The goal is 16%.

ANIX Inc. Los Angeles, CA SBE Certification Confirmed Services- Provide Data Collection Staff	<u>Asian/Female</u>	8%
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Stat Team, Inc. Austin, TX SBE Certification Confirmed Services- Supply Staff to Conduct Surveys	<u>Caucasian/Female</u>	8%
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PROCUREMENT: On April 20, 2022, a Request for Proposal was issued and formally advertised for the performance of an Origin and Destination survey to gather updated travel behavior and demographics data from transit users. By the closing date of May 31, 2002, three (3) proposals were received. The evaluation team used the following factors in their evaluation of proposals: 1) The offeror's demonstrated relevant work experience/technical background and capabilities of the firm as a whole, as well as project personnel, on projects of a similar size, scope, and complexity of nature; 2) The offeror's demonstrated understanding of the project undertaking, the proposed plan for the performance of the work (including quality of work plan) and the technical approach (including methodology) proposed by the offeror; and 3) The offeror's demonstrated past performance on projects of this scope and nature. The proposal from ETC Institute was determined to be

the best value to the Authority, price and other factors considered. The term of the contract is one (1) year from the Notice to Proceed (NTP) for an amount of \$699,475.23.

RESPONSIBLE DEPARTMENT: Planning Department

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

**STATE OF TEXAS
COUNTY OF TRAVIS**

AI-2022-500

WHEREAS, the Board of Directors and CapMetro management desire to provide quality public transportation services to the Austin metropolitan area which will be enhanced by conducting the on-board origin and destination survey and using the resulting data to efficiently plan routes and services.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the Interim President & CEO, or their designee, is authorized to finalize and execute a contract with ETC Institute to conduct an Origin and Destination Survey in an amount not to exceed \$699,476.

Date: _____

**Secretary of the Board
Leslie Pool**

Board of Directors

Item #: AI-2022-508

Agenda Date: 8/29/2022

SUBJECT:

Approval of a resolution authorizing the Interim President & CEO, or their designee, to execute an Interlocal Agreement (ILA) with Travis County for employee transit passes for a period of one (1) year from October 1, 2022, to September 30, 2023, and that includes an option to extend the ILA for four additional twelve-month periods.

FISCAL IMPACT:

This action reimburses Capital Metro for expenses incurred.

STRATEGIC PLAN:

Strategic Goal Alignment:

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

Strategic Objectives:

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

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

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

COMMITTEE RECOMMENDATION: This item was presented and recommended for approval by the Finance,

Audit and Administration Committee on August 15, 2022.

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 establishes an Interlocal Agreement (ILA) with Travis County for employee transit passes through the MetroWorks program for a period of one year from October 1, 2022, to September 30, 2023, with an option to extend the ILA for four additional twelve-month periods.

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**

AI-2022-508

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 Interim President & CEO, or their designee, is authorized to execute an Interlocal Agreement (ILA) with Travis County for employee transit passes for a period of one (1) year from October 1, 2022, to September 30, 2023, with an option to extend the ILA for four additional twelve-month periods.

Date: _____

**Secretary of the Board
Leslie Pool**

INTERLOCAL AGREEMENT

BETWEEN TRAVIS COUNTY AND CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY FOR EMPLOYEE TRANSIT SERVICES

This Interlocal Agreement ("Agreement") is entered into by and between Travis County, Texas ("Travis County"), a political subdivision of the State of Texas, and Capital Metropolitan Transportation Authority ("CapMetro"), a transportation authority and political subdivision organized under Chapter 451 of the Texas Transportation Code. CapMetro and Travis County are referred to in this Agreement collectively as the "Parties" and individually as a "Party".

I. Recitals

1. The Parties recognize the importance of a regional mobility system and desire to encourage employees of Travis County to access public transportation.
2. This Agreement is effective upon execution by both Parties and is effective until the funding for this Agreement is depleted or is otherwise terminated in accordance with this Agreement.
3. This Agreement is authorized and governed by the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code.
4. The Parties now desire to enter into a mutually beneficial agreement that meets the transportation mobility needs of both Parties.

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

II. Scope

1. **Transit Services.** The purpose of this Agreement is to provide access to CapMetro's paratransit services ("MetroAccess Services"), bus, rail, RideShare, and MetroBike services (collectively, the "Services") to Travis County employees who possess a valid and current Travis County employee photo identification and are eligible to use the Services ("Eligible County Employees").
2. **MetroAccess.** CapMetro will provide paratransit services to Eligible County Employees who have been certified for MetroAccess Service via CapMetro's certification process. MetroAccess-certified Eligible County Employees must follow CapMetro's certification and reservations processes in order to make use of CapMetro's paratransit services. Travis County will provide CapMetro a list of MetroAccess-certified Eligible County Employees at least ten (10) business days before the beginning of a new service month. CapMetro will then issue Travis County a MetroAccess monthly pass for each of these Eligible County Employees at least five (5) business days before the beginning of that new service month. Travis County will be responsible for distribution of these monthly passes to its MetroAccess-certified Eligible County Employees. Each MetroAccess-certified Eligible County Employee must display a valid MetroAccess monthly pass to the MetroAccess operator prior to boarding a MetroAccess vehicle. In this Agreement, "service month" means a calendar month during which a MetroAccess-certified Eligible County Employee desires to receive paratransit services from CapMetro.

3. **Bus and Rail Services.** CapMetro agrees to provide bus and rail services to any Eligible County Employee, at no charge to the Eligible County Employee, provided each such employee presents a valid CapMetro pass and Travis County Employee photo identification upon boarding the CapMetro vehicle.
4. **Coordination.** CapMetro and Travis County understand the need for coordination and prior approval of the respective governing bodies regarding services, activities, and initiatives; including services, activities and initiatives that involve additional funds. The Parties agree to work together in good faith to coordinate any approvals necessary to obtain services, activities and initiatives that further the goals of this Agreement.
 - (a) CapMetro and Travis County staff will outline the various roles and responsibilities needed to promote and increase Travis County employee ridership.
 - (b) Travis County will promote transit use to its employees with the assistance of the CapMetro Communications and Marketing staff. The number of passes Travis County will require will be determined no later than six (6) weeks before the desired delivery date. CapMetro will deliver the annual transit passes to the Travis County Human Resources Management Department. Travis County will be responsible for distributing the passes to Eligible County Employees.
5. **Holidays.** The following service holidays are observed by CapMetro and may alter the level of services:

Holiday	Date Observed
New Year's Day	January 1
Martin Luther King, Jr.'s Birthday	Third Monday in January
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Thanksgiving Day	Fourth Thursday in November
Friday after Thanksgiving	Friday after Thanksgiving
Christmas Eve	December 24
Christmas Day	December 25

6. **Monitoring and Reporting.**
 - (a) **Ridership Reports.** CapMetro will provide ridership reports to Travis County by day 10 of each month. Ridership reports will include the number of unique Travis County employee riders, the number of rides taken for each level/tier of service/per day and for the total month, the total dollar amount per level/tier of service, and the total dollar amount due.
 - (b) **Bus and Rail Reconciliation.** CapMetro will use the magnetic cards at the bus and rail fare boxes to monitor, compile and analyze bus and rail ridership data. CapMetro and Travis County will review ridership services and employees' eligibility each month to reconcile the services. CapMetro will submit invoices to Travis County for these services based upon the reconciliation.

III. Term and Termination

1. **Term.** The initial term of this Agreement (“Term”) shall commence on October 1, 2022 the “Effective Date”) and end on September 30, 2023 (the “Initial Term”) and may be extended for up to four (4) 12-month renewal periods. The Parties may exercise a renewal period by written agreement executed by CapMetro’s President & CEO or their designee and the Travis County Judge or their designee.
2. **Termination.** Either Party shall have the right to terminate this Agreement, in whole or part, without cause anytime upon sixty (60) calendar days prior written notice. Upon receipt of the termination notice CapMetro will cease all work on the 60th day (“Early Termination”) following the date of the termination notice, with such exceptions, if any, specified in the notice of termination. Travis County will pay CapMetro for all Services performed and obligations incurred prior to the Early Termination.

IV. Compensation and Payment

1. **Contract Amount.** For the Initial Term and each renewal period, Travis County will pay to CapMetro an amount not to exceed **\$87,000** for the Services provided under this Agreement at the rates set forth in this Section IV. CapMetro will invoice Travis County on a monthly basis for the Services.
 - 1.1 The County shall pay CapMetro for transit passes at a cost that is discounted by thirty percent (30%) off of the standard fare pricing for all Local bus service (Metrobus, UT Shuttle, MetroRapid and High-Frequency Routes, and Pickup by Metro) and all Commuter Service (All Local Services, plus MetroExpress Routes and MetroRail).
 - 1.2 Travis County will pay CapMetro \$46.50 a month per Travis County employee for access to MetroAccess paratransit services, and Travis County shall reimburse CapMetro for any fees exceeding the \$46.50 monthly fee paid by Travis County for paratransit services. For any renewal period during the Term after the Initial Term, CapMetro reserves the right to change the rates for access to MetroAccess paratransit services by providing not less than one hundred twenty (120) days written notice to Travis County defining the terms of the rates.
 - 1.3 Travis County will pay CapMetro’s RideShare contractor for Travis County employees access to RideShare vanpool services, and any fees by Travis County for RideShare vanpool services. For any renewal period during the Term after the Initial Term, CapMetro reserves the right to change the rates for access to RideShare services by providing not less than sixty (60) days written notice to Travis County defining the terms of the rates.
 - 1.4 Travis County will pay CapMetro \$26.00 a month per Travis County employee for access to 31-day MetroBike passes. The 31-Day MetroBike Pass provides unlimited 60-minute trips during the 31-day period. Usage fees of \$4.00 plus tax begin after 60 minutes. The bike must be returned to a MetroBike station to restart trip time. Travis County Employees who choose the MetroBike Pass must put a credit card on file with CapMetro to account for any potential usage fees. For any renewal period during the Term after the Initial Term, CapMetro reserves the right to change the rates for MetroBike services by providing not less than sixty (60) days written notice to Travis County defining the terms of the rates.

1.5 Travis County will pay CapMetro \$12.99 a day per Travis County employee for access to 24-hour MetroBike passes. The daily MetroBike Pass provides unlimited 60-minute trips during the 24-hour period. Usage fees of \$4.00 plus tax begin after 60 minutes. The bike must be returned to a MetroBike station to restart trip time. Travis County Employees who choose the MetroBike Pass must put a credit card on file with CapMetro to account for any potential usage fees. For any renewal period during the Term after the Initial Term, CapMetro reserves the right to change the rates for MetroBike services by providing not less than sixty (60) days written notice to Travis County defining the terms of the rates.

1.6 Travis County will pay for the production costs of the transit passes. In addition, if the production costs of the transit passes increase during the term of this Agreement, Travis County agrees to reimburse CapMetro for the actual additional production costs charged to CapMetro.

2. Invoices. Based upon reconciled ridership services and employee eligibility, CapMetro will submit an itemized invoice and ridership data reports to Travis County on a monthly basis. Invoices and ridership data may be mailed or sent electronically to:

Sydnia Crosbie
Travis County Transportation and Natural Resources Department
P.O. Box 1748
Austin, Texas 78767
Sydnia.Crosbie@traviscountytexas.gov

3. Prompt Pay. Travis County will pay all invoices on a monthly basis in accordance with Texas Prompt Payment Act, Chapter 2251, and Texas Government Code.

4. Non-appropriations. This Agreement is dependent upon the availability of Travis County funding. Travis County's payment obligations are payable only from funds appropriated and available for the Agreement. Travis County will provide CapMetro written notice if it fails to appropriate the funds to pay the amounts due under this Agreement. Travis County will also notify CapMetro as soon as practicable if there is a reduction of the appropriated funds necessary for Travis County to perform under this Agreement, or there are insufficient funds available for Travis County to pay its obligations under this Agreement.

V. General Terms and Conditions

1. Right to Audit.

1.1 Travis County agrees to allow authorized CapMetro representatives access to all records related to this Agreement. In addition, Travis County agrees to only distribute transit passes and MetroAccess tickets to Eligible County Employees. Travis County will take adequate measures to prevent the transference of passes and tickets to individuals who are not Eligible County Employees.

1.2 CapMetro agrees to allow authorized representatives of Travis County or other authorized representatives of Travis County, access to, and the right to audit, examine, or reproduce, any CapMetro records related to the performance of this Agreement. CapMetro agrees to refund to Travis County any overpayments disclosed by a Travis County audit.

2. **Taxpayer Identification.** CapMetro shall provide Travis County with an Internal Revenue Form W-9, Request for Taxpayer Identification Number and Certification, that is completed in compliance with the Internal Code and its rules and regulations before any funds are payable.
3. **“Business Day.”** In this Agreement, “business day” means any weekday that is not a holiday designated by the Travis County Commissioners Court.
4. **Entire Agreement.** This Agreement contains 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 regarding CapMetro’s provision of transit services to Eligible County Employees. This Agreement may not be modified, discharged, or changed in any respect whatsoever except by written instrument duly executed by an authorized representative of the Parties. No official, representative, agent, or employee of Travis County, Texas has any authority to modify this Agreement, except pursuant to such express authority as may be granted by the Commissioners Court of Travis County, Texas. The recitals set forth above and the attached exhibits are incorporated herein.
5. **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 other action under the Texas Public Information Act on behalf of the other Party. Responses to requests for confidential information shall be handled in accordance with the provisions of the Texas Public Information Act. The provisions of this paragraph survive the termination or expiration of this Agreement.
6. **Fiscal Records.** The Parties 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 three (3) years from the later of: (a) termination of this Agreement, (b) submission of the final invoices, or (c) until resolution of all billing questions.
7. **Applicable Law.** This Agreement will be governed by and construed in accordance with the laws and constitution of the State of Texas.
8. **Venue.** Venue for any action arising under this Agreement will be in Travis County, Texas.
9. **Successors and Assigns.** This Agreement may not be assigned, in whole or in part, by either Party without the 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 and assigns (if any).
10. **Independent Contractor.** This Agreement will not be construed as creating an employer-employee relationship, a partnership, or a joint venture between the Parties.
11. **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. Travis County will submit written notice of any claim of breach of contract under this Agreement to the CapMetro Board of Directors, who will examine Travis County’s claim and any counterclaim and negotiate with Travis County in an effort to resolve the claim. In the event this negotiation is unsuccessful, then the parties will take the dispute to mediation.

- 12. INDEMNIFICATION. THE PARTIES AGREE THAT EACH GOVERNMENTAL ENTITY IS RESPONSIBLE FOR ITS OWN PROPORTIONATE SHARE OF ANY LIABILITY FOR THE NEGLIGENT ACTS OR OMISSIONS OF ITS EMPLOYEES, AGENTS, CONTRACTORS, OR SUBCONTRACTORS ARISING OUT OF, CONNECTED WITH, OR AS A CONSEQUENCE OF ITS PERFORMANCE UNDER THIS AGREEMENT. NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES (INCLUDING BUT NOT LIMITED TO LOSS OF BUSINESS, REVENUE, PROFITS, OR OTHER ECONOMIC ADVANTAGE), HOWEVER IT ARISES, WHETHER IN AN ACTION OF CONTRACT, NEGLIGENCE, TORT, OR OTHER ACTION, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, EVEN IF ADVISED OF THE POSSIBILITY THEREOF.**
- 13. Force Majeure.** Except as otherwise provided, neither Party is liable to the other for any delay in, or failure of performance, of 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, war, strike, 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.
- 14. 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 of 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 other provisions of this Agreement, which will remain of full force and effect.
- 15. Headings.** The headings contained in this Agreement are for reference purposes only and do not in any way affect the meaning or interpretation of this Agreement.
- 16. Notices.** Any notice required or permitted to be delivered under this Agreement will be deemed delivered when deposited in the United States mail, postage prepaid, certified mail, return receipt requested, addressed to Travis County or CapMetro, at the addresses set forth below. Notice given in any other manner will be deemed effective only if and when received by the Party to be notified. Either Party may change its address for notice by written notice to the other Party.

