



Agenda - Final
Capital Metropolitan
Transportation Authority
Board of Directors

2910 East 5th Street
Austin, TX 78702

Monday, March 24, 2025

12:00 PM

Rosa Parks Boardroom

This meeting will be livestreamed at capmetrotx.legistar.com

I. Call to Order

II. Safety Briefing:

III. Public Comment:

IV. Advisory Committee Updates:

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

V. Board Committee Updates:

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

VI. Consent Items:

1. Approval of minutes from the February 24, 2025 board meeting.
2. Approval of a resolution updating the Charter Statement for the Finance, Audit and Administration Committee.
3. Approval of a resolution updating the Charter Statement for the Operations, Planning and Safety Committee.

4. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute an encroachment agreement with the City of Pflugerville on CapMetro-owned property located at 10805 Cameron Road, Austin, Texas, for the purpose of providing new storm water drainage infrastructure related to construction of CapMetro's new North Base Demand Response Facility.
5. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute an interlocal agreement (ILA) with the City of Austin to support the connection of public safety dispatch radio consoles and other equipment to the GATRRS Master Site network for an estimated amount not to exceed \$140,000.
6. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with the Texas Department of Information Resources (DIR) Interlocal Contract No. DIR-SS-ILC0030 held by DIR and CapMetro for Shared Technology Services to renew Salesforce CRM Software licensing for one (1) year for a total amount not to exceed \$435,699.
7. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute the granting of a restrictive covenant to the City of Austin on CapMetro-owned property located on 25 acres of land at 10805 Cameron Road, Austin, Texas for the purpose of creating an Integrated Pest Management plan for an onsite stormwater infrastructure.

VII. Action Items:

1. Approval of a resolution authorizing the President & CEO, or her designee, to implement the June 2025 Service Changes.

Memo: Updates on the Proposed June 2025 Service Changes (March 17, 2025)
2. Approval of a resolution authorizing the President & CEO, or her designee, to amend the CapMetro Acquisition Policy to incorporate information from the recently revised FTA Third-Party Contracting Guidance (FTA Circular 4220.1G) and revise guidelines to align with industry standards.
3. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with Trapeze Software Group, Inc., dba Vontas for replacement of the CapMetro computer aided dispatch / automatic vehicle location (CAD/AVL) system, for a two (2) year base period and three (3) one-year option periods for a grand total not to exceed amount of \$9,190,649 which includes 10% contingency.
4. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract modification with Simply Klean LLC for janitorial services to add \$1,200,000 to the contract, for a new total not to exceed amount of \$6,030,001.

VIII. Discussion Items:

1. Update on CapMetro's Long Range Vision

IX. Report:

1. President and CEO Monthly Update - March 2025

X. Items for Future Discussion:

XI. 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; Paige Ellis, Vice Chair; Becki Ross, Secretary; Eric Stratton, Matt Harriss, Dianne Bangle, Chito Vela and Zo Qadri.

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
Wednesday, March 12, 2025
6:00 PM
Virtual Presentation

CapMetro Employees: Peter Breton, Kelsey Lammy.

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

Guests: Ruven Brooks, Dominic De Niro.

Meeting called to order at 6:03 PM

Welcome / Introductions / Call to Order
Chair Foster

Approval of the Feb minutes – Diana Wheeler / 2nd by Betsy Greenberg – passes unanimously.

Public Communications

Fangda Lu and Peter Breton provided public communication.

Rapid Update
Kelsey Lammy, Community Engagement & Involvement Manager

Participated in Discussion / Q&A:

Betsy Greenberg, Peter Breton, David Foster, Diana Wheeler, and Dominic DeNiro.

Committee Meet & Greet
Facilitated by Staff Liaison

Participated in Discussion / Q&A:

Peter Breton, David Foster, Dominic DeNiro, Betsy Greenberg, Ephraim Taylor and Kelsey Lammy.

Meeting adjourned at 7:09 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, March 5, 2025

5:30 PM

Virtual Presentation

CapMetro Employees: Peter Breton, Linda English, Louise Friedlander, Art Jackson, Martin Kareithi, Kelsey Lammy, Julie Lampkin, Anna Lan, Ariel Marlowe, Sara Sanford, Randy Slaughter, Kris Turner.

