

To: CapMetro Board of Directors

From: Samantha Baez, CXO/EVP Experience & Engagement

Date: August 21, 2025

Subject: CapMetro Fare System and HMIS Pass, August 2025 Update

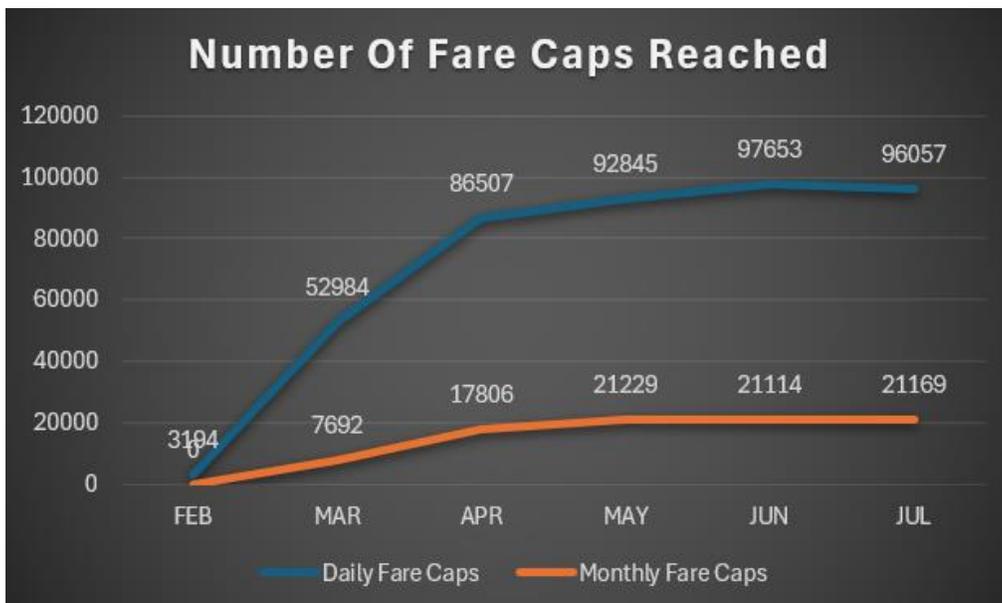
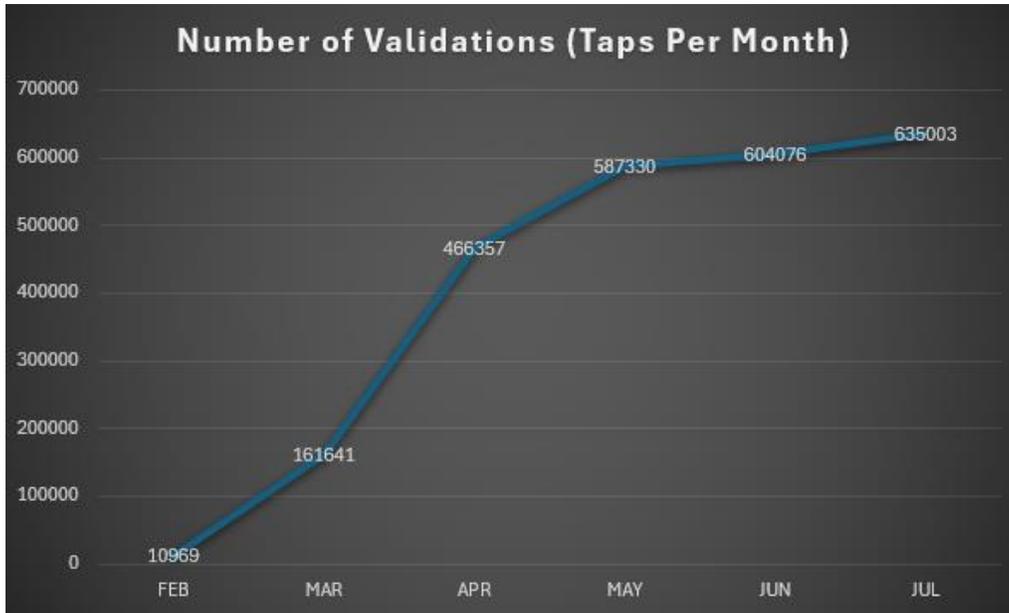
The purpose of this memo is to provide an update to the CapMetro Board of Directors regarding CapMetro's fare system and programs. The last memo on this topic was distributed March 2025 with a focus on the HMIS pass program. Since then, there has been significant progress.

Customers can now use the Transit app to plan their trips and pay for their trips via a deep link to Umo. The reloadable fare cards can now be reloaded at some participating H-E-B locations, a convenience that was frequently requested by customers. The HMIS pass program has been improved to ensure fidelity to the program and to the memorandums of understanding with participating social service providers, which helps CapMetro sustain the program. There are additional refinements in development that will be continuously communicated to the Board of Directors as the team remains focused on improving the customer experience and supporting frontline staff.