14.1 Designation of Key Personnel for Notice

Travis County: Adele Noel
 Travis County
 Transportation and Natural Resources Department
 P.O. Box 1748
 Austin, Texas 78767

Delia Garza (or her successor)
 Travis County Attorney
 P.O. Box 1748
 Austin, Texas 78767

AND TO: Bonnie S. Floyd, MBA, CPPO, CPPB (or her successor)

Travis County Purchasing Agent
P.O. Box 1748
Austin, Texas 78767

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

17. **Government Entities.** 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.

18. **Certifications.** The Undersigned Parties do hereby certify that: (a) the services specified above are necessary and essential and are properly within the statutory functions and programs of the affected governmental entities; (b) the proposed arrangements serve the interest of efficient and economical administration of CapMetro and Travis County; (c) the services contracted for are not required by Section 21 of Article 16 of the Constitution of Texas to be supplied under Agreement given to the lowest responsible bidder nor is this Agreement prohibited by Texas Government Code, Section 771.003(b); and (d) this Agreement neither requires nor permits either Party to exceed its duties and responsibilities or the limitations of its appropriated funds.

Remainder of Page Intentionally Left Blank; Signature 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**

Travis County, Texas

By: _____

By: _____

Catherine Walker
Executive Vice President, Chief
Financial and Risk Officer

Andy Brown

Travis County Judge

Date: _____

Date: _____

Approved as to form:

Approved as to form:

By: _____

By: _____

Legal

Travis County Attorney

Board of Directors

Item #: AI-2022-525

Agenda Date: 8/29/2022

SUBJECT:

Approval of a resolution authorizing the Interim President & CEO, or their designee, to approve and execute a contract modification with Bright Horizons Family Solutions in the amount of \$448,373 for the period of September 1, 2022 to August 31, 2023.

FISCAL IMPACT:

Funding for this action is available in the FY2023 Operating Budget

STRATEGIC PLAN:

Strategic Goal Alignment:

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

Strategic Objectives:

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

EXPLANATION OF STRATEGIC ALIGNMENT: The Child Care and Learning Center (Center) was opened in 2006 to attract and retain employees with childcare needs so that the employee would be able to work closely to their young children and have assurance that they are receiving high quality early childhood education. This gives employees the peace of mind that their child’s developmental needs are being met and they can easily visit them during the day. This contributes to employee higher morale and job focus.

BUSINESS CASE: On July 25, 2016, the CapMetro Board of Directors authorized CapMetro to enter into a contract with Bright Horizons for a period of one base year and six 1-year option period for the amount of \$6,443,323. A contract was subsequently awarded to Bright Horizons on August 16, 2016. This contract modification will exercise the final year of the contract, Option 6, Contract Year 7, for the period September 1,

2022 - August 31, 2023. Additional funds are needed in the amount of \$448,373 which includes a contingency of \$150,000. We are requesting additional funds for this contract as a result of increased staffing cost and associated payroll costs. We also incurred additional costs as a result of COVID-19 and service recognition payments for our frontline staff. The funding for this project is included in the approved FY 2023 Operating Budget and 65% or more of the cost is reimbursed by the parents through enrollment fees and tuition.

COMMITTEE RECOMMENDATION: This item was presented and recommended for approval by the Finance, Audit and Administration Committee on August 15, 2022.

EXECUTIVE SUMMARY: Over the course of the contract, the agency opened the facility to the community in order to maintain a full center and to provide childcare services in the area that was currently unavailable. The Center is currently at or near capacity with approximately 52 full-time equivalents. The Center serves children and grandchildren of Capital Metro and service provider employees and community children whose parents work or live close to the Capital Metro Pleasant Valley offices. Maintaining the Center allows Capital Metro to provide an important benefit to our employees and to fill a childcare void in the community.

DBE/SBE PARTICIPATION: Any DBE participation will be captured as race neutral.

PROCUREMENT: On July 25, 2016, the CapMetro Board of Directors authorized CapMetro to enter into a contract with Bright Horizons for a period of one base year and six 1-year option periods. A contract was subsequently awarded to Bright Horizons on August 16, 2016. This contract modification will exercise the final year of the contract, Option 6, Contract Year 7, for the period September 1, 2022 - August 31, 2023.

RESPONSIBLE DEPARTMENT: People & Culture

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

**STATE OF TEXAS
COUNTY OF TRAVIS**

AI-2022-525

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and Capital Metro management recognize the need to provide a benefit that gives access to affordable child care and learning experiences for employees' children and the community; and

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and Capital Metro management recognize the need to outsource the management of the Center to a third party.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the Interim President & CEO, or their designee, is authorized to finalize and execute a contract modification with Bright Horizons Family Solutions for the management of the Child Care and Learning Center's operations for \$448,373 for final Option Year of the contract.

Date: _____

**Secretary of the Board
Leslie Pool**



CapMetro



CapMetro / Bright Horizons Child Care & Early Learning Center

Board Finance Audit & Administration
Committee

August 15, 2022

Background Information

- Bright Horizons began providing services to CapMetro in 2006
- Average Annual Utilization: 85%-90% full
 - CapMetro Team Members: 20%
 - Community: Remaining 80%
- Accepts Child Care Services (CCS) program to provide eligible families with childcare scholarships to help cover childcare costs
- Ages infant to pre-school

Child Care & Early Learning Center Accreditations

- Bright Horizon is accredited by the National Accreditation Commission (NAC)
 - National Accreditation Commission (NAC) has developed standards to define and recognize quality childcare programs.
 - Trained faculty,
 - Staff-child ratios and group sizes
 - Comprehensive curriculum
 - Stringent health and safety standards.
- Second Accreditation - National Association for Education of Young Children (NAEYC)

Board of Directors

Item #: AI-2021-220

Agenda Date: 8/29/2022

SUBJECT:

Approval of a resolution authorizing updates to the Debt Management Policy.

FISCAL IMPACT:

This action has no fiscal impact.

STRATEGIC PLAN:

Strategic Goal Alignment:

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

Strategic Objectives:

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

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

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

COMMITTEE RECOMMENDATION: This item was presented and recommended for approval by the Finance, Audit and Administration Committee on August 15, 2022.

EXECUTIVE SUMMARY: The Debt Management Policy sets out the rules and restrictions of the issuance and use of all forms of debt financing by CapMetro. This policy serves as a management tool to enable CapMetro to a) identify transactions that utilize debt in the most efficient manner, and b) provide for full and timely

repayment of all debt. This policy also establishes guidelines consistent with the general policy on debt management for the appropriate amount and type of debt as a means of achieving the lowest possible cost of capital within prudent risk parameters, ensure access to the capital markets and provide and accountability for debt management that is prudent and transparent. Staff has reviewed this policy in consultation with CapMetro's outside investor, PFM Asset Management LLC. Staff is recommending formatting changes and minor updates to the Policy to align with current debt management practices. The proposed revisions are attached in both redlined and clean versions.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: N/A

RESPONSIBLE DEPARTMENT: Legal and Finance Departments

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

**STATE OF TEXAS
COUNTY OF TRAVIS**

AI-2021-220

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


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

WHEREAS, the Debt Management Policy, Resolution No. CMTA-2012-52, has been identified for review in August 2022.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the attached proposed revisions to the Debt Management Policy are hereby adopted.

Date: _____

**Secretary of the Board
Leslie Pool**

	<p style="text-align: center;">Debt Management Policy FIN-220-17</p> <p style="text-align: center;">Finance Board of Directors</p>	<p>Issued/Effective: June 25, 2012 Revised: <u>August 29, 2022</u></p> <p>Approved by: Board of Directors</p>
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Debt Management Policy

1. Purpose and Scope

The purpose of this Debt Management Policy (“Policy”) is twofold. First, this Policy will serve as a management tool to enable ~~the~~ Capital Metropolitan Transportation Authority (“~~Capital~~-Metro” or the “Authority”) to (a) identify transactions that utilize debt in the most efficient manner; and (b) provide for full and timely repayment of all debt. Second, this Policy establishes guidelines consistent with the general policy on debt management for the appropriate amount and type of debt as a means of ~~(a)~~ (i) achieving the lowest possible cost of capital within prudent risk parameters; ~~(b)~~ (ii) ensuring access to the capital markets; and ~~(c)~~ (iii) providing an accountability process for debt management that is prudent and transparent.

This Policy applies to all debt issued or incurred by ~~Capita~~-Metro. A current debt policy is an important tool to ensure the use of ~~Capita~~-Metro’s resources to meet its commitments under the Strategic Plan and to maintain sound financial management practices. In addition to periodic updating, ~~Capita~~-Metro recognizes that changes in the capital markets and other unforeseen circumstances may warrant modifications to this Policy to maintain consistency with the current policies of the CapMetro Board of Directors (the “Board”) and the financial needs of ~~Capita~~-Metro.

~~Capita~~-Metro will comply fully with federal and state laws governing the issuance and use of debt.

2. Authority

Bond Financing: Chapter 451, subchapter H of the Texas Transportation Code authorizes the issuance of bonds by ~~Capita~~-Metro when certain conditions are met. It also imposes certain limitations on the use of debt financing by ~~Capita~~-Metro.

In general, ~~Capita~~-Metro may issue bonds at any time and for any amounts it considers necessary or appropriate for the acquisition, construction, repair, equipping, improvement, or extension of its transit authority system with the following conditions:

1. The ~~B~~board, by resolution, may authorize the issuance of bonds payable solely from revenue.
2. Bonds, any portion of which is payable from taxes, may not be issued until authorized by a majority of the votes received in an election ordered and held for that purpose.

3. ~~Capital~~-Metro's bonds may be sold at a public or private sale as determined by the Board to be the more advantageous.
4. The Board, by resolution, may issue short-term bonds secured from revenue or taxes received if the debt has a term not exceeding 12 months, and the bond is payable with taxes or other revenue received on or after the date of issuance and before the end of the fiscal year following the fiscal year during which the bonds were issued.

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DEBT MANAGEMENT POLICY—HB#762927

5. ~~Capital~~-Metro may not issue short-term debt (less than 12 months in duration) or bonds secured by the revenue of the ~~a~~Authority to finance the purchase, acquisition, construction, operation, or maintenance of a fixed rail transit system without a voter referendum.

Pension Obligation Bonds: Section 451.139 of the Transportation Code gives ~~Capital~~-Metro the authority to issue bonds in the amounts necessary for managing or funding retiree pension benefit obligations for pension plans existing as of January 1, 2011, and that result from the competitive bidding of transit services required by Section 451.137. The use of this bonding authority is strictly limited, and it is the Board's policy to use the authority only in a manner that is consistent with the original intent of the law and only at such a time as it can be justified in terms of the long-term financial sustainability of ~~Capital~~-Metro.

Contractual Obligations: Chapter 271, subchapter A of the Local Government Code authorizes ~~Capital~~-Metro to execute, perform, and make payments under a contract with any person for the use or the purchase or other acquisition of personal property, or the financing thereof. This provision specifically applies to the purchase or lease of personal property or for financing the acquisition of personal property, such as vehicles. Projects involving purchases of real property or improvements to real property cannot be financed using contractual obligations under state law.

The contract must (1) be on the terms considered appropriate by the Board, (2) be in the form of a lease, a lease with an option or options to purchase, an installment purchase, or any other form considered appropriate by the Board, including that of an instrument which would be required to be approved by the attorney general, provided that contracts in such form must be approved by the attorney general, (3) be for a term approved by the Board and contain an option or options to renew or extend the term and (4) be made payable from a pledge of all or any part of any revenues, funds, or taxes available to ~~Capital~~-Metro for its public purposes.

Subject only to applicable constitutional restrictions, the Board may obligate taxes or revenues for the full term of a contract for the payment of the contract.

The contract may be for any term not to exceed 25 years.

Lease Financing: Lease obligations may also be considered as appropriate for financing capital. Lease financing should be considered when determined to be more beneficial, either economically or from a policy perspective. Factors to be considered and evaluated include: the useful life of the capital, the terms and conditions of the lease, market convention, and the impact on debt capacity and budget flexibility.

3. Purposes and Uses of Debt

It is the policy of the Cap~~ital~~-Metro to minimize the amount of debt it uses consistent with sound financial practices and to manage its debt obligations in a way that minimizes its net debt service payments consistent with credit objectives, all disclosure and regulatory requirements, and the highest standard of fiduciary management of public funds.

In general, Cap~~ital~~-Metro's goal is ~~to use a pay-as-you-go funding mechanism for~~ capital projects and other long-term financial needs of the Authority. Cap~~ital~~-Metro will rely on internally generated funds and/or grants and contributions from other governments in addition to debt to finance its capital needs. Cap~~ital~~-Metro will consider all other financing alternatives or funding

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DEBT MANAGEMENT POLICY – HB#762927

sources for capital projects, including non-debt financing, before using debt financing. Debt financing will be used only when, in the judgment of the President & CEO and Board ~~of Directors~~, it is necessary to meet the strategic objectives of Cap~~ital~~-Metro, is cost effective and prudent.

Cap~~ital~~-Metro will consider long-term financing for the acquisition, maintenance, replacement, or expansion of physical assets (including land) with a useful life of at least five years. Debt ~~will may~~ be issued to finance capital projects and equipment, ~~except in case of extreme financial emergency~~. No debt will be issued or incurred for periods exceeding the estimated useful life of the project or projects to be financed. Pursuant to Section 451.352, Transportation Code, Cap~~ital~~-Metro may issue bonds without voter approval for such financing if the bonds are secured by revenues only. Other debt issuance for the acquisition of real property requires voter approval. The Board ~~of Directors~~ will make the determination of the approach to be used in individual cases.

Pursuant to Section 451.362, Transportation Code, Cap~~ital~~-Metro is authorized to issue bonds with a term of 12 months or less. These bonds may be issued to fund working capital needs. To issue short-term debt on a tax-exempt basis, special rules apply. The short-term debt must be issued to cover an anticipated cash flow shortfall/deficit and Cap~~ital~~-Metro must provide evidence that it will experience a deficit.

Debt will be structured for a period consistent with (1) a fair allocation of costs to current and future beneficiaries or users, (2) projected repayment sources, (3) current and projected interest rate environment, and (4) the estimated life of assets being financed.

4. Decision Analysis

Whenever Cap~~ital~~-Metro is considering a possible use of debt financing, information will be developed to provide the President & CEO and the Board with a clear understanding of the implications of the debt and its impact on the financial sustainability of Cap~~ital~~-Metro. The following information will be provided by the Finance Department for review and recommendation by the President & CEO and consideration by the Board ~~of Directors~~:

1. Debt Analysis

- a. Debt capacity analysis
- b. Purpose for which the debt is issued
- c. Debt structure
- d. The appropriateness of the proposed debt strategy (e.g., use of bonded debt versus contractual obligation or lease financing)
- e. Debt burden
- f. Adequacy of debt and capital planning
- g. Age and obsolescence of capital assets affected

2. Financial Analysis

- a. Stability and current trends in tax and other revenue sources
- b. Current budget trends
- c. Impact on the Strategic Plan and Long-Range Financial Plan
- d. Reserve balance status
- e. Financial monitoring and reporting capabilities
- f. Cash flow projections

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DEBT MANAGEMENT POLICY – HB#762927

- 3. Economic and Administrative Analysis—Should ~~Capital~~ Metro contemplate a bond issue, other information may be required for use by the voters and by the bond rating agencies in assessing ~~Capital~~ Metro’s creditworthiness. This information might include, but not be limited to, the administrative structure of ~~Capital~~ Metro, overall planning efforts, geographic data, population and demographic data, trends in the local economy and other general indicators of the service area.

~~Capital~~ Metro may use the services of qualified internal staff and outside advisors to assist in the analysis, ~~evaluation~~evaluation, and decision processes, including bond counsel and financial advisors. This ~~p~~Policy is intended to ~~insure~~ensure that potential debt complies with all laws and regulations, as well as sound financial principles and the Board and general public are fully informed of the implications of any assumption of debt by ~~Capital~~ Metro.

5. Credit Standards

In all cases in which debt is used by ~~Capital~~ Metro, the goal is to maintain the highest possible credit ratings for all categories of short- and long-term debt that can be achieved without compromising delivery of basic ~~Capital~~ Metro services and achievement of ~~Capital~~ Metro’s adopted policy objectives and strategic goals.

~~Capital~~ Metro recognizes that external economic, natural, or other events may, from time to time, affect the ~~credit-worthiness~~creditworthiness of its debt. Nevertheless, the Board is committed to ensuring that actions within their control are prudent and consistent with the highest standards of public financial management, and supportive of the credit-worthiness objectives defined herein.