Supporting Staff: Lucy Hall, Nick Milum.

Committee Members: Glenda Born.

Meeting Quorum Not Met; Standing items were tabled, but staff presentations continued. Presentations started at 5:36 PM

Welcome / Introductions / Call to Order

Vice-Chair Born

Public Communications

Peter Breton provided public comment

ETOD Update

Anna Lan, Manager of Transit Oriented Development

Lucy Hall, Senior Planner at the City of Austin

Participated in Discussion / Q&A:

Glenda Born, Lucy Hall, Anna Lan.

Committee Meet & Greet

Facilitated by Staff Liaison

Participated:

Glenda Born, Peter Breton, Art Jackson.

Meeting adjourned at 6:26PM



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2022-329

Agenda Date: 1/24/2022

Public Safety Advisory Committee (PSAC)

Capital Metropolitan Transportation Authority

Public Safety Advisory Committee (PSAC)

Friday, February 28, 2025

11:30 AM

Virtual Presentation

CapMetro Employees: Peter Breton, Ariel Marlowe, Troy Officer, Joe Rose, Yvonne Wilson.

Committee Members: Kathryn Kalinowski, Lauren Taylor, Christian Tschoepe, Sheena Walter.

Meeting Quorum Not Met; Standing items were tabled, but staff presentations continued. Presentations started at 11:38AM

Welcome / Introductions / Call to Order

Chair Taylor

Public Communications

Subcommittee Update

Peter Breton, Senior Community Engagement Coordinator

Committee Meet & Greet

Facilitated by Staff Liaison

Participated in Discussion / Q&A:

Peter Breton, Joseph Rose, Lauren Taylor.

Meeting ended at 11:49 PM



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2025-1431

Agenda Date: 3/24/2025

Approval of minutes from the February 24, 2025 board meeting.

Minutes
Capital Metropolitan
Transportation Authority
Board of Directors

2910 East 5th Street
Austin, TX 78702

Monday, February 24, 2025

12:00 PM

Rosa Parks Boardroom

I. Call to Order

12:04 p.m. Meeting Called to Order

Present: Travillion, Stratton, Ross, Harriss, Vela, Bangle, Ellis, and Qadri

II. Safety Briefing:

III. Oath of Office:

1. Austin City Councilmember Zohaib “Zo” Qadri

IV. Public Comment:

Hanan Brower and Zenobia Joseph provided public comments. Sherri Taylor also provided public comments following the Advisory Committee Updates.

V. Advisory Committee Updates:

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

VI. Board Committee Updates:

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

VII. Consent Items:

A motion was made by Board Member Vela, seconded by Board Member Ellis, to approve the Consent Agenda. The motion carried by the following vote:

Aye: Travillion, Stratton, Ross, Harriss, Vela, Bangle, Ellis, and Qadri

1. Approval of minutes from the January 15 and January 27, 2025 public hearings and the January 27, 2025 board meeting.
2. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with Everon, LLC. for the replacement of the physical access control system at 18 CapMetro sites for an amount not to exceed \$419,225.
3. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with The eConsortium Group for network monitoring software, for the term of five (5) years payable in yearly installments with the total amount not to exceed \$934,812.
4. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute Storm Water Drainage Easements, Water Easements, and a Wastewater Easement to the City of Austin for the North Base Demand Response Capital Improvement Project at 10805 Cameron Road, Austin, Texas.
5. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a blanket electric utility easement to the City of Austin on CapMetro-owned property located at 10805 Cameron Road, Austin, Texas, for the purpose of providing new electric utility service for CapMetro's new North Base Demand Response Facility, which, after final construction, shall be limited to an area extending five feet on all sides of the actual installed location of the utility infrastructure.
6. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute amendments to two leases with 3423 Holdings LLC for 93,242 rentable square feet of land storage space at 7415 Circle S Road, Austin, Travis County, TX 78745, extending the leases through December 31, 2025 for a total amount not to exceed \$222,799.

VIII. Action Items:

1. Approval of a resolution electing officers of the CapMetro Board of Directors for 2025.

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

Aye: Travillion, Stratton, Ross, Harriss, Vela, Bangle, Ellis, and Qadri
2. Approval of a resolution confirming the appointments to the Finance, Audit and Administration Committee and Operations, Planning and Safety Committee, and confirming appointments of Chairs for both Committees for 2025.

