I. Public Comment:

II. Action Items:
   1. Approval of Minutes from the February 11, 2019 Finance, Audit and Administration Committee Meeting.
   2. Approval of a resolution authorizing the President/CEO, or his designee, to execute a task order contract with Four Nines Technologies to provide Fare Collection Consulting Services for a base period of five years in an amount not to exceed $950,000.

III. Presentations:
   1. Internal Audit Update on FY2019 Audit Plan Status

IV. Items for Future Discussion:

V. Adjournment

ADA Compliance

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

BOARD OF DIRECTORS: Wade Cooper, Chair; Delia Garza, Vice Chair; Eric Stratton, Secretary; Terry Mitchell; Rita Jonse; Ann Kitchen, Jeffrey Travillion and Pio Renteria.

The Board of Directors may go into closed session under the Texas Open Meetings Act. In accordance with Texas Government Code, Section 551.071, consultation with attorney for any legal issues, under Section 551.072 for real property issues; under Section 551.074 for personnel matters, or under Section 551.076, for deliberation regarding the deployment or implementation of security personnel or devices; arising
regarding any item listed on this agenda.
Approval of Minutes from the February 11, 2019 Finance, Audit and Administration Committee Meeting.
Call to Order: 11:06 a.m.

I. Public Comment:

II. Action Item
1. Approval of Minutes from the January 16, 2019 Finance, Audit and Administration Committee Meeting.
Motion to approve by board member Cooper. Renteria second. Approved 3-0 (Stratton absent).

III. Presentations:
1. Board Advisory Committee Recommendations
Community Involvement Manager Jackie Nirenberg presented this item.
Staff is looking for ways to make the board advisory committees -- CSAC and Access -- more effective and better integrate committee input into project development. We are currently working to include committee members earlier in the process, give them opportunities for more substantive input, and improve their direct communication with the board of directors. We are also asking senior staff to attend the committee’s monthly meetings. We hope to also clarify the member’s roles and responsibilities, and improve ways for them to provide experience feedback.
Jackie said that we will monitor these changes for effectiveness and provide regular updates back to the board.

2. Internal Audit Status of FY2019 Audits
Vice President of Internal Audit Terry Follmer and presented his report.
Terry reported that a recent focus has been hiring a new internal auditor to fill a vacancy. A verbal offer to a candidate has been made and accepted and we hope to have a new hire soon. He also reported on success in bringing onboard 4 University of Texas audit interns. Terry discussed the two projects he intends to have them working on related to ridership data reconciliation and freight rail revenue,
Terry also provided a brief overview of the current status of several key projects among the 11 open audits.

3. Financial Report - December 2018
CFO Reinet Marneweck presented the monthly report, which covered the period through December 2018.

Board member Renteria asked about a budget variance on the Child Care Center cost code. Reinet explained that this was an accounting error that should be corrected in the January numbers.

Reinet also reported that the Performance Dashboards will be launching in the coming weeks, and this will be a great place to go for updated monthly and quarterly financials.

IV. Items for Future Discussion:

V. Adjournment

Adjourn 11:52 a.m.

ADA Compliance

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Approval of a resolution authorizing the President/CEO, or his designee, to execute a task order contract with Four Nines Technologies to provide Fare Collection Consulting Services for a base period of five years in an amount not to exceed $950,000.
SUBJECT:
Approval of a resolution authorizing the President & CEO, or his designee, to execute a task order contract with Four Nines Technologies to provide Fare Collection Consulting Services for a base period of five years in an amount not to exceed $950,000.

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

STRATEGIC PLAN:
Strategic Goal Alignment:
1. High Quality Customer Experience
3. Sustainability

Strategic Objectives:
1.3 Net Promoter Score /Customer Satisfaction,
3.6 Adherence to State of Good Repair Program

EXPLANATION OF STRATEGIC ALIGNMENT:
The fare collection consultant will assist Capital Metro in replacing and upgrading its existing fare collection systems. This will improve the customer experience through fast, easy and equitable payment options. It will also replace end of lifecycle fare systems and equipment.

BUSINESS CASE:
The fare collection consultant will provide advice and assistance with fare collection policy, strategy and implementation technical services. Capital Metro plans to upgrade its existing fare collection equipment/systems by implementing an account-based, multimodal fare collection system using open architecture that is scalable to support growth, and capable of accepting a variety of payments, bringing Capital Metro into the next generation of fare payment technology and offerings. This vision will be achieved through the assistance from the consultants to procure and select a series of contracts for hardware, software, and services.
The new fare collection system objectives are:
• Improve the customer experience through fast, easy and equitable payment options,
• Simplify and modernize fare collection operations by offering customers new payment options and new sales channels that reduce the cost of collection,
• Reduce cash in the system to lower equipment maintenance and cash processing costs, while improving on-time performance with faster boardings,
• Implement a flexible payment system to accommodate existing university and business clients, and enable future expansion to neighboring cities and new modes of travel.
COMMITTEE RECOMMENDATION:
This agenda item was presented and is recommended for approval by the Finance, Audit and Administration Committee on March 13, 2019.

EXECUTIVE SUMMARY:
The task order contract will provide for fare collection consulting services for a period of five years to assist with the replacing and upgrading of existing fare collection equipment and systems.

DBE/SBE PARTICIPATION: Due to the nature of the solicitation a SBE goal was not established at this time.

PROCUREMENT:
On October 23, 2018, a request for proposal was issued and formally advertised. By the closing date of November 26, 2018, 6 proposals were received. Proposals were rated based on the following factors:

(1) The offeror’s demonstrated, relevant work experience and capabilities of the firm as a whole and of the proposed project personnel on projects of a similar size, scope, complexity and nature.

(2) The offeror’s demonstrated understanding of the project undertaking, the proposed plan for the performance of the work and the technical approach proposed by the offeror.

(3) Methodology and quality of the work plan proposed to meet project objectives.

(4) The qualifications of the Project Team members.

On December 5, 2018, the evaluation team came to the unanimous consensus to request Final Proposal Revisions (FPRs) from 4 firms. All 4 firms submitted FPRs by the due date of December 28, 2018. The evaluation team met on January 10, 2019 and came to the unanimous consensus to recommend Four Nines for contract award. The proposal from Four Nine Technologies was rated the highest, 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 task order contract was awarded January 30, 2019 for a 5-year base period not to exceed $140,000 per year, $700,000 total.

It is now requested to add additional funds to this contract to increase the not to exceed yearly amount from $140,000 per year to $190,000 per year, $950,000 total, for the 5-year base period. This request will be presented to the March 2019 Board of Directors for approval.
RESPONSIBLE DEPARTMENT: Finance
RESOLUTION
OF THE
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS

STATE OF TEXAS
COUNTY OF TRAVIS

RESOLUTION (ID # AI-2019-985)
Fare Collection Consultant

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and Capital Metro management recognize the need to maintain fare collection equipment in a state of good repair and;

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and Capital Metro management endeavor to provide customers with fast, easy and equitable payment options.

NOW, THEREFORE, BE IT RESOLVED that the President & CEO, or his designee, is authorized to finalize and execute a task order contract with Four Nines Technologies to provide Fare Collection Consulting Services for a base period of five years in an amount not to exceed $950,000.

________________________
Date: _____________________

Secretary of the Board
Eric Stratton
TITLE: Internal Audit Update on FY2019 Audit Plan Status