6. Tax Status

Cap~~ital~~ Metro may issue or incur debt on a taxable or tax-exempt basis, depending on the approach that makes the most sense for Cap~~ital~~ Metro in a given circumstance. Cap~~ital~~ Metro has a preference for issuing debt on a tax-exempt basis to take advantage of the interest cost savings compared to issuing taxable debt.

7. Financial Disclosure

Cap~~ital~~ Metro is committed to full and complete financial disclosure, and to cooperating fully with rating agencies, institutional and individual investors, other governmental ~~entities~~entities, and the general public to share clear, comprehensible, and accurate financial information.

Cap~~ital~~ Metro also is committed to providing ~~secondary~~secondary ~~supplementary~~supplementary disclosure on a timely and comprehensive basis. Official statements accompanying debt issues, Annual Financial Reports, and continuing disclosure statements will meet (at a minimum) the standards articulated by the Municipal Securities Rulemaking Board (MSRB), the Government Accounting Standards Board (GASB), ~~the National Federation of Municipal Analysts~~, the Securities and Exchange Commission (SEC), and Generally Accepted Accounting Principles (GAAP).

8. Capital Planning

To enhance creditworthiness and prudent financial management, Cap~~ital~~ Metro is committed to systematic capital planning, intergovernmental cooperation and coordination, and long-term financial planning. Evidence of this commitment to systematic capital and financial planning will

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DEBT MANAGEMENT POLICY—HB#762927

be demonstrated through the annual preparation of a five-year capital program plan and a long-range financial plan.

9. Debt Limits

The primary goal of the Board ~~of Directors~~ is to minimize the use of debt and to use debt financing prudently when it is utilized. Cap~~ital~~ Metro will keep outstanding debt within the limits prescribed by State law and at levels consistent with its creditworthiness objectives. Cap~~ital~~ Metro will maintain debt service coverage ratios consistent with the best practices for local government debt issuance. At a minimum, the debt service coverage ratio for financial planning purposes will be set at an average coverage ratio of 2.0x ~~net operating and non-operating~~ revenue over annual debt service costs. The debt-to-net-revenue coverage ratio will be calculated annually and included in Cap~~ital~~ Metro's Comprehensive Annual Financial Report and presented to the Board annually.

In all cases, debt will be structured to achieve the lowest possible net cost to Cap~~ital~~ Metro given market conditions, the timing of the ~~capital~~ project, the nature and type of security provided, and the repayment of its overall debt to reflect the projected sources of debt service payments.

10. Credit Enhancements

Credit enhancement (letters of credit, bond insurance, etc.) may be used when net present value of debt service on the related bonds or other obligations is reduced by more than the costs of the enhancement or when it is required to gain access to the market (i.e., variable rate obligations).

11. Costs and Fees

All costs and fees related to issuance of bonds will be paid out of bond proceeds.

12. Refunding

Periodic reviews of all outstanding debt will be undertaken to determine refunding opportunities. Refunding will be considered (within federal tax law constraints) if and when there is a net ~~economic benefit~~economic benefit of at least 3 percent present value savings, given the overall financial objectives of Capital Metro, or the refunding is essential in order to modernize covenants essential to operations and management.

13. Approval of Debt

All final decisions regarding the issuance of long-term debt in whatever form will be approved by the President ~~&/~~CEO and submitted to the Board ~~of Directors~~ for approval.

References

Reserve Policy

~~See Policy FIN-220-11~~

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~~B~~Budget and Financial Planning Policy

~~See Policy FIN-220-13~~

Investment Policy

~~See Policy FIN-220-14~~

Capital Improvement ~~Program Plan~~ Policy

~~See Policy FIN-220-15~~

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1. PURPOSE and SCOPE

The purpose of this Debt Management Policy (“Policy”) is twofold. First, this Policy will serve as a management tool to enable Capital Metropolitan Transportation Authority (“CapMetro” or the “Authority”) to (a) identify transactions that utilize debt in the most efficient manner; and (b) provide for full and timely repayment of all debt. Second, this Policy establishes guidelines consistent with the general policy on debt management for the appropriate amount and type of debt as a means of: (i) achieving the lowest possible cost of capital within prudent risk parameters; (ii) ensuring access to the capital markets; and (iii) providing an accountability process for debt management that is prudent and transparent.

This Policy applies to all debt issued or incurred by CapMetro. A current debt policy is an important tool to ensure the use of CapMetro’s resources to meet its commitments under the Strategic Plan and to maintain sound financial management practices. In addition to periodic updating, CapMetro recognizes that changes in the capital markets and other unforeseen circumstances may warrant modifications to this Policy to maintain consistency with the current policies of the CapMetro Board of Directors (the “Board”) and the financial needs of CapMetro.

CapMetro will comply fully with federal and state laws governing the issuance and use of debt.

2. AUTHORITY

Bond Financing: Chapter 451, subchapter H of the Texas Transportation Code authorizes the issuance of bonds by CapMetro when certain conditions are met. It also imposes certain limitations on the use of debt financing by CapMetro.

In general, CapMetro may issue bonds at any time and for any amounts it considers necessary or appropriate for the acquisition, construction, repair, equipping, improvement, or extension of its transit authority system with the following conditions:

- i. The Board, by resolution, may authorize the issuance of bonds payable solely from revenue.
- ii. Bonds, any portion of which is payable from taxes, may not be issued until authorized by a majority of the votes received in an election ordered and held for that purpose.
- iii. CapMetro’s bonds may be sold at a public or private sale as determined by the Board to be the more advantageous.
- iv. The Board, by resolution, may issue short-term bonds secured from revenue or taxes received if the debt has a term not exceeding 12 months, and the bond is payable with taxes or other revenue received on or after the date of issuance and before the end of the fiscal year following the fiscal year during which the bonds were issued.

- v. CapMetro may not issue short-term debt (less than 12 months in duration), or bonds secured by the revenue of the Authority to finance the purchase, acquisition, construction, operation, or maintenance of a fixed rail transit system without a voter referendum.

Pension Obligation Bonds: Section 451.139 of the Transportation Code gives CapMetro the authority to issue bonds in the amounts necessary for managing or funding retiree pension benefit obligations for pension plans existing as of January 1, 2011, and that result from the competitive bidding of transit services required by Section 451.137. The use of this bonding authority is strictly limited, and it is the Board’s policy to use the authority only in a manner that is consistent with the original intent of the law and only at such a time as it can be justified in terms of the long-term financial sustainability of CapMetro.

Contractual Obligations: Chapter 271, subchapter A of the Local Government Code authorizes CapMetro to execute, perform, and make payments under a contract with any person for the use or the purchase or other acquisition of personal property, or the financing thereof. This provision specifically applies to the purchase or lease of personal property or for financing the acquisition of personal property, such as vehicles. Projects involving purchases of real property or improvements to real property cannot be financed using contractual obligations under state law.

The contract must (1) be on the terms considered appropriate by the Board, (2) be in the form of a lease, a lease with an option or options to purchase, an installment purchase, or any other form considered appropriate by the Board, including that of an instrument which would be required to be approved by the attorney general, provided that contracts in such form must be approved by the attorney general, (3) be for a term approved by the Board and contain an option or options to renew or extend the term and (4) be made payable from a pledge of all or any part of any revenues, funds, or taxes available to CapMetro for its public purposes.

Subject only to applicable constitutional restrictions, the Board may obligate taxes or revenues for the full term of a contract for the payment of the contract.

The contract may be for any term not to exceed 25 years.

Lease Financing: Lease obligations may also be considered as appropriate for financing capital. Lease financing should be considered when determined to be more beneficial, either economically or from a policy perspective. Factors to be considered and evaluated include: the useful life of the capital, the terms and conditions of the lease, market convention, and the impact on debt capacity and budget flexibility.

3. PURPOSES AND USES OF DEBT

It is the policy of CapMetro to minimize the amount of debt it uses consistent with sound financial practices and to manage its debt obligations in a way that minimizes its net debt service payments

consistent with credit objectives, all disclosure and regulatory requirements, and the highest standard of fiduciary management of public funds.

In general, CapMetro’s goal is to use a pay-as-you-go funding mechanism for capital projects and other long-term financial needs of the Authority. CapMetro will rely on internally generated funds and/or grants and contributions from other governments in addition to debt to finance its capital needs. CapMetro will consider all other financing alternatives or funding sources for capital projects, including non-debt financing, before using debt financing. Debt financing will be used only when, in the judgment of the President & CEO and the Board, it is necessary to meet the strategic objectives of CapMetro, is cost effective and prudent.

CapMetro will consider long-term financing for the acquisition, maintenance, replacement, or expansion of physical assets (including land) with a useful life of at least five years. Debt may be issued to finance capital projects and equipment. No debt will be issued or incurred for periods exceeding the estimated useful life of the project or projects to be financed. Pursuant to Section 451.352, Transportation Code, Capital Metro may issue bonds without voter approval for such financing if the bonds are secured by revenues only. Other debt issuance for the acquisition of real property requires voter approval. The Board will make the determination of the approach to be used in individual cases.

Pursuant to Section 451.362, Transportation Code, CapMetro is authorized to issue bonds with a term of 12 months or less. These bonds may be issued to fund working capital needs. To issue short-term debt on a tax-exempt basis, special rules apply. The short-term debt must be issued to cover an anticipated cash flow shortfall/deficit and CapMetro must provide evidence that it will experience a deficit.

Debt will be structured for a period consistent with (1) a fair allocation of costs to current and future beneficiaries or users, (2) projected repayment sources, (3) current and projected interest rate environment, and (4) the estimated life of assets being financed.

4. DECISION ANALYSIS

Whenever CapMetro is considering a possible use of debt financing, information will be developed to provide the President & CEO and the Board with a clear understanding of the implications of the debt and its impact on the financial sustainability of CapMetro. The following information will be provided by the Finance Department for review and recommendation by the President & CEO and consideration by the Board:

- (i) Debt Analysis
 - a. Debt capacity analysis
 - b. Purpose for which the debt is issued
 - c. Debt structure
 - d. The appropriateness of the proposed debt strategy (e.g., use of bonded debt versus contractual obligation or lease financing)
 - e. Debt burden
 - f. Adequacy of debt and capital planning

- g. Age and obsolescence of capital assets affected

- (ii) Financial Analysis
 - a. Stability and current trends in tax and other revenue sources
 - b. Current budget trends
 - c. Impact on the Strategic Plan and Long-Range Financial Plan
 - d. Reserve balance status
 - e. Financial monitoring and reporting capabilities
 - f. Cash flow projections

- (iii) Economic and Administrative Analysis—Should CapMetro contemplate a bond issue, other information may be required for use by the voters and by the bond rating agencies in assessing CapMetro’s creditworthiness. This information might include, but not be limited to, the administrative structure of CapMetro, overall planning efforts, geographic data, population and demographic data, trends in the local economy and other general indicators of the service area.

CapMetro may use the services of qualified internal staff and outside advisors to assist in the analysis, evaluation, and decision processes, including bond counsel and financial advisors. This Policy is intended to ensure that potential debt complies with all laws and regulations, as well as sound financial principles and the Board and general public are fully informed of the implications of any assumption of debt by CapMetro.

5. CREDIT STANDARDS

In all cases in which debt is used by CapMetro, the goal is to maintain the highest possible credit ratings for all categories of short- and long-term debt that can be achieved without compromising delivery of basic CapMetro services and achievement of CapMetro’s adopted policy objectives and strategic goals.

CapMetro recognizes that external economic, natural, or other events may, from time to time, affect the creditworthiness of its debt. Nevertheless, the Board is committed to ensuring that actions within their control are prudent and consistent with the highest standards of public financial management, and supportive of the credit-worthiness objectives defined herein.

6. TAX STATUS

CapMetro may issue or incur debt on a taxable or tax-exempt basis, depending on the approach that makes the most sense for CapMetro in a given circumstance. CapMetro has a preference for issuing debt on a tax-exempt basis to take advantage of the interest cost savings compared to issuing taxable debt.

7. FINANCIAL DISCLOSURE

CapMetro is committed to full and complete financial disclosure, and to cooperating fully with rating agencies, institutional and individual investors, other governmental entities, and the general public to share clear, comprehensible, and accurate financial information.

CapMetro also is committed to providing supplementary disclosure on a timely and comprehensive basis. Official statements accompanying debt issues, Annual Financial Reports, and continuing disclosure statements will meet (at a minimum) the standards articulated by the Municipal Securities Rulemaking Board (MSRB), the Government Accounting Standards Board (GASB), the Securities and Exchange Commission (SEC), and Generally Accepted Accounting Principles (GAAP).

8. CAPITAL PLANNING

To enhance creditworthiness and prudent financial management, CapMetro is committed to systematic capital planning, intergovernmental cooperation and coordination, and long-term financial planning. Evidence of this commitment to systematic capital and financial planning will be demonstrated through the annual preparation of a five-year capital program plan and a long-range financial plan.

9. DEBT LIMITS

The primary goal of the Board is to minimize the use of debt and to use debt financing prudently when it is utilized. CapMetro will keep outstanding debt within the limits prescribed by State law and at levels consistent with its creditworthiness objectives. CapMetro will maintain debt service coverage ratios consistent with the best practices for local government debt issuance. At a minimum, the debt service coverage ratio for financial planning purposes will be set at an average coverage ratio of 2.0x operating and non-operating revenue over annual debt service costs. The debt-to-net-revenue coverage ratio will be calculated annually and included in CapMetro's Comprehensive Annual Financial Report and presented to the Board annually.

In all cases, debt will be structured to achieve the lowest possible net cost to CapMetro given market conditions, the timing of the capital project, the nature and type of security provided, and the repayment of its overall debt to reflect the projected sources of debt service payments.

10. CREDIT ENHANCEMENTS

Credit enhancement (letters of credit, bond insurance, etc.) may be used when net present value of debt service on the related bonds or other obligations is reduced by more than the costs of the enhancement or when it is required to gain access to the market (i.e., variable rate obligations).

11. COSTS and FEES

All costs and fees related to issuance of bonds will be paid out of bond proceeds.

12. REFUNDING

Periodic reviews of all outstanding debt will be undertaken to determine refunding opportunities. Refunding will be considered (within federal tax law constraints) if and when there is a net economic benefit of at least 3 percent present value savings, given the overall financial objectives of CapMetro, or the refunding is essential in order to modernize covenants essential to operations and management.

13. APPROVAL OF DEBT

All final decisions regarding the issuance of long-term debt in whatever form will be approved by the President & CEO and submitted to the Board for approval.

14. REFERENCES

- Reserve Policy
- Budget and Financial Planning Policy
- Investment Policy
- Capital Improvement Plan Policy

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Board of Directors

Item #: AI-2022-509

Agenda Date: 8/29/2022

SUBJECT:

Approval of a resolution authorizing the Interim President & CEO, or their designee, to finalize and execute a contract modification with MTM, Inc. (formerly Ride Right, LLC) for operation of the North Demand Response Operation. This resolution is an increase to the total contract amount by \$54,984,671 for a total not to exceed amount of \$133,658,177.

FISCAL IMPACT:

Funding for this action is available in the FY2023 Operating Budget and planned for future operating budgets.

STRATEGIC PLAN:

Strategic Goal Alignment:

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

Strategic Objectives:

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

EXPLANATION OF STRATEGIC ALIGNMENT: The strategy of this modification is to 1) align the North Base and South Base Demand Response contract time periods to allow for a new combined contract to begin FY 2025, 2) to address the current vehicle operator retention and recruitment crisis to ensure ADA paratransit service coverage that is required by ADA law, and 3) to position for the planned June 2023 Pickup service change.

BUSINESS CASE: Adjustment to the current North Base contract is necessary to address the operator retention and recruitment crisis by providing local market wage and benefits for the goal of 1) ensuring ADA compliance, and 2) positioning for the planned June 2023 service change that includes two potential fixed-route replacements with Pickup service. The 2-year option period aligns North Base and South Base contract terms to allow for a combined FY 2025 contract to leverage resources.

COMMITTEE RECOMMENDATION: This item was presented and recommended for approval by the Operations,

Planning and Safety Committee on August 15, 2022.