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

Aye: Travillion, Stratton, Ross, Harriss, Vela, Bangle, Ellis, and Qadri

- 3. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a second amended and restated Interlocal Agreement (ILA) between CapMetro and the City of Austin for the expansion and electrification of the Bikeshare Program for an initial three-year term with operations and maintenance and capital contributions from the City in amounts not to exceed \$750,000 and \$3,600,000 respectively, and other contributions outlined in the ILA, with options to extend the ILA through FY2034.

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

Aye: Travillion, Stratton, Ross, Harriss, Vela, Bangle, Ellis, and Qadri

- 4. Approval of a resolution approving changes to the Internal Audit Charter.

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

Aye: Travillion, Stratton, Ross, Harriss, Vela, Bangle, Ellis, and Qadri

- 5. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with GALLS, LLC for uniform services, with a base term of one (1) year and four (4) option years, in a total amount not to exceed \$5,749,160 of which \$522,651 is contingency.

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

Aye: Travillion, Stratton, Ross, Harriss, Vela, Bangle, Ellis, and Qadri

- 6. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with Vertosoft LLC. for Transit traveler tools, with a base term of one (1) year and three (3) option years, in a total amount of \$2,224,025 of which \$370,671 is contingency.

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

Aye: Travillion, Stratton, Ross, Harriss, Vela, Bangle, Ellis, and Qadri

IX. Discussion Item:

- 1. Austin Transit Partnership Update on Austin Light Rail Draft Environmental Impact Statement

X. Report:

- 1. President and CEO Monthly Update - February 2025

XI. Memos:

Note: Memos are for information only. Will not be discussed at meeting.

1. Memo: RAISE Grant Resolution Error (February 17, 2025)
2. Memo: Customer Fare System Transition Update (February 17, 2025)
3. Memo: Proposed June 2025 Service Changes (February 6, 2025)

XII. Items for Future Discussion:

XIII. Adjournment

1:37 p.m. Meeting Adjourned

ADA Compliance

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BOARD OF DIRECTORS: Jeffrey Travillion, Chair; Becki Ross, Secretary; Eric Stratton, Paige Ellis, Matt Harriss, Dianne Bangle, Chito Vela and Zo Qadri.

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.

Board of Directors

Item #: AI-2024-1371

Agenda Date: 3/24/2025

SUBJECT:

Approval of a resolution updating the Charter Statement for the Finance, Audit and Administration Committee.

FISCAL IMPACT:

This action has no fiscal impact.

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: Capital Metro's two board committees assist the Board of Directors in providing strong governance and play a key advisory role to the full board. Their expertise and in-depth look at issues before the board is vital to our long-term strategic planning.

BUSINESS CASE: Does not apply

COMMITTEE RECOMMENDATION: This item was presented and recommended for approval by the Finance, Audit and Administration Committee on March 12, 2025.

EXECUTIVE SUMMARY: In 2010, each of the committees of the Board of Directors adopted Committee Charter Statements defining their areas of responsibility. A periodic review of these charters was requested by the Board upon adoption and allows the committees to ensure that the charters still meet the needs and parameters of each committee. This charter was last reviewed by the Board in November, 2023.

After reviewing the current charter, staff is recommending minor updates to the document which are detailed in the attached redline.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply.

RESPONSIBLE DEPARTMENT: Board of Directors

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

**STATE OF TEXAS
COUNTY OF TRAVIS**

AI-2024-1371

WHEREAS, the Board of Directors has established committees made up of members of the Board to consider specified areas of interest to the Authority; and

WHEREAS, the Board of Directors has adopted Committee Charter Statements that define the roles and responsibilities of each of these committees; and

WHEREAS, the Board of Directors desires to review the Committee Charter Statement to ensure that it reflects current roles and responsibilities.

NOW, THEREFORE, BE IT RESOLVED that the Capital Metropolitan Transportation Authority Board of Directors hereby updates the Committee Charter Statement for the Finance, Audit and Administration Committee with minor changes detailed in the attached document.