Fare Payment System Validations

CapMetro launched a new fare and payment system in February 2025 that transitioned customers to the Umo app or a reloadable fare card for payment processing, and the Transit app for trip planning. The Umo app allows digital payments and automatic fare capping. The Transit app plans customer trips on CapMetro's Bus, Rail, Bikeshare and Pickup services, in addition to multimodal options from private transportation providers. The new apps are intended to simplify the payment process and improve the overall customer experience.

The Umo adoption rate has steadily increased since the launch. With the previous fare payment system and app, there was an average of approximately 541,850 validations (or taps on the validators) per month. In July 2025, five months after launching Umo, the system had more than 635,000 validations of Umo-linked fares across the system. The total number of customers using the system has also surpassed the previous monthly average by 8.4% in May, 11.5% in June, and 14.7% in July. The increase in customers using Umo has a direct correlation to the increases in validations and increase in customers benefiting from fare capping.



Fare Media Updates and Consolidation

Reducing the types of fare categories and fare media (physical passes) is a critical strategy in the fare transition. Consolidating fare media reduces confusion among customers and ensures the best fare in a convenient and efficient manner.

With the implementation of the new fare system, the prior plastic passes and Amp cards were retired, and the stock of paper passes were sold until the stock was depleted. CapMetro previously maintained 55 different fare passes, and as of August 15, 2025, the number has been reduced to 28, with an additional four to be retired by the end of the fiscal year. Staff continue to work to simplify these offerings, making it easier for people to ride CapMetro.

H-E-B Partnership

H-E-B is a long-standing partner and reseller of CapMetro products in their business centers. CapMetro staff have successfully worked with the H-E-B team to expand to 60 stores stocking CapMetro passes in stores for sale, which is an increase of 29 additional H-E-B locations. Initially during the fare system transition, H-E-B switched to having pre-loaded reloadable fare cards in addition to providing CapMetro Access 10 ride booklets. Most recently, the CapMetro and H-E-B teams successfully negotiated a deal for customers to have access to reload their fare cards at participating stores.

HMIS Pass Program

CapMetro provides a transit pass for people experiencing homelessness or housing insecurity and receiving supportive services in Central Texas and registered in the Homeless Management Information System (HMIS).

Changes to the unhoused fare program were required to not only account for the new fare payment system, but also to ensure the sustainability and longevity of the program. Following the initial launch of the program, CapMetro staff and partner social service providers identified numerous incidents of fraud and misuse. Technical restrictions at the time prevented CapMetro from turning off lost or stolen cards, which is a key tenant of the program. When CapMetro upgraded the fare system in February 2025, work to address these challenges began immediately to ensure that one fare card was assigned and active with only one person. The changes included reducing the two-year transit pass to a one-year transit pass and introducing additional controls on the passes to be able to replace lost and stolen cards and deactivate previous passes.

Lost and stolen cards are anticipated, and staff have built in safety nets to ensure social service providers can easily issue a new card should a customer need one. CapMetro worked in partnership with providers that have authorization to distribute the cards to provide training on how to issue the cards, replace a card, and receive additional stock of new cards. The cards are not preloaded, which in turn lessens the risk for the providers managing them. If the cards are found to have no owner or to be a duplicate card, they are closed. The provider that issued the card is alerted for informational purposes and serves as feedback about data accuracy (a requirement of their Memorandum of Understanding).

Data reporting requirements are imperative to ensure the system's longevity and that eligible individuals receive the benefit. Previously, tracking was not as robust as it is with the new system, and holding providers accountable for issuing passes appropriately was a

challenge. New data reporting is more detailed and CapMetro staff has made a concerted effort to align the HMIS Pass Program with providers that include case management to holistically address the needs of our customers.

Since the launch of the program, staff have closed 687 duplicate and nameless accounts, which is 6.2% of the overall accounts for the HMIS Program. The card loss rate has reduced significantly from an average of 1,627 cards reported lost per month to an average of 381 lost cards per month, a 77% decrease. There are currently 10,357 active HMIS passes on the system.

To streamline agencies receiving passes in a timely manner, staff have set up an ordering process to ensure faster processing through Square. Providers issuing the cards are in frequent contact with CapMetro to provide feedback on the challenges they face and any data issues and observations. CapMetro has a dedicated social worker who partners with the agencies to ensure they have what they need, provided they are aligned with their Memorandum of Understanding.

Future Improvements

CapMetro staff continue to make progress on introducing tap-to-pay on vehicles and are evaluating alternatives for updating and replacing the farebox equipment.