EXECUTIVE SUMMARY:

Background

MTM, Inc. (MTM) was awarded Contract #132939 to provide North Base Demand Response services via a competitive procurement process with Board resolution CMTA-2014-5. The North Base contractor provides vehicle operators, window dispatch, maintenance, administrative staff, and management with contractor-owned vehicles, facility, fuel storage, and other capital investments. Service began May 1, 2014 with 47 minivans, and has grown to a 121 vehicle fleet operation (75 minivans and 46 Pickup cutaway light vehicles). The base contract is due to expire September 30, 2022.

Major Aims

The major goals of this modification are to 1) align the North Base and South Base Demand Response contract terms so that they expire at the same time, allowing for a competitive procurement process that will replace both contracts with a new single contract that combines both North and South Bases (estimated to begin FY 2025); and 2) to provide competitive local market wages and benefits that will help to retain and recruit operator/staff resources.

MTM is experiencing a vehicle operator retention and recruitment crisis with a shortfall of 75 operators (65 full-time and 10 part-time) across North and South Base combined. In the most recent months (March to July 2022), they have lost 18% of operator staff while weekday ridership has increased 31% as compared to the same period in 2021.

The ADA law and FTA regulations require public transit agencies ensure minimum service requirements to include no denial of trip requests for ADA paratransit eligible customers, and to operate without capacity constraint (e.g. untimely pickups, missed trips).

The proposed modification pricing is based on MTM and ATU wage and benefit negotiations (pending). Proposed pricing for this modification aims to 1) align North Base and South Base wages and benefits, 2) recruit/ retain staff to meet ADA customer service demand and ADA law requirements, and 3) to position for expanded pickup service to meet growing demand-requiring additional operators to meet service hours, and to meet service requirements for later evenings and weekends.

Modification Detail

The modification includes the following:

- One 2-year option beyond the base contract (covering FY 2023 and FY 2024)
- Readiness for FY 2023 budgeted service levels and pickup span of service
- Alignment of ATU wage rates from start of \$16.26 to local market wages
- Alignment of ATU Health and Welfare Benefits to CapMetro level
- Alignment of Paid Time Off, Retirement and Other Benefits to South Base
- Addition of 40-hour new hire training to better ensure quality and retention
- Addition of 2 Road Supervisors, 2 Trainers and 2 Dispatch to support pickup

- Addition of HR Coordinator and Payroll Specialist to meet staff needs
- 3% annual supply/parts/ service cost increase
- Uniforms to be provided by CapMetro
- Enhanced recruitment resources to fill significant operator deficit
- Salary increase to retain management staff during option years
- Lease and secure parking/facility space for current/expanded fleet
- Applied overhead and profit percent of fixed and variable
- MetroAccess minivan replacement and anticipated price increase

PROCUREMENT: On 8/7/2013 a Request for Proposals (RFP) was issued and formally advertised. MTM (formerly Ride Right, LLC) was rated highest, all factors considered.

The contract has grown in size from a 47-vehicle operation to a 121 vehicle operation. Significant modifications to the contract include:

- 2018 - \$34.8 million coverage of MetroAccess Overflow and lease of new facility (approved by the Board of Directors)
- 2019 - \$4.6 million living wage adjustment to \$15.00
- 2021 - \$7.1 million provision of expanded pickup services

Board of Directors approval is requested to fund a one (2) year renewal option of \$54,984,671. The \$55 million 2-year option period is an approximate \$20.5 million increase over FY22 current contract pricing. Major components of the pricing change from FY22 current pricing include*:

- ATU Wage Progression \$6.9 million
- ATU Health & Welfare \$6.1
- ATU PTO, Retirement, Other Benefits \$3.6
- Overhead \$1.9
- Hours Change \$0.8
- Other labor/ non-labor \$0.7
- Expanded Facility Parking Lease \$0.4

**Excludes one-time parking expansion expense and vehicle lease*

Request for Approval Contract Amount

Previous Total Contract Amount	\$ 78,673,506
Revised Option Periods (2 yrs.)	\$ 54,984,671
New Grand Total	\$133,658,177

DBE/SBE PARTICIPATION: Due to the nature of this solicitation no DBE goal was established, however the contractor has committed to using the following DBE vendor:

DBE	SERVICE/PRODUCT	%
BMR Janitorial & Pressure Washing	Cleaning Services	1.75%

RESPONSIBLE DEPARTMENT: Demand Response and Innovative Mobility

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

**STATE OF TEXAS
COUNTY OF TRAVIS**

AI-2022-509

WHEREAS, the Capital Metropolitan Transportation Authority Board Directors and Capital Metro management endeavor to provide the highest quality Demand Response operation to the community; and

WHEREAS, the Capital Metropolitan Transportation Authority Board Directors and Capital Metro management recognize the need to provide local market wage and competitive benefits to ensure vehicle operator staffing, to meet ADA service standard compliance, to position for planned service, and to align North Base and South Base contract time periods.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the Interim President & CEO, or their designee is authorized to finalize and execute a contract modification with MTM, Inc. for operation of the North Base Demand Response service, and increase the contract value by \$54,984,671 for a total not to exceed amount of \$133,658,177.

Date: _____

**Secretary of the Board
Leslie Pool**

Board of Directors

Item #: AI-2022-536

Agenda Date: 8/29/2022

SUBJECT:

Approval of a resolution authorizing the Interim President & CEO, or their designee, to include additional funding of \$3,500,000 in an existing contract with Stacy and Witbeck, Inc. for an in-progress Design-Build project for the McKalla Rail Station for a total contract amount not to exceed \$20,133,945.

FISCAL IMPACT:

Funding for this action is available in the FY2022 & FY 2023 Capital Budget

STRATEGIC PLAN:

Strategic Goal Alignment:

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

Strategic Objectives:

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

EXPLANATION OF STRATEGIC ALIGNMENT: The McKalla Station will serve as a key transit option for Q2 stadium customers and serve the greater community as an expanded daily service option for the MetroRail Red Line. This station will ultimately replace Kramer Station when completed.

BUSINESS CASE: The McKalla Station project is an essential part of addressing the transportation and mobility needs of the Austin community, increasing access to entertainment, jobs, and services in a reliable, safe, and convenient manner. The station design will facilitate multimodal transportation options including travel by foot, bicycle, bus, rideshare and other active transit options. Large residential areas exist to the east of the proposed station, and there are major commercial, retail, and university facilities in the vicinity. The funding for this action is available in the FY2022 Capital Budget and the five-year capital improvement plan.

COMMITTEE RECOMMENDATION: This item will be presented to the full board on August 29, 2022.

EXECUTIVE SUMMARY: The McKalla Station Project consists of three individual projects that will lead to a completed station. Project 3 is currently underway, and Project 1 is currently in procurement for Board consideration in the fall of 2022.

This Design-Build contract is for McKalla Station Project 2, which includes the design, construction, and delivery of a fully functioning passenger rail station in accordance with CapMetro's technical requirements, guidelines, and all other provisions. This contract amendment will allow some work from Project 1 -- which is actually the third project on the construction timeline -- to be accelerated, thereby reducing impacts to transit and freight customers. More specifically, this contract amendment will provide for construction of a shoofly (temporary reroute) track (1,700 track feet) and three retaining walls to be added to the Design-Build project (Project 2) and will improve the schedule of construction for the platforms on the east & west sides of the station and keep the passenger and freight service operational.

All work added to the Design-Build contract at this time will be *removed* from the current scope of the Double Track and Drainage Improvement Project currently in procurement (Project 1). This will ensure timely completion of the station in late 2023.

A summary of Project 2: Passenger Station (McKalla/MLS Rail Station Design Build Contract)

- New rail platforms and queuing areas
- Platform canopies
- Site development outside the rail ROW
- Pedestrian path, ramps, and stairs Platform handrails, guardrails, and station fencing
- All access and connectivity to Austin FC Stadium Plaza Area
- Platform drainage and utility relocation and upgrades
- Station platform amenities (bike racks, ticket machines, digital message signs, wayfinding signage, cameras, Wi-Fi, emergency phones)
- Landscaping
- Area lighting
- Shoofly Track-1700 TF including reverse curves
- Three (3) Retaining Walls

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: The original contract procurement was conducted pursuant to the Design Build Procedure for Certain Civil Works Projects, Texas Government Code Title 10, Chapter 2269, Subchapter H to procure design

and construction services. CapMetro staff identified an opportunity to add scope to Project 2 and reduce scope in Project 1, facilitating an acceleration of the project schedule. The design-build contractor, Stacey Witbeck Inc., was asked to provide a technical proposal and a cost proposal for the additional scope of work. The cost proposal was further negotiated based on prevailing market rates and as per the current trend of significant increase in the construction material and labor costs. The existing contract is in an amount not to exceed \$16,633,945 that includes a contingency of \$2,169,645. The agreed cost for the change is \$5,000,142. The additional funding requested per this board resolution at the August 29th Board meeting is in the amount of \$3,500,000 which would bring the total contract amount not to exceed \$20,133,945.

RESPONSIBLE DEPARTMENT: Capital Construction and Facilities Management

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

**STATE OF TEXAS
COUNTY OF TRAVIS**

AI-2022-536

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

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

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors authorizing the Interim President & CEO, or her designee, to include additional funding of \$3,500,000 to an existing contract with Stacy and Witbeck, Inc. for an in-progress Design Build project for the McKalla Rail Station for a total contract amount not to exceed \$20,133,945.

**Secretary of the Board
Leslie Pool**

Date: _____

Board of Directors

Item #: AI-2022-517

Agenda Date: 8/29/2022

SUBJECT:

Approval of a resolution authorizing the Interim President & CEO, or their designee, to finalize and execute contracts with EEA Consulting Engineers, Jackson & McElhane Architects, McKinney Architects Inc., MWM Design Group, and Stantec Architecture Inc. for Architecture and Engineering services for a two (2) year base period and three (3) option years on a task order basis in an aggregate amount not to exceed \$24,000,000.

FISCAL IMPACT:

Funding for this action is available in the FY2022 Capital Budget

STRATEGIC PLAN:

Strategic Goal Alignment:

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

Strategic Objectives:

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

EXPLANATION OF STRATEGIC ALIGNMENT: Architecture and Engineering Services are required to provide design and engineering services for Capital Metro facility projects. These services ensure safe and reliable transit infrastructure for our customers.

BUSINESS CASE: The budgets for Capital Metro projects include funding for architectural and engineering services for any existing facility, proposed facility, feasibility studies, analyses, evaluations, and other design services as needed. The funding for this is available in the respective FY 22 capital project budgets and those project budgets are included in the Five-Year Capital Improvement Plan.

COMMITTEE RECOMMENDATION: This item was presented and recommended for approval by the Operations,

Planning and Safety Committee on August 15, 2022.

EXECUTIVE SUMMARY: Capital Metro requires architectural and engineering services to design renovations for existing facilities, proposed facilities, feasibility studies, analyses, evaluations, and other design services as needed. Through these Architectural and Engineering task order contracts, Capital Metro will secure the services of professional architects, mechanical, electrical, and plumbing engineers, interior designers, landscape architects, audio and visual designers, smart technology engineering and environmental engineering. Funding for these services is included in the approved budget for Capital Improvement Projects.

DBE/SBE PARTICIPATION: The contractors will meet or exceed the 12% goal utilizing the following DBE contractors.

EEA Consulting Engineers

DBE RESPONSIVE 12%

-Cotera + Reed Architects Austin, TX No DBE Certification Services: Agriculture, Interior Design	<u>Hispanic Male</u>	0%
-Tsen Engineering Austin, TX DBE Certification confirmed Services: Structural	<u>Caucasian /Female</u>	3%
-Sunland Group, Inc. Austin, TX DBE Certification confirmed Services: Supplies cost estimating services	<u>Caucasian/ Female</u>	8%
-Baer Engineering and Environmental Consulting, Inc. Austin, TX DBE Certification confirmed Services: Environmental	<u>Asian/Female</u>	1%

Robert Jackson & Michael McElhaney Architects, Inc.

RESPONSIVE 20%

-Seventh Spectrum Studios Austin, TX DBE Certification confirmed Services: Professional Services - Interior Design	<u>Caucasian /Female</u>	8%
-Jose I. Guerra, Inc. Austin, TX	<u>Hispanic/Male</u>	10%

DBE Certification confirmed

Services:

Professional Services - MEP/FP & Structural Engineering Design

-Sunland Group, Inc.

Caucasian/ Female

2%

Austin, TX

DBE Certification confirmed

Services: Supplies cost estimating services

-DataCom Design Group, LLC

Hispanic/ Female

0%

Austin, TX

No DBE Certification

Services: Professional Services - Technology Design and Consulting

McKinney York Architects

RESPONSIVE 12%

-Aptus Engineering, LLC

Asian /Male

4%

Austin, TX

DBE Certification confirmed

Services: MEP Engineering Services

-Garcia Design, Inc.

Hispanic/Male

1%

Austin, TX

DBE Certification confirmed

Services:

Professional Services - Landscape Architecture Services

-Structures PE, LLP

Hispanic/ Female

3%

Austin, TX

DBE Certification confirmed

Services: Structural Engineering Services

-Garza EMC, LLC

Hispanic/ Male

4%

Austin, TX

DBE Certification Confirmed

Services: Civil Engineering Services

MVM DesignGroup

DBE RESPONSIVE 12%

-Jose I. Guerra, Inc.

Hispanic/Male

11%

Austin, TX

DBE Certification confirmed

Services:

Professional Services - Supply MEP Structural Engineering & Commissioning Services

-Sunland Group, Inc. Austin, TX DBE Certification confirmed Services: Supplies cost estimating services	<u>Caucasian/ Female</u>	1%
-COMBS Consulting Group, LP Austin, TX No DBE Certification confirmed Services: Supply Audio/Visual & Smart Technology Services	<u>Caucasian/ Female</u>	0%
-Baer Engineering and Environmental Consulting, Inc. Austin, TX DBE Certification confirmed Services: Environmental Consulting Services	<u>Asian/Female</u>	0%
<u>Stantec Architecture Inc.</u>		<u>DBE RESPONSIVE 12%</u>
-Fuse Austin, TX DBE Certification Confirmed Services: Architecture Services	<u>Caucasian/Female</u>	5%
-DAVCAR, Inc. dba: DAVCAR Engineering Services Austin, TX DBE Certification confirmed Services: Civil Engineering	<u>Hispanic/Male</u>	3%
-McGray & McGray Austin, TX DBE Certification confirmed Services: Land Survey Services	<u>Caucasian/Female</u>	TBD%
-Olivier, Inc. Houston, TX DBE Certification Confirmed Services: Project Controls and Compliance Administration	<u>Black/Female</u>	2%
-Coleman Associates Austin, TX DBE Certification confirmed Services: Landscape Architecture	<u>Caucasian/Female</u>	2%

PROCUREMENT: On May 13, 2022, a request for Statements of Qualifications was issued and formally advertised. By the closing date of June 13, 2022, eight (8) submittals were received. Submittals were rated based on the following factors: The offeror's demonstrated, relevant work experience and capabilities of the firm as a whole and of the proposed project personnel on projects of similar size, scope, complexity and nature, the offeror's demonstrated an understanding of the project undertaking, the proposed plan for the performance of the and the technical approach proposed by the offeror, the offeror's on-call Task Order Management Plan that demonstrates an understanding of the task order process and experience in task order cost and schedule management, and quality assurance and quality control (QA/QC) of the deliverables and the Offeror's demonstrated technical background and past performance.

The submittals from five out of eight offerors were rated acceptable, all factors considered. Capital Metro negotiated and finalized pricing based on cost and market evaluation of the hourly rates, overhead and profit for similar services. The contracts are indefinite delivery, task order contracts. The term is two (2) base years from the Notice of Award with three (3) option years. Total estimated amount of all five years for five contracts: \$24,000,000.

RESPONSIBLE DEPARTMENT: Capital Construction & Facilities

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

**STATE OF TEXAS
COUNTY OF TRAVIS**

AI-2022-517

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and Capital Metro management acknowledge Architecture and Engineering Services are required to provide design and engineering services for Capital Metro facility projects to ensure safe and reliable transit infrastructure for our customers; and

WHEREAS, Capital Metro requires architectural and engineering services to design renovations for existing facilities, proposed facilities, feasibility studies, analyses, evaluations, and other design services as needed.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority board of directors that the Interim President & CEO, or their designee, is authorized to finalize and execute contracts with EEA Consulting Engineers, Jackson & McElhaney Architects, McKinney Architects Inc., MWM Design Group, and Stantec Architecture Inc. for a two (2) year base period and three (3) option years on a task order basis in an aggregate amount not to exceed \$24,000,000.