**Secretary of the Board
Becki Ross**

Date: _____

**CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS
FINANCE, AUDIT AND ADMINISTRATION COMMITTEE CHARTER**

I. PURPOSE

The Finance, Audit and Administration Committee (the “FAA Committee”) has been established by the Capital Metropolitan Transportation Authority (“Capital Metro”) Board of Directors (the “Board”) to assist in fulfilling its oversight responsibilities for accounting and financial reporting processes, the system of internal controls, the audit processes, and systems for monitoring compliance with laws, regulations, and the Capital Metro Code of Ethics.

Executive management is responsible for preparing complete and accurate financial statements, managing business and financial risk, and for monitoring internal controls and compliance with all applicable laws, regulations, and internal policies and procedures. The Board of Directors has oversight responsibility in these areas and is charged with establishing and supporting an adequate control environment within the organization for ensuring accountability and demonstrating proper stewardship over public funds.

II. AUTHORITY

The FAA Committee has authority to conduct or authorize investigations into and study any matter within its scope of responsibility and make recommendations for action to the full Board. It is empowered to:

1. Ensure the independence of any registered public accounting firm employed by Capital Metro.
2. Resolve any disagreements between management and the auditor regarding financial reporting.
3. Provide oversight and direction of the internal audit function.
4. Use independent counsel, accountants, auditors, or others to advise the FAA Committee or to assist in the conduct of an investigation.
5. Seek any information it requires from employees—all of whom are directed to cooperate with FAA Committee requests—or external parties.

III. MEMBERSHIP

The FAA Committee shall consist of at least three (3) members of the Board of Directors. The Chairperson of the Board will nominate the FAA Committee Chairperson and members annually, subject to confirmation by the Board. The FAA Committee shall elect a Committee Vice Chairperson from among its members at its first meeting of the year to perform the duties of the Chairperson in case of the absence, disability or disqualification of the Committee Chairperson.

Each member of the FAA Committee must be financially literate, as the Board interprets such qualification in its business judgment, or must become financially literate within a reasonable period of time after his or her appointment. In addition, one member of the FAA Committee must be a metropolitan planning organization appointee with at least 10 years of experience as a financial or accounting professional.

Committee members shall be free of any relationship that would interfere with his or her individual exercise of independent judgment in accordance with Capital Metro’s Code of Ethics and applicable law.

IV. EDUCATION

Capital Metro executive management is responsible for providing the FAA Committee with educational resources related to accounting principles and procedures, risk management, ethics, and other information that may be requested by the FAA Committee. Capital Metro executive management shall assist the FAA Committee in maintaining appropriate financial and compliance literacy.

V. MEETINGS

The FAA Committee will meet at least four (4) times a year, with authority to convene additional meetings, as circumstances require. All meetings will be conducted in accordance with the Texas Open Meetings Act, as applicable. FAA Committee members are expected to attend each meeting. The FAA Committee may direct members of management, auditors, or others to attend meetings and provide pertinent information, as necessary. CapMetro staff will post meeting agendas and backup materials for Board members and the public to view no later than seven (7) calendar days before the committee meeting.

VI. RESPONSIBILITIES

The FAA Committee will carry out the following responsibilities:

1. Financial & Other Reporting: *The FAA Committee shall provide reasonable assurance to the Board that financial information reported by management substantively portrays Capital Metro's financial condition, results of operations, plans, and long-term commitments. The FAA Committee may review other reports requiring Board approval prior to submission to public sector entities. The FAA Committee will:*
 - Review fiscal, investments, and other financial management policies and practices including but not limited to:
 - Operating & Capital Budgeting
 - Procurement and contracting
 - Revenue (e.g., grants, fare structure, new revenue opportunities including partnerships with external entities)
 - Debt and investments
 - Disadvantaged Business Enterprise (DBE) Program
 - Insurance and risk management
 - Review financial statements, including interim financial statements, auditor's opinions and management letters and consider whether they are complete, consistent with information known to FAA Committee members, and reflect appropriate accounting principles.
2. Internal Control: *The FAA Committee shall understand Capital Metro's key financial reporting risk areas and the internal control structure. The FAA Committee will:*
 - Consider the effectiveness of Capital Metro's internal control systems, including information technology security and control.
 - Understand the scope of internal and external auditors' review of internal controls over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.
 - Review and provide oversight for technology investments and processes that support the Authority's strategic financial goals and objectives.

- Review the reports and results of internal and external audits.
3. Internal Audit: *The FAA Committee shall provide direct oversight of Capital Metro's internal audit function. To facilitate the effectiveness and independence of the internal audit function, the internal audit function is ultimately accountable to the Board of Directors and the FAA Committee. The FAA Committee will:*
- Make recommendations to the full Board of Directors regarding the appointment and removal of the Chief Audit Executive (CAE).
 - Review annually with management and the CAE the charter, audit plans, activities, staffing, and organizational structure of the internal audit function.
 - Ensure there are no unjustified restrictions or limitations on the internal audit function.
 - Review audit results, reports, and recommendations and ensure adequate management follow-up and resolution.
 - Meet with the CAE to discuss any matters that the FAA Committee or internal audit believes should be discussed.
 - Request internal auditors to perform special studies, investigations, or other services in matters of interest or concern to the FAA Committee or Board that may be outside the scope of the approved Audit Services Plan. Such projects could include investigation of areas of high control risk, potential or suspected fraud or other irregularities, compliance with laws, regulations, policies and procedures, or evaluation of external auditors.
 - Conduct an annual performance review and evaluation of the CAE.
 - Review the effectiveness of the internal audit function through periodic external quality assurance reviews.
4. External Audit: *The FAA Committee shall assure independence in fact and in appearance of all external financial assurance services. External auditors are ultimately accountable to the Board of Directors and the FAA Committee. The FAA Committee will:*
- Review the external auditors' proposed audit scope and approach, including coordination of audit effort with internal audit.
 - Consider the facts and circumstances of each case in order to determine if firm or audit partner rotation is needed in order to ensure an independent financial audit in accordance with the Policy on Rotation of Auditors.
 - Approve in advance any non-audit services by external auditors or their consulting practice/affiliates.
 - Ensure that external auditors do not (1) provide non-audit services that involve performing management functions or making management decisions, or (2) audit their own work or provide non-audit services that are significant or material to the subject matter of the audits.
 - Meet with the external auditors to discuss any matters that the FAA Committee or auditors believe should be discussed in detail.
 - Review with management and the external auditors the results of the audit, including any serious difficulties or disputes with management encountered during assurance work.
5. Compliance: *The FAA Committee shall provide reasonable assurance to the Board of Directors that its policies are being carried out and that systems are in place to ensure compliance with laws and regulations. The FAA Committee will:*

- Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.
 - Review the findings of any examinations by regulatory agencies, and any auditor observations.
 - Review the process for communicating the Code of Ethics to company personnel and for monitoring compliance therewith.
 - Obtain regular updates from the Board Ethics Officer and the Staff Ethics Officer regarding ethics and compliance matters.
6. Reporting Responsibilities: *The FAA Committee will:*
- Report and recommend action, as appropriate to the Board of Directors about FAA Committee activities, issues, and related recommendations.
 - Provide an open avenue of communication between internal audit, the external auditors, and the Board of Directors.
 - Review any other reports Capital Metro issues that relate to FAA Committee responsibilities.
7. Other Responsibilities: *The FAA Committee will:*
- Perform other activities related to this charter as requested by the Capital Metro Board of Directors.
 - Review and assess the adequacy of the FAA Committee Charter annually, requesting Board approval for proposed changes, and ensure appropriate disclosure as may be required by law or regulation.
 - Confirm annually that all responsibilities outlined in this charter have been carried out.

**CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS
FINANCE, AUDIT AND ADMINISTRATION COMMITTEE CHARTER**

I. PURPOSE

The Finance, Audit and Administration Committee (the “FAA Committee”) has been established by the Capital Metropolitan Transportation Authority (“CapMetro”) Board of Directors (the “Board”) to assist in fulfilling its oversight responsibilities for accounting and financial reporting processes, the system of internal controls, the audit processes, and systems for monitoring compliance with laws, regulations, and the CapMetro Code of Ethics.

Executive management is responsible for preparing complete and accurate financial statements, managing business and financial risk, and for monitoring internal controls and compliance with all applicable laws, regulations, and internal policies and procedures. The Board of Directors has oversight responsibility in these areas and is charged with establishing and supporting an adequate control environment within the organization for ensuring accountability and demonstrating proper stewardship over public funds.