Date: _____

**Secretary of the Board
Leslie Pool**

Board of Directors

Item #: AI-2022-526

Agenda Date: 8/29/2022

SUBJECT:

Approval of a resolution authorizing the Interim President & CEO, or their designee, to finalize and execute a contract with ADS System Safety Consulting, LLC for safety and security certification consulting services for CapMetro’s Project Connect and other major capital projects for a base period of three (3) years with seven (7) one-year options in an amount not to exceed \$10,000,000.

FISCAL IMPACT:

Funding for this action is available in the FY2022 Capital Budget

STRATEGIC PLAN:

Strategic Goal Alignment:

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

Strategic Objectives:

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

EXPLANATION OF STRATEGIC ALIGNMENT: Internal and external customer service excellence meets the strategic objective of safety & risk by verifying the safety and security readiness of a project for public use. Additionally, as a component of a Project Management Plan (PMP), the safety and security certification process establish a consistent baseline for the management of safety and security activities in federally funded major capital projects.

BUSINESS CASE: Safety and security certification is a Federal Transit Administration (FTA) requirement for major capital projects with a total project cost of \$300 million or more and with a Federal investment of \$100 million or more. It is also a requirement of the Federal Railroad Administration’s (FRA) risk-based reduction approach. Per the JPA, delivery of safety and security certification performance is a CapMetro responsibility.

Application of safety and security certification promotes an informed management decision-making process in project design, construction, testing, and initiation into revenue service. Certification also typically supports improved integration of operational considerations into project design, which offers the following opportunities:

- Improved functionality of system design
- Promotion of effective and efficient use of resources
- Reduction in work-arounds and change orders during construction
- Reduction in hazards in service and maintenance activities

COMMITTEE RECOMMENDATION: This item was presented and recommended for approval by the Operations, Planning and Safety Committee on August 15, 2022.

EXECUTIVE SUMMARY: The Safety and Security Certification process will verify that the design, construction, fabrication, installation, testing and commissioning of all critical elements (vehicles, civil, structural and systems) have been evaluated for conformance with all applicable state and local safety and security requirements, and that they are ready for operational use. Where appropriate, the firm shall ensure the safety and security certification management process abides by the Federal Transit Administration (FTA) Handbook for Transit Safety and Security Certification (November 2002).

DBE/SBE PARTICIPATION: The contractor will exceed the goal utilizing the following DBE contractors. The goal is 9%.

ADS System Safety Consulting, LLC

DBE RESPONSIVE 100%

- Self-Performing Prime Baltimore, MD
DBE Certification Confirmed
Services: Construction Management Civil Engineering

Black /Male 93%

-Transit Safety and Security Solutions
DBE Certification Confirmed Richmond , TX

Black /Male 7%

Services: Safety and Security Certification Support

PROCUREMENT: On March 24, 2022, an RFP was issued and formally advertised. By the closing date of April 25, 2022, three (3) proposals were received. The submittals were evaluated based on the following factors:

- i. The offeror’s demonstrated, relevant work experience and capabilities of the firm as a whole and the proposed project personnel on projects of a similar size, scope, complexity and nature.
- ii. The offeror’s demonstrated past performance.
- iii. The methodology and quality of the work plan for the performance of the work by the offeror.

On May 17, 2022, the evaluation team came to the unanimous consensus to request Final Proposal Revisions (FPRs) from two (2) firms. Both firms submitted FPRs by the due date of June 21, 2022. The evaluation team met on June 30, 2022, and came to the unanimous consensus to recommend ADS System Safety Consulting for contract award. The proposal from ADS System Safety Consulting was rated the highest, all factors considered and was deemed the Best Value for CapMetro. The contract will be a single award task order contract, for a 3-year base period, with seven 1-year options.

RESPONSIBLE DEPARTMENT: Safety

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

**STATE OF TEXAS
COUNTY OF TRAVIS**

AI-2022-526

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and Capital Metro management recognize the need to provide its customers, general public, employees, and service providers with the safest possible environment; and

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and Capital Metro management recognize the value of Incorporating safety and security in a consistent and dedicated program for major capital projects, including Project Connect.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the Interim President & CEO, or their designee, is authorized to finalize and execute a contract with ADS System Safety Consulting for a three-year base period, with seven (7) one-year options, for a not-to-exceed amount of \$10,000,000.

Date: _____

**Secretary of the Board
Leslie Pool**



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2022-535

Agenda Date: 8/29/2022

Small Cities Update

CapMetro Services in Lago Vista & Manor

August 2022

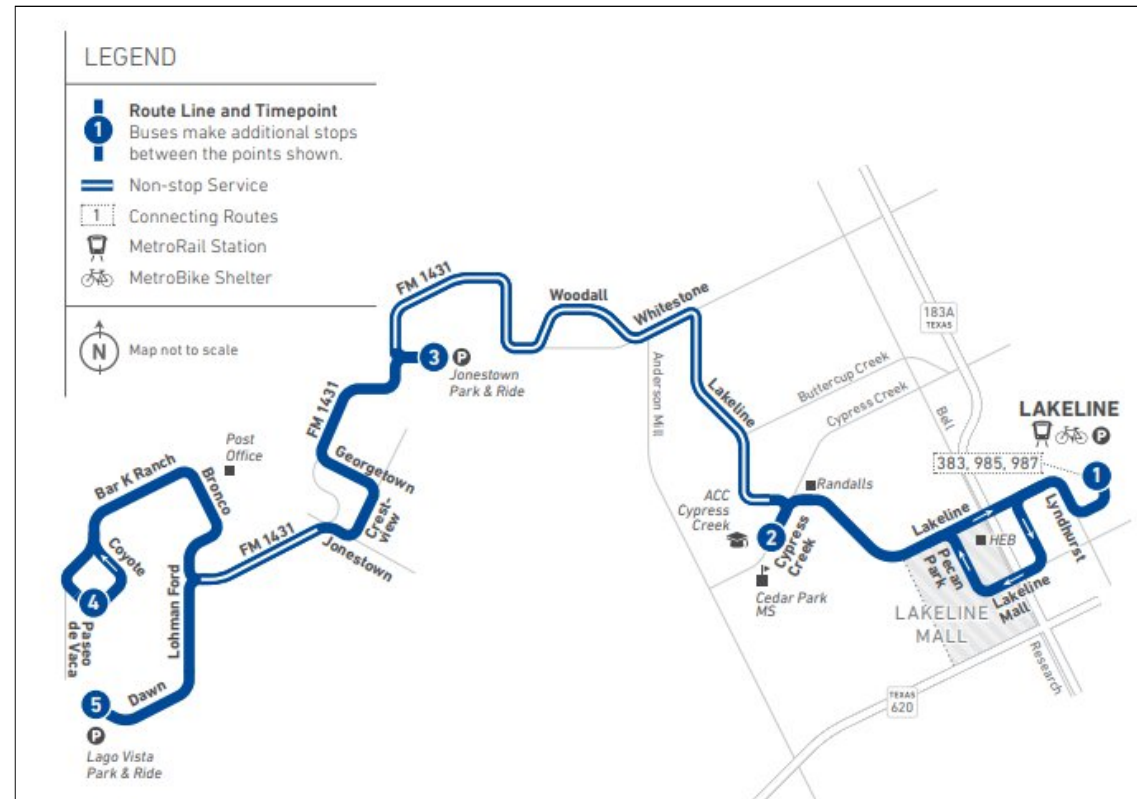
CapMetro Services in Lago Vista

- Route 214 (Northwest Feeder)
- Pickup Lago Vista
- Metro Rideshare vanpool
- MetroAccess paratransit

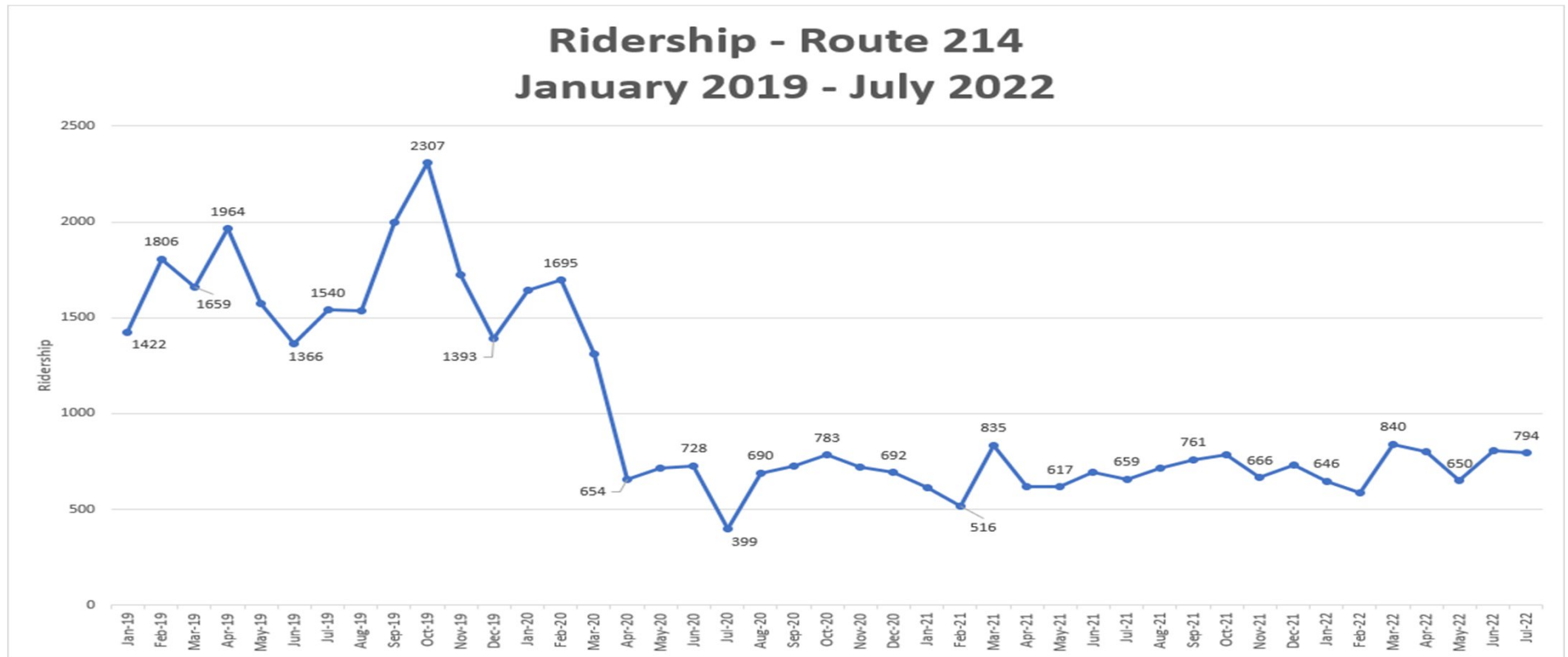


CapMetro Services in Lago Vista – Route 214

- Route 214 (Northwest Feeder)
 - Weekdays: 16 westbound, 18 eastbound trips
 - June 2022 Lago Vista-specific Ridership: 528
 - 13 stops in Lago Vista, including City Hall park and ride
 - \$1.25 adult fare, \$0.60 senior fare, kids under 18 ride free
 - FY2021: 4,935 vehicle hours, \$411,105 per year

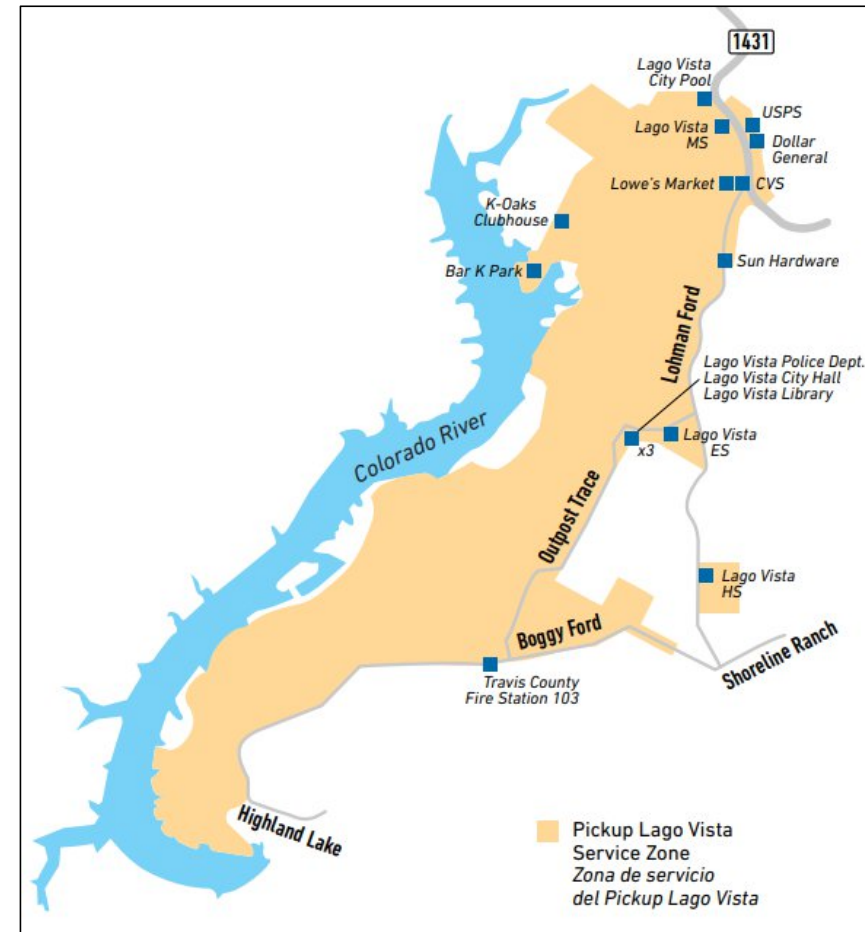


Ridership – Route 214 (Full Route)



Lago Vista – Pickup

- On demand, point-to-point service. Operations began August 2020.
- Operates 7:00 a.m. – 7:00 p.m. weekdays, trips booked via Pickup app or phone.
- \$1.25 adult fare, \$0.60 senior fare, kids under 18 ride free.
- July 2022 Ridership: 1,152
- FY2021: 4,627 vehicle hours, \$347,728 per year

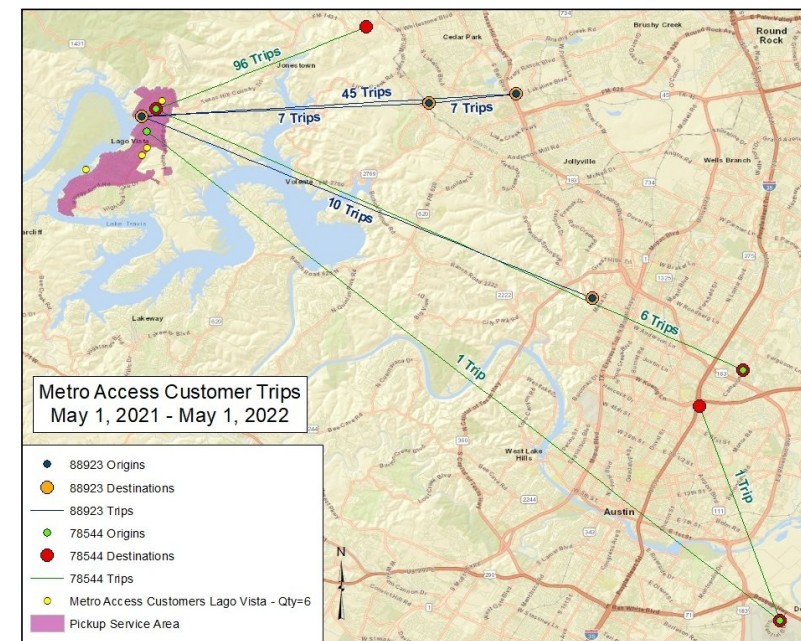


CapMetro Services in Lago Vista – Pickup



CapMetro Services in Lago Vista – MetroAccess

- MetroAccess: door-to-door paratransit service for individuals with qualifying disabilities.
- Lago Vista pickup and drop-off area is within $\frac{3}{4}$ mile of Route 214, to destinations anywhere within $\frac{3}{4}$ mile of a CapMetro bus route.
- Trips available during CapMetro bus service hours
- 172 trips, 8 clients (May 2021 to May 2022)
- FY2021: 211 vehicle hours, \$20,583 per year