II. AUTHORITY

The FAA Committee has authority to conduct or authorize investigations into and study any matter within its scope of responsibility and make recommendations for action to the full Board. It is empowered to:

1. Ensure the independence of any registered public accounting firm employed by CapMetro.
2. Resolve any disagreements between management and the external auditor regarding financial reporting.
3. Provide oversight and direction of the internal audit function.
4. Use independent counsel, accountants, auditors, or others to advise the FAA Committee or to assist in the conduct of an investigation.
5. Seek any information it requires from CapMetro staff—all of whom are directed to cooperate with FAA Committee requests—or external parties.

III. MEMBERSHIP

The FAA Committee shall consist of at least three (3) members of the Board of Directors.

The Chairperson of the Board will nominate the FAA Committee Chairperson and members annually, subject to confirmation by the Board. The FAA Committee shall elect a Committee Vice Chairperson from among its members at its first meeting of the year to perform the duties of the Chairperson in case of the absence, disability or disqualification of the Committee Chairperson.

Each member of the FAA Committee must be financially literate, as the Board interprets such qualification in its business judgment, or must become financially literate within a reasonable period of time after his or her appointment. In addition, one member of the FIAA Committee must be a metropolitan planning organization appointee with at least 10 years of experience as a financial or accounting professional.

Committee members shall be free of any relationship that would interfere with his or her individual exercise of independent judgment in accordance with CapMetro’s Code of Ethics and applicable law.

IV. EDUCATION

CapMetro executive management is responsible for providing the FAA Committee with educational resources related to accounting principles and procedures, risk management, ethics, employee health and benefit plans and other information that may be requested by the FAA Committee. CapMetro executive management shall assist the FAA Committee in maintaining appropriate financial and compliance literacy.

V. MEETINGS

The FAA Committee will meet at least four (4) times a year, with authority to convene additional meetings as circumstances require. All meetings will be conducted in accordance with the Texas Open Meetings Act, as applicable. FAA Committee members are expected to attend each meeting. The FAA Committee may direct members of management, auditors, or others to attend meetings and provide pertinent information, as necessary. CapMetro staff will post meeting agendas and backup materials for Board members and the public to view no later than seven (7) calendar days before the committee meeting.

VI. RESPONSIBILITIES

The FAA Committee will carry out the following responsibilities:

1. **Financial & Other Reporting:** *The FAA Committee shall provide reasonable assurance to the Board that financial information reported by management substantively portrays CapMetro's financial condition, results of operations, plans, and long-term commitments. The FAA Committee may review other reports requiring Board approval prior to submission to public sector entities. The FAA Committee will:*
 - Review fiscal, investment, and other financial management policies and practices including but not limited to:
 - Operating & Capital Budgeting
 - Procurement and contracting
 - Revenue (e.g., grants, fare structure, new revenue opportunities including partnerships with external entities)
 - Debt and investments
 - Disadvantaged Business Enterprise (DBE) Program
 - Insurance and risk management
 - Review financial statements, including interim financial statements, auditor's opinions and management letters, and consider whether they are complete and consistent with information known to FAA Committee members, and reflect appropriate accounting principles.
2. **Internal Control:** *The FAA Committee shall understand CapMetro's key financial reporting risk areas and the internal control structure. The FAA Committee will:*
 - Consider the effectiveness of CapMetro's internal control systems, including information technology security and control.
 - Understand the scope of internal and external auditors' review of internal controls over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.