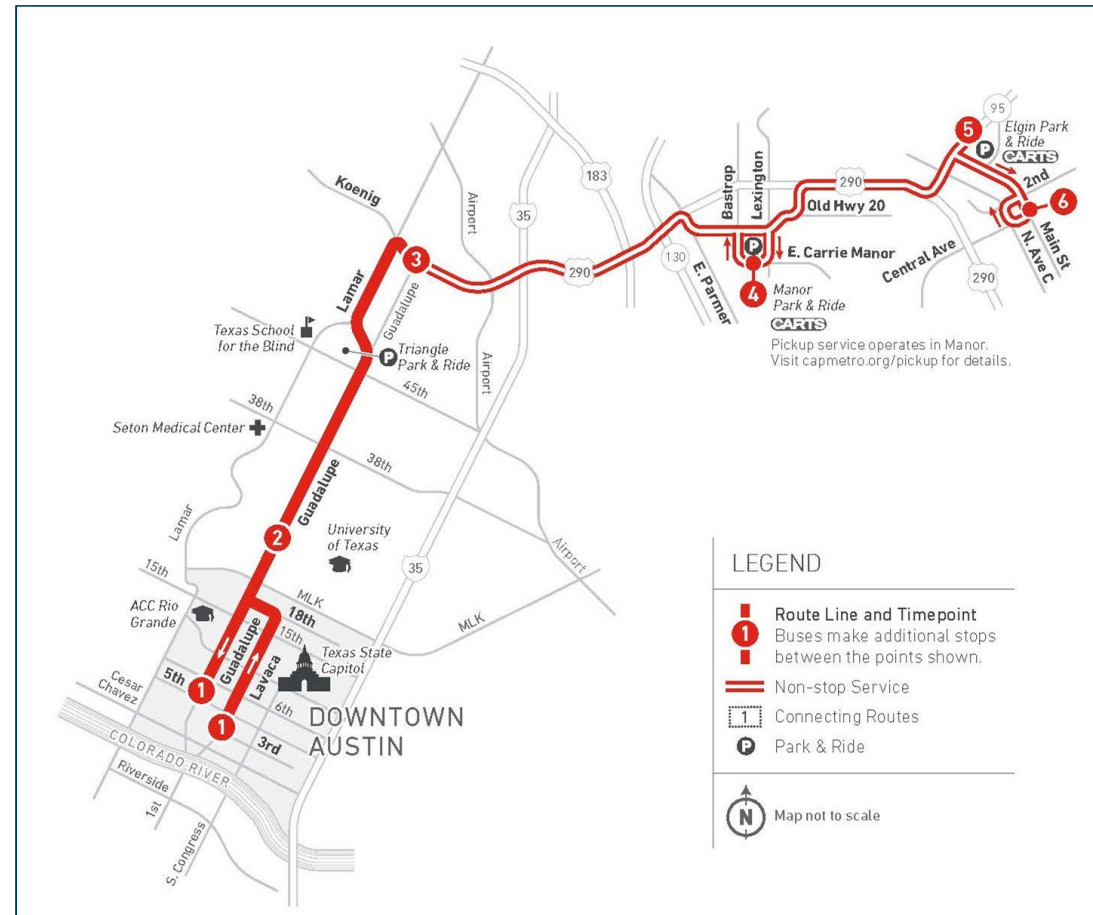
CapMetro Services in Manor

- Route 990
(Manor/Elgin Express)
- Pickup Manor

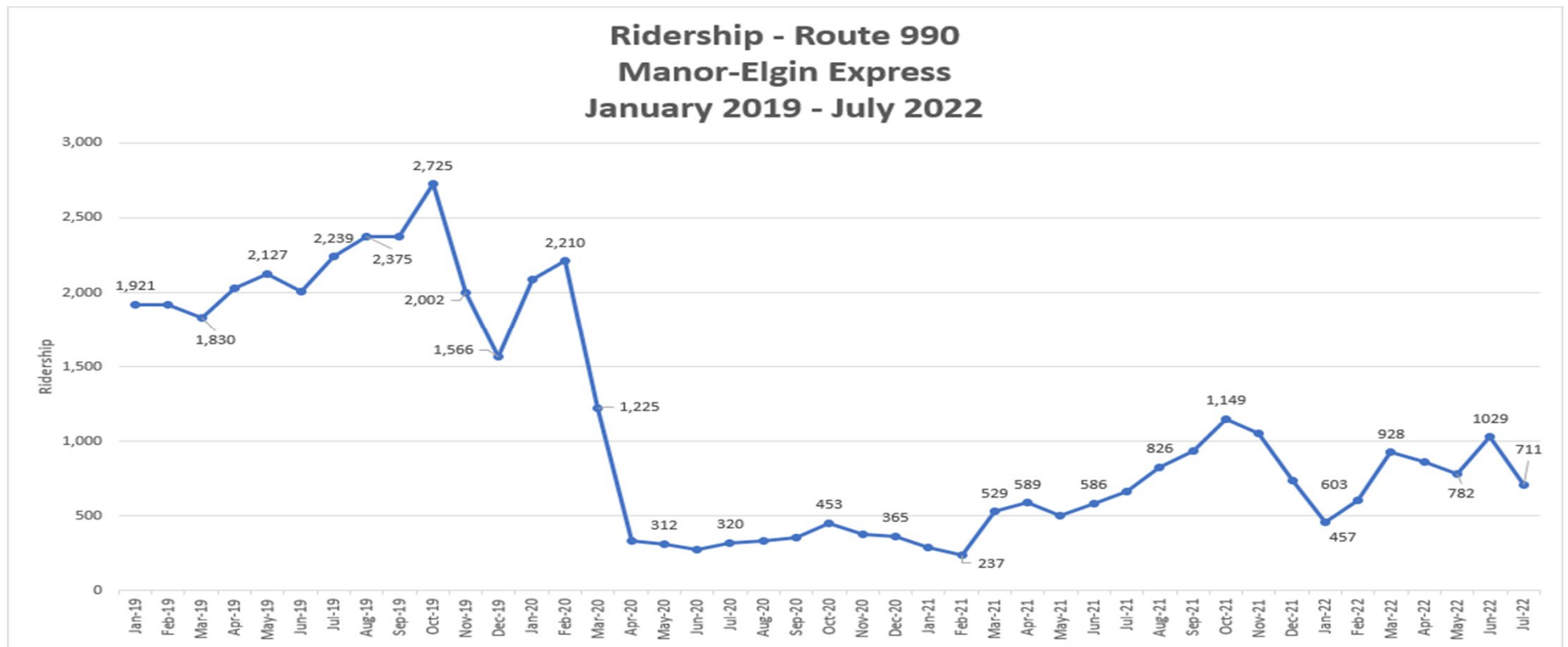


CapMetro Services in Manor – Route 990

- Route 990 (Manor/Elgin Express)
 - Weekdays: 2 westbound, 2 eastbound trips
 - July 2022 Ridership: 711
 - Express service connecting Elgin, Manor to Downtown Austin
 - Manor Park and Ride
 - FY2021: 2,865 vehicle hours, \$238,695 per year



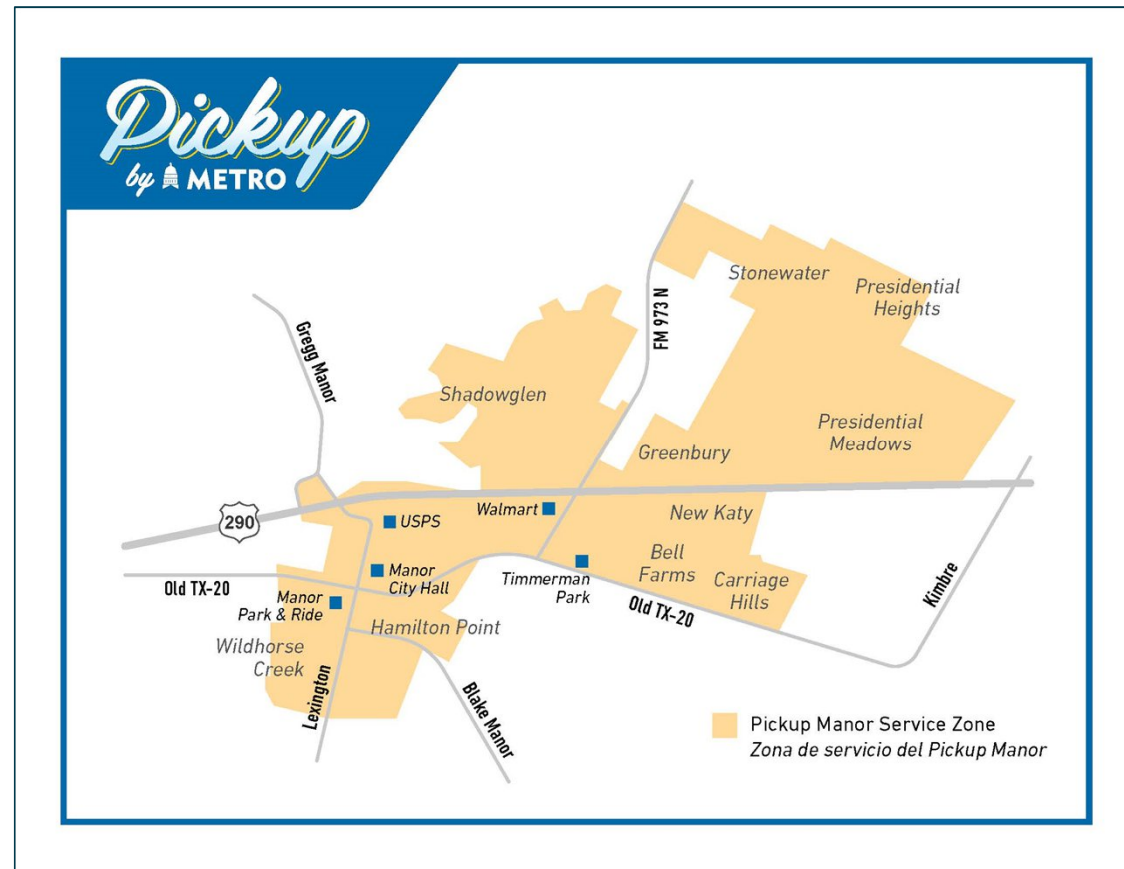
Ridership – Route 990



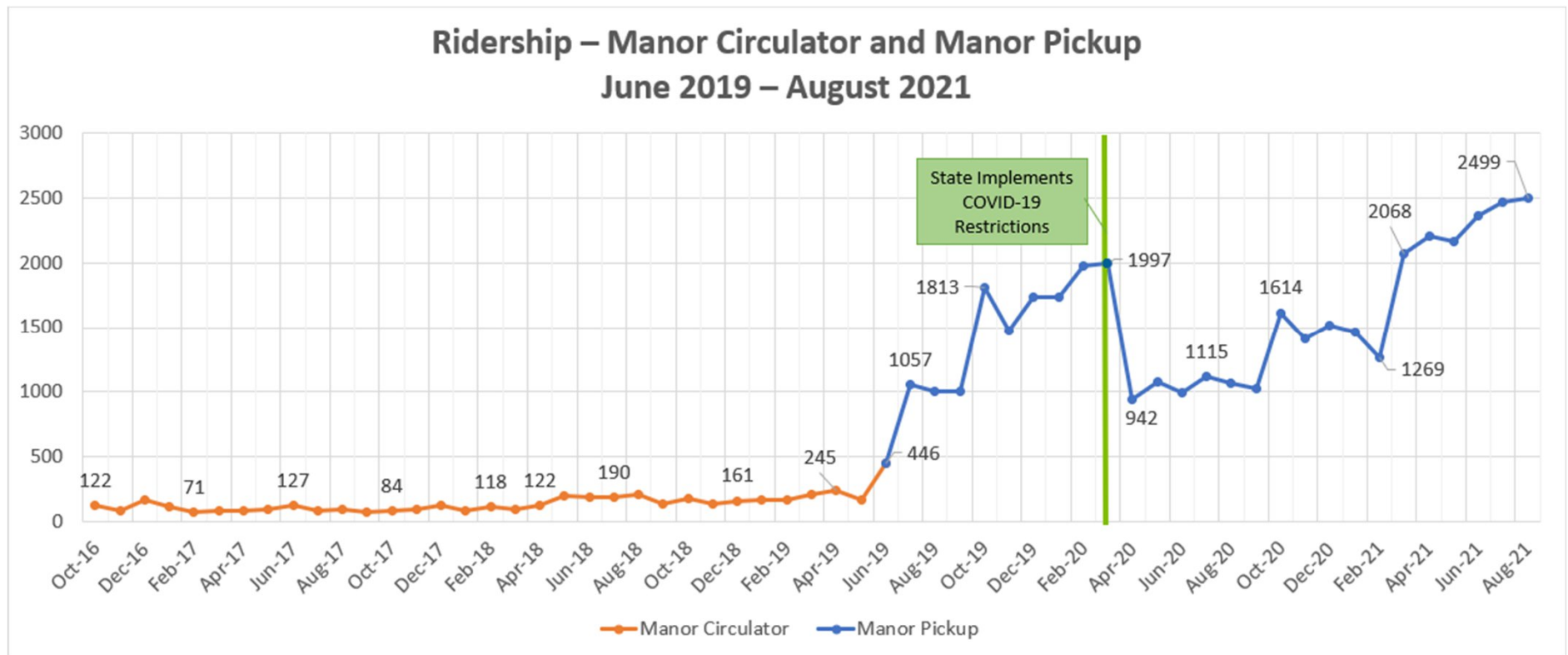
Manor Pickup - Began June 2019

- Service Area = 5 sq. mi.; 3 vehicles
- Operates 7:00 a.m. – 7:00 p.m.
weekdays, trips booked via Pickup app or phone.
- July 2022 Ridership: 3,667
- FY2021: 7,198 vehicle hours, \$641,319 per year

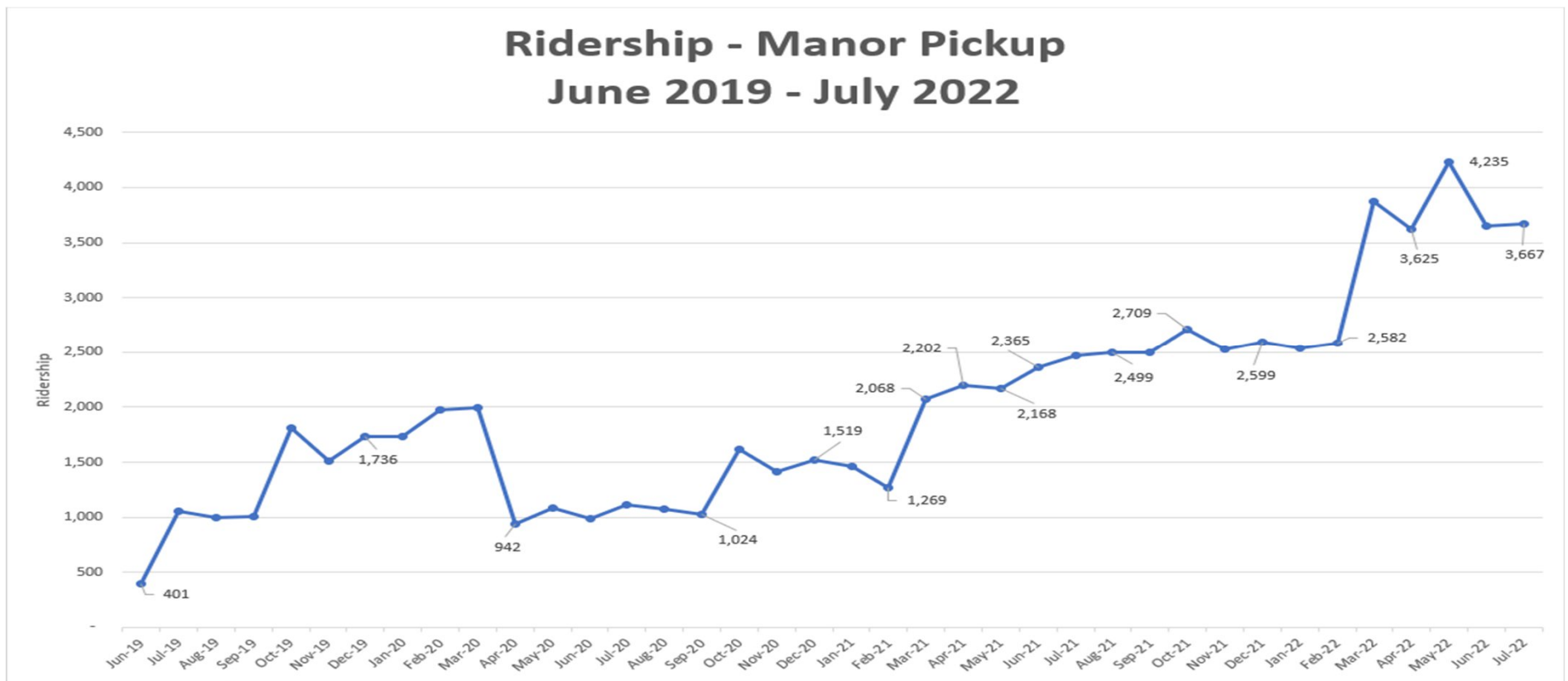
Note: 75% of Pickup annual hours are allocated to Manor with the remaining 25% reimbursed by Travis County



Ridership - Manor Flex / Manor Pickup



Ridership - Manor Pickup



Capital Contribution Programs

- CapMetro provides funding for transit supportive capital projects in suburban member cities that contribute more in sales tax than transit services received through Build Central Texas (BCT).
 - BCT – is an annual funding program currently for Leander, Manor, Lago Vista, Jonestown, Point Venture, and San Leanna and is in an amount equal to the difference between sales tax contribution and total cost of service to the city.
- Additional capital funds for transit supportive infrastructure:
 - \$10 million available in a proportionate amount, based on sales tax contributions relative to other small member cities.

Expanded BCT Program – Capital Contributions

- Expanded BCT program to allocate funds for transit supportive infrastructure in the following amounts for suburban member cities:

Suburban City	Updated BCT	FY2022 Capital Fund	FY2021 Sales Tax	FY2021 Service Cost
Leander	\$1,921,057	\$7,417,923	\$9,600,436	\$7,679,379
Manor	\$1,065,048	\$1,585,190	\$2,051,587	\$986,539
Lago Vista	\$129,328	\$702,154	\$908,743	\$779,416
Jonestown*	\$0	\$182,739	\$236,504	\$274,167
Point Venture	\$92,964	\$71,830	\$92,964	\$0
San Leanna	\$51,981	\$40,164	\$51,981	\$0

*Jonestown receives \$37,663 more in CapMetro services than sales tax contributions, therefore BCT is \$0.

CapMetro Services in Lago Vista & Manor

Thank You!



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2022-339

Agenda Date: 1/24/2022

President & CEO Monthly Update



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2022-534

Agenda Date: 8/29/2022

Memo: July 2022 Sales Tax Receipt for May Sales (July 31, 2022)

TO: Capital Metro Senior Management Team and Board of Directors

FROM: Emmanuel Toutin, Manager, Budget and Financial Planning

DATE: July 31, 2022

SUBJECT: May 2022 Sales Tax Receipt

The actual sales tax payment for May is \$30.8 million, an increase of \$4.9 million or 18.9% from May 2021. This monthly payment is \$6.9 million higher than the Fiscal Year 2022 budgeted amount. May 2022 current period collections are 19.4% higher than the prior year.

Fiscal Year 2022 May year-to-date sales tax payments total \$237.1 million, an increase of \$48.5 million or 25.7% from previous year and \$40.4 million higher than budgeted projections.

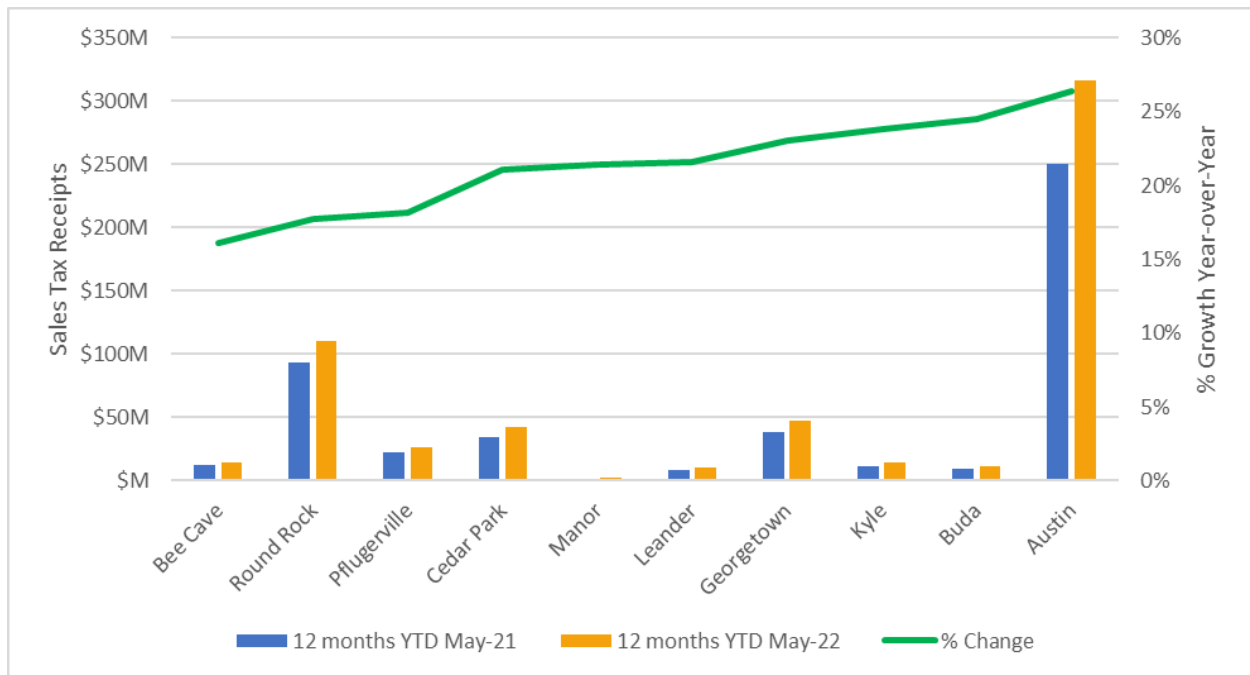
Sales Tax Analysis

	Actual FY2021	Actual % Change FY2021 to FY2020	Budget FY2022	Budget % Change FY2022 to FY2021	8 Month Actual 4 Months Projected FY2022	Actual % Change FY2022 to FY2021	Difference from Budget	Difference from Prior Year
October	21,879,665	-4.01%	24,191,670	10.57%	27,944,837	27.72%	3,753,167	6,065,172
November	21,222,140	-1.41%	22,844,381	7.64%	28,967,482	36.50%	6,123,101	7,745,342
December	27,126,929	-3.89%	29,954,840	10.42%	33,064,317	21.89%	3,109,477	5,937,388
January	20,323,996	-7.76%	23,384,232	15.06%	26,050,998	28.18%	2,666,766	5,727,002
February	18,919,790	-6.74%	21,532,097	13.81%	25,852,150	36.64%	4,320,053	6,932,360
March	28,128,619	27.77%	25,735,362	-8.51%	34,350,742	22.12%	8,615,380	6,222,123
April	25,050,617	38.75%	25,143,832	0.37%	30,078,424	20.07%	4,934,592	5,027,807
May	25,875,152	31.43%	23,863,509	-7.77%	30,752,324	18.85%	6,888,815	4,877,172
June	28,435,530	23.17%	25,385,485	-10.73%	25,385,485	-10.73%	-	(3,050,045)
July	26,914,788	27.83%	25,563,153	-5.02%	25,563,153	-5.02%	-	(1,351,635)
August	26,666,546	31.25%	23,804,057	-10.73%	23,804,057	-10.73%	-	(2,862,489)
September	30,916,727	31.94%	25,928,156	-16.14%	25,928,156	-16.14%	-	(4,988,571)
Annual Revenue	301,460,499	14.84%	297,330,774	-1.37%	337,742,125	12.04%	40,411,351	36,281,626

Months	Prior Year Actual Variance	Cummulative Growth
8 mo. Actual	48,534,366	25.74%
4 mo. Projected	(12,252,740)	-10.85%

For the last year, Austin, Buda, Kyle, Georgetown, Leander, and Manor have the highest sales tax increases for cities in the Austin area.

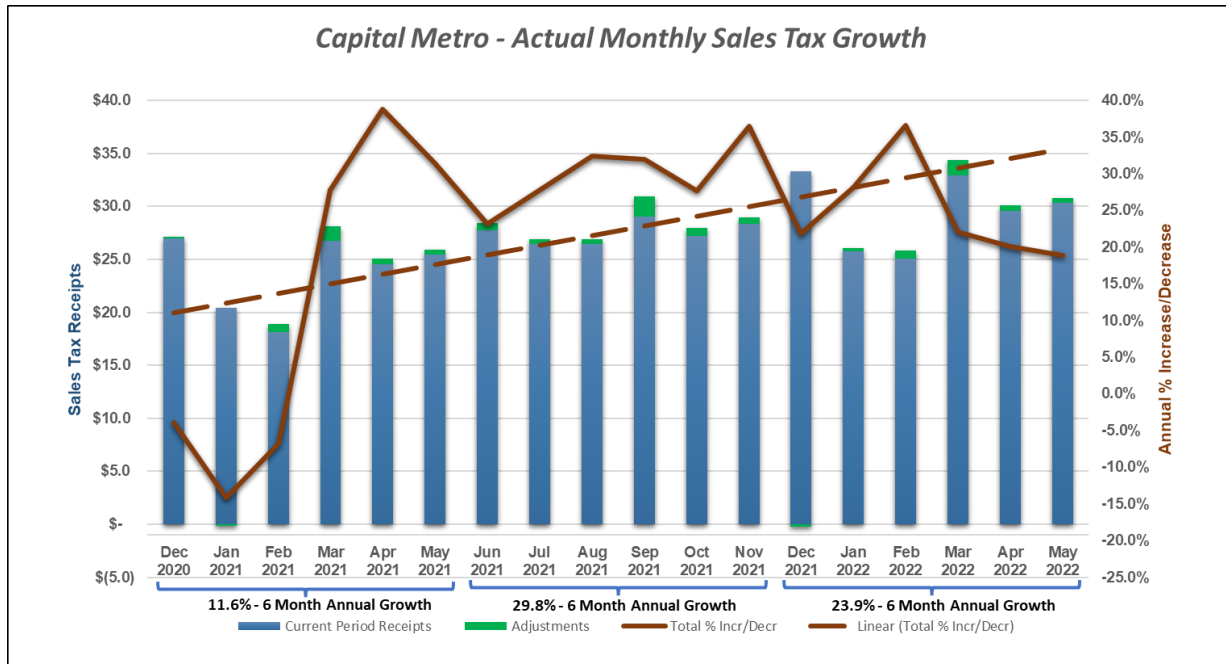
City	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Cumulative
Capital Metro	23.2%	27.8%	31.2%	31.9%	27.7%	36.5%	21.9%	28.2%	36.6%	22.1%	20.1%	18.8%	26.6%
Austin	23.3%	27.8%	33.8%	32.3%	25.5%	34.3%	21.6%	29.4%	37.3%	19.2%	20.8%	19.3%	26.4%
Buda	31.1%	46.1%	42.3%	33.4%	32.9%	28.8%	23.1%	13.4%	20.5%	12.9%	3.2%	17.4%	24.5%
Bee Cave	26.3%	23.1%	21.5%	23.6%	14.7%	14.9%	11.5%	16.0%	24.9%	6.0%	15.2%	4.2%	16.1%
Cedar Park	18.4%	24.1%	21.7%	27.4%	19.6%	24.7%	24.6%	20.0%	33.8%	14.8%	10.2%	18.8%	21.1%
Georgetown	28.4%	25.6%	27.7%	19.4%	20.0%	22.7%	21.8%	38.2%	43.4%	12.1%	16.0%	15.0%	23.1%
Kyle	18.9%	24.8%	22.7%	28.1%	21.0%	25.9%	26.2%	26.2%	35.8%	20.4%	16.5%	23.3%	23.8%
Leander	26.7%	21.7%	24.0%	21.9%	36.1%	29.8%	22.5%	27.2%	37.5%	11.5%	8.0%	3.2%	21.5%
Manor	22.9%	19.8%	34.9%	27.5%	33.3%	19.2%	17.4%	23.4%	11.1%	10.3%	5.1%	39.6%	21.4%
Pflugerville	19.1%	21.7%	24.5%	29.7%	26.6%	13.0%	18.5%	21.2%	24.8%	9.3%	2.5%	16.5%	18.2%
Round Rock	17.0%	26.6%	59.6%	34.7%	25.5%	26.8%	25.7%	2.8%	38.7%	-2.0%	-8.4%	-6.9%	17.7%



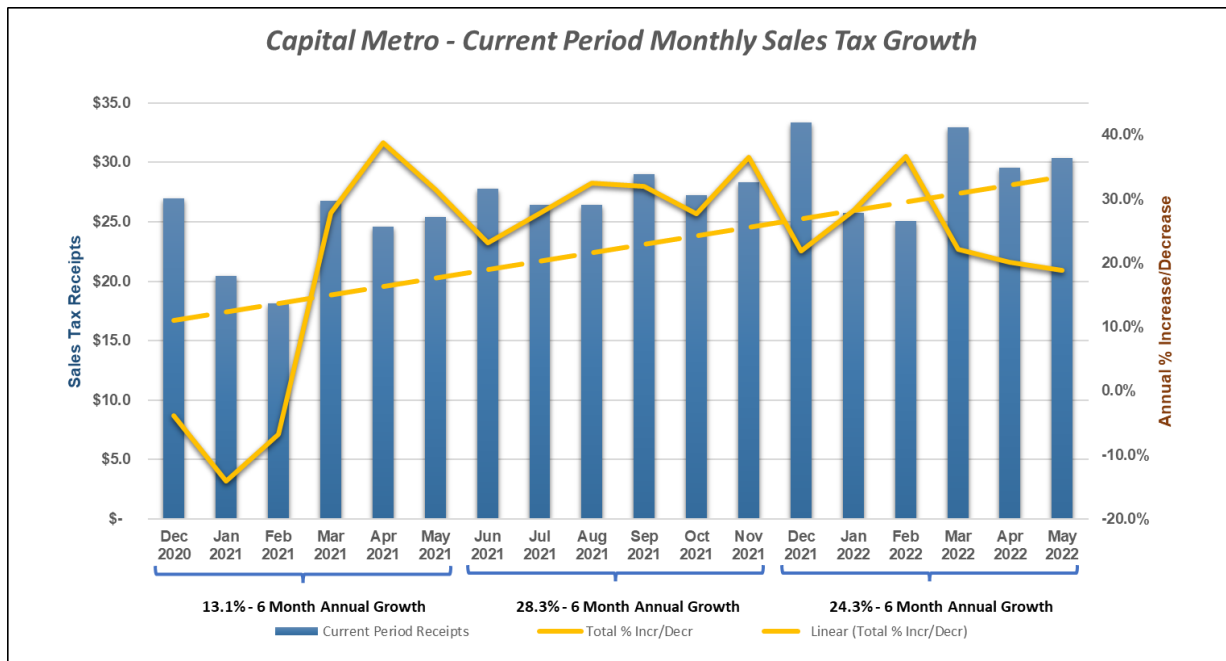
Of the 5 major Texas cities shown below, Austin ranked first in sales tax growth for the previous 12 months and had an increase of 19.3% for May 2022.

City	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Cumulative
Texas	13.5%	18.3%	22.3%	25.2%	19.4%	24.4%	25.3%	28.6%	28.5%	12.8%	8.6%	16.4%	19.8%
Austin	23.3%	27.8%	33.8%	32.3%	25.5%	34.3%	21.6%	29.4%	37.3%	19.2%	20.8%	19.3%	26.4%
Dallas	22.8%	26.0%	21.2%	40.7%	19.9%	21.8%	10.7%	17.2%	19.9%	18.3%	17.2%	14.9%	20.4%
Fort Worth	17.0%	23.6%	18.4%	24.7%	18.0%	18.4%	18.2%	21.7%	25.5%	9.7%	10.6%	24.8%	18.8%
Houston	18.2%	19.2%	23.5%	14.8%	19.9%	28.1%	12.2%	17.5%	25.4%	11.5%	9.5%	11.0%	17.0%
San Antonio	17.1%	19.4%	15.2%	20.2%	18.2%	26.7%	17.5%	16.6%	28.8%	9.9%	12.7%	8.0%	17.0%

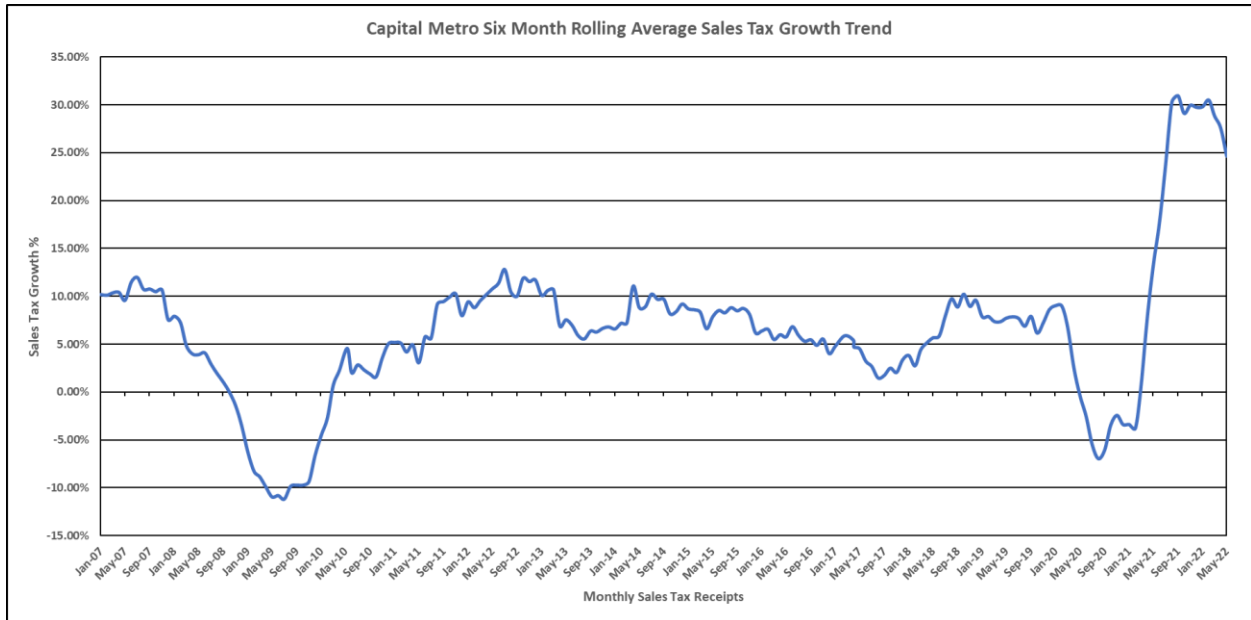
Capital Metro’s sales tax receipts have experienced positive growth since March 2021 due to the reopening from the COVID-19 pandemic, after experiencing negative growth in ten of the twelve months prior to March 2021.



Current sales tax receipts, which exclude sales tax adjustments, provide a more accurate reflection of sales tax trends. Current sales tax receipts had negative growth in eleven of the twelve months prior to March 2021. Current period receipts since March 2021 have experienced positive growth due to the reopening from the COVID-19 pandemic.



The chart below tracks monthly sales tax growth trends for the last fifteen years. Since January 2015, Capital Metro's six-month rolling average sales tax growth is 8.2%.





Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2022-532

Agenda Date: 8/29/2022

Memo: Cap Metro and ATP Financial Integration (August 4, 2022)

To: Capital Metro Board of Directors
From: Catherine Walker, EVP, Chief Financial Officer
Date: August 4, 2022
Subject: CapMetro and Austin Transit Partnership Financial Integration

The purpose of this memo is to provide more information regarding the impact of Project Connect on CapMetro's annual budgets, as part of the governance structure for the Project Connect program and our partnership with the Austin Transit Partnership (ATP). If you have any questions regarding this information, please contact Ed.Easton@capmetro.org.

During the July Finance, Audit and Administration Committee meeting, Board Members requested more detail about transfers to ATP in the FY2023 Proposed Budget. In the Fiscal Year 2023 Proposed Budget, CapMetro is scheduled to provide \$30 million to the ATP for the Project Connect program being jointly implemented by the partners. CapMetro will receive reimbursement from the ATP for all capital and operating expenses related to Project Connect. For clarification, refer to [page 44 of CapMetro's Proposed Budget Presentation](#).

As part of CapMetro and the City of Austin's commitment to voters in 2020 when Project Connect was put on the ballot by the City, the CapMetro Board approved Resolution AI-2020-1297, the Community Financial Commitment Resolution, to complement the City's Contract with Voters Resolution. CapMetro's resolution included the following general provisions related to financial commitments, and the full resolution is attached for reference:

- Agreement that the System Plan and associated Implementation Sequence Plan can only be modified by the CapMetro Board and Austin City Council, under joint concurrence and agreement that if sufficient funds existed to do more than just the initial investment, those funds can be used to fund additional transit infrastructure components;
- A commitment to contribute funds to ATP for the implementation of Project Connect, including the balance of CapMetro's Capital Expansion Fund or a commitment of FY 2021 funds to fund initial corporate functions; a commitment to contribute longer-term towards the operations and maintenance of the system;

The "2021 Support Services and Project Implementation ILA between the CapMetro and ATP" is attached here for reference and includes terms for the initial two years of support and services to implement the program, expiring in 2023. The agreement allows CapMetro to implement some elements of the program on behalf of the partnership, namely the MetroRapid, MetroRail, and Pickup components and also allows CapMetro to provide certain services to ATP, such as IT, human resources, and marketing and communications; these expenses are to be reimbursed by ATP based on the schedule outlined in Exhibit A of the document. The agreement requires CapMetro and ATP leadership to meet in good faith to negotiate and approve an annual budget consistent with Exhibit A of the document, a process which happened for Fiscal Year 2022 and is underway for Fiscal Year 2023.

To support the 2021 Agreement, CapMetro and ATP are working collaboratively to articulate specific agreements related to the reimbursement by ATP to CapMetro for the MetroRapid Expo Center and Pleasant Valley bus rapid transit lines' capital expenses, as well as the MetroRail capital expenses. Both interlocal agreements are anticipated to be presented to the CapMetro and ATP Boards in the coming months.

Additionally, a separate agreement related to reimbursement of capital for Park and Ride/transit centers for the MetroRapid Expo Center and Pleasant Valley bus rapid transit lines will come to the Board later this year. This agreement is separate from the general MetroRapid capital agreement for MetroRapid lines because the land acquisition process for this activity has delayed final cost estimates for these project elements.

Additional future agreements will likely still be necessary to further support the program, but the exact needs and terms of some of those agreements are still undefined.

Attachments:

1. CapMetro Community Financial Commitment Resolution (CapMetro Resolution No AI-2020-1297)
2. 2021 Support Services and Project Implementation ILA between the CapMetro and ATP



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2022-533

Agenda Date: 8/29/2022

Memo: Complimentary Rides to Local Cooling Centers (August 5, 2022)

The following memorandum was provided to the CapMetro Board of Directors on August 5, 2022. Subsequent to sending the memo, CapMetro staff continued to collaborate with stakeholders regarding fares and transit access for the unhoused community.

On August 17, 2022 CapMetro staff provided the following updated information: CapMetro is an active partner in ensuring we care for our unhoused community. After extensive conversations with members of our community, we will now provide complimentary rides to cooling centers, effective immediately and through September 30. This is a continuation of our steadfast efforts to care for our community. We understand one of the key challenges in our practice of offering free rides to cooling centers was that the trigger of a “heat advisory” was causing confusion. This extension will be in effect through September regardless of active heat advisories and warnings.

To: CapMetro Board of Directors
From: Kerri Butcher, Chief of Staff
Date: August 5, 2022
Re: Complimentary Rides to Cooling Centers

Central Texas is experiencing unprecedented extreme heat right now, and CapMetro is committed to helping our community get to a safe, cool place as the summer continues. Effective immediately, the agency will expand our complimentary rides to offer complimentary rides to cooling centers in our region when we are under a [heat advisory](#), which is typically put in place when air temperatures reach 103 degrees.

The previous procedures were triggered with a heat warning which is a higher safety risk, so by expanding to an advisory, we can provide more rides to more people seeking shelter. The agency will not let fares stand in the way of transportation to a cool, safe shelter and believes the expansion to include complimentary rides during heat advisories, not just extreme heat warnings, will help keep our community safe. This also removes the pressure on our community partners and advocates from being responsible for distributing passes during an emergency situation.

Customers seeking a complimentary ride to a cooling shelter should inform the operator when boarding the bus that their destination is a cooling center. The CapMetro team is working internally to inform our frontline teams of this change to ensure customers don't experience issues getting to a cooling center. We are also working with our partners at the City of Austin to ensure our community is aware of the available [cooling center locations](#) and transportation services we are providing. The agency is encouraging those looking to get to a cooling center to use our trip planner to find the best route or, in certain areas, our Pickup service.

Additionally, we have heard and are incorporating feedback from our local social service partners about simplifying our public message on this policy. As the agency moves forward, our public messaging will state that CapMetro will offer complimentary rides to customers going to cooling shelters when the city is under a heat advisory, which typically happens when the air temperature reaches 103 degrees or the heat index reaches 108 degrees. We will also explain how to inform the operator of the need for a complimentary ride.

Members may be approached by some of our community partners requesting complete fare waivers. Our intent is to be transparent about this with the community – waiving fares for the unhoused only is operationally infeasible on an individual basis and, we are not in a position to waive fares for all. We understand the purpose of the requests is to help those most in need and are confident that expanding the eligibility to days with a heat advisory will reach a broader group of those in need without creating an additional burden on these organizations to distribute passes. We also believe this approach will reach beyond the unhoused to those who simply need a cool place to be because they don't have access to air conditioning. Going forward, we will be working with our partners in the community, including the Transit Empowerment Fund to reduce barriers to access

to passes and to find ways to leverage our new fare programs such as Equifare to reach more of the community in need of transportation.



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2022-539

Agenda Date: 8/29/2022

Memo: Transit Advertising Policy Change (August 10, 2022)

To: Board of Directors
From: Derek Heino, Program Manager, Partnerships and Business Development
Date: August 10, 2022
Re: Transit Advertising Policy Changes

Capital Metro maintains a transit advertising program to generate revenue for the agency by leveraging our assets for promotion of advertising clients and public awareness of Capital Metro services, and to achieve our strategic goal of being a valued community partner by offering discounted and no-cost advertising space to non-profit and governmental entities that meet certain requirements.

Staff is considering the following changes to the transit advertising policy:

1. Clarifying the types of smoking products and paraphernalia that are prohibited by policy.
2. Creating an allowance for alcohol advertisements with an accompanying “enjoy responsibly” message.

The agency seeks to clarify the acceptable standards for tobacco and smoking-related products, prohibiting the promotion of any substance or product containing nicotine or tobacco that is meant to be used in conjunction with an e-cigarette or any other type of smoking or vaporizing device including but not limited to cigarettes, cigars, or pipes. This clarification will address the changing marketplace within the tobacco industry and better document what is believed to be the intent of the policy.

Staff recommends a policy change to allow alcohol advertising on our buses and trains. This recommendation includes a requirement for alcohol advertisers to feature “enjoy responsibly” or similar messaging within the ads. A change to allow alcohol advertising has the potential to increase transit advertising revenue 5-15%.

These changes to the Transit Advertising Policy do not require board action and we plan to move forward with implementing the policy on October 1st, 2022. Before we move forward with the policy change, we would like to offer the board an opportunity to discuss the proposal in further detail and hear if you have any concerns.



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2022-542

Agenda Date: 8/29/2022

Memo: July Board and August Board Committee Follow Up (August 22, 2022)

TO: CapMetro Board of Directors
From: Kerri Butcher, Chief of Staff
Date: August 22, 2022
Subject: July Board and August Committee Follow Up Information

During the CapMetro Board of Directors meeting in July, and the August Board Committee Meetings, several Board Members requested more information on a variety of topics. The information is provided here for your review. If additional detail or a briefing is necessary, please contact Ed Easton (Ed.Easton@CapMetro.org) and he will connect you with the appropriate information or staff person. Topics covered in this memo include:

- Pension Plan for Contracted Service Provider Employees
- Pension System Participation
- 335 Routing
- Equitable Transit Oriented Development (ETOD) Funding

Pension Plan for Contracted Service Provider Employees

During the July Board Meeting, Board Members heard from a current employee of MTM, Mr. Anthony Walker, regarding pension plans for contracted service provider employees.

On July 18, a [memo](#) to the Board provided the history of the pension plan for employees of our service providers. Employees represented by ATU, Local 1091 had a Capital Metro-sponsored pension until 2012 when we contracted out all bus and demand response services to comply with state law. It was not feasible to continue the plan as a government-sponsored plan after the employees became employed by a private company and no longer met the definition of government employees.

During discussions the ATU, an opportunity was available to convert represented employees to direct Capital Metro employment. This would have required replacing collective bargaining rights with a “meet and confer” approach to establishing terms and conditions of employment. The ATU did not support this option. Prior to the transition, Capital Metro and ATU worked together to establish the terms for freezing the pension plan and reducing the number of years of service required to reach unreduced early retirement from 25 years to 22.5 years. Continued service with a service provider counts toward the eligibility for early retirement.

Capital Metro’s contracts with the service providers who employed former employees of StarTran, Inc. (MV and MTM South Base) require them to offer a retirement plan and to negotiate the terms of the plan with the ATU. Currently MV provides an employer contribution of 4 percent. MTM provides an employer contribution of 4.1 percent for their South Base employees and up to 4 percent match of employee contributions for North Base employees. MTM is currently negotiating

with ATU for collective bargaining agreement revisions and may equalize retirement benefits for both locations.

Prior to the transition to fully contracting out service in 2012, we explored the feasibility of private sector pension plan sponsored by contractors. This was determined not to be feasible because of the cost, laws governing private pension plans and unwillingness of contractors to establish long term liabilities for limited term contracts.

Pension System Participation

During the August meeting of the CapMetro Finance, Audit and Administration (FAA) Committee, Committee Chair Pool asked whether CapMetro was eligible to participate in other retirement systems within Texas.

CapMetro is eligible to participate in the Texas County & District Retirement System under the Texas Government Code, Chapter 841. CapMetro staff is researching the history of why CapMetro does not participate in that retirement system and will provide more information to the Board as a future follow up, including the impacts switching retirement systems would have on the agency.

335 Routing

During the June and July Board Meetings a customer raised a question regarding the routing of the 335 and extending the route further east within the Mueller development. Previously, staff provided a [memo](#) with more information on this request and resources necessary to extend the route.

As Interim President & CEO Dottie Watkins mentioned from the dais, extending this route further east will be considered as part of a future service change, once a full understanding of operations and resource needs to implement this change is gathered.

ETOD Funding

CapMetro's Transit Oriented Development program is focused on partnering with governmental entities and property owners to ensure land uses in the vicinity of transit stations support the overall transit system and vice versa. The Equitable Transit-Oriented Development (ETOD) project is a CapMetro led study in collaboration with City of Austin and Austin Transit Partnership. The project is funded by two separate FTA TOD Pilot Grants totaling \$1.65 million and a CapMetro internal match totaling \$1,620,564 million. The City of Austin's proposed budget of \$1.5 million, which is independent of the CapMetro-led study, will fund the adoption and expansion of ETOD study recommendations such as the ETOD Policy Plan and Station Area Vision Plans. While Capital Metro has control over properties that it owns in the vicinity of the transit system, Capital Metro does not have regulatory authority over land use and relies on the City to exercise this authority. The collaboration between the City and CapMetro on the ETOD project, both in funding and in work product, will ensure the project is implementable once completed.