- Review and provide oversight for technology investments and processes that support the Authority's strategic financial goals and objectives.
 - Review the reports and results of internal and external audits.
3. Internal Audit: *The FAA Committee shall provide direct oversight of CapMetro's internal audit function. To facilitate the effectiveness and independence of the internal audit function, the internal audit function is ultimately accountable to the Board of Directors and the FAA Committee. The FAA Committee will:*
- Make recommendations to the full Board of Directors regarding the appointment, removal, or other personnel actions regarding the Chief Audit Executive (CAE).
 - Review annually with management and the CAE the charter, audit plans, activities, staffing, and organizational structure of the internal audit function.
 - Ensure there are no unjustified restrictions or limitations on the internal audit function.
 - Review audit results, reports, and recommendations and ensure adequate management follow-up and resolution.
 - Meet with the CAE to discuss any matters that the FAA Committee or internal audit believes should be discussed.
 - Request internal auditors to perform special studies, investigations, or other services in matters of interest or concern to the FAA Committee or Board that may be outside the scope of the approved Audit Services Plan. Such projects could include investigation of areas of high control risk, potential or suspected fraud or other irregularities, compliance with laws, regulations, policies and procedures, or evaluation of external auditors.
 - Conduct an annual performance review and evaluation of the CAE.
 - Review the effectiveness of the internal audit function through periodic external quality assurance reviews.
4. External Audit: *The FAA Committee shall assure independence in fact and in appearance of all external financial assurance services. External auditors are ultimately accountable to the Board of Directors and the FAA Committee. The FAA Committee will:*
- Review the external auditors' proposed audit scope and approach, including coordination of audit effort with internal audit.
 - Consider the facts and circumstances of each case in order to determine if firm or audit partner rotation is needed in order to ensure an independent financial audit in accordance with the Policy on Rotation of Auditors.
 - Approve in advance any non-audit services by external auditors or their consulting practice/affiliates.
 - Ensure that external auditors do not (1) provide non-audit services that involve performing management functions or making management decisions, or (2) audit their own work or provide non-audit services that are significant or material to the subject matter of the audits.
 - Meet with the external auditors to discuss any matters that the FAA Committee or auditors believe should be discussed in detail.
 - Review with management and the external auditors the results of the audit, including any serious difficulties or disputes with management encountered during assurance work.

5. Compliance: *The FAA Committee shall provide reasonable assurance to the Board of Directors that its policies are being carried out and that systems are in place to ensure compliance with laws and regulations. The FAA Committee will:*
 - Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.
 - Review the findings of any examinations by regulatory agencies, and any auditor observations.
 - Review the process for communicating the Code of Ethics to company personnel and for monitoring compliance therewith.
 - Obtain regular updates from the Board Ethics Officer and the Staff Ethics Officer regarding ethics and compliance matters.

6. Reporting Responsibilities: *The FAA Committee will:*
 - Report and recommend action, as appropriate to the Board of Directors about FAA Committee activities, issues, and related recommendations.
 - Provide an open avenue of communication between internal audit, the external auditors, and the Board of Directors.
 - Review any other reports CapMetro issues that relate to FAA Committee responsibilities.

7. Other Responsibilities: *The FAA Committee will:*
 - Perform other activities related to this charter as requested by the CapMetro Board of Directors.
 - Review and assess the adequacy of the FAA Committee Charter annually, requesting Board approval for proposed changes, and ensure appropriate disclosure as may be required by law or regulation.
 - Confirm annually that all responsibilities outlined in this charter have been carried out.

**CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS
FINANCE, AUDIT AND ADMINISTRATION COMMITTEE CHARTER**

I. PURPOSE

The Finance, Audit and Administration Committee (the “FAA Committee”) has been established by the Capital Metropolitan Transportation Authority (“CapMetro”) Board of Directors (the “Board”) to assist in fulfilling its oversight responsibilities for accounting and financial reporting processes, the system of internal controls, the audit processes, and systems for monitoring compliance with laws, regulations, and the CapMetro Code of Ethics.

Executive management is responsible for preparing complete and accurate financial statements, managing business and financial risk, and for monitoring internal controls and compliance with all applicable laws, regulations, and internal policies and procedures. The Board of Directors has oversight responsibility in these areas and is charged with establishing and supporting an adequate control environment within the organization for ensuring accountability and demonstrating proper stewardship over public funds.

II. AUTHORITY

The FAA Committee has authority to conduct or authorize investigations into and study any matter within its scope of responsibility and make recommendations for action to the full Board. It is empowered to:

1. Ensure the independence of any registered public accounting firm employed by CapMetro.
2. Resolve any disagreements between management and the external auditor regarding financial reporting.
3. Provide oversight and direction of the internal audit function.
4. Use independent counsel, accountants, auditors, or others to advise the FAA Committee or to assist in the conduct of an investigation.
5. Seek any information it requires from CapMetro staff—all of whom are directed to cooperate with FAA Committee requests—or external parties.

III. MEMBERSHIP

The FAA Committee shall consist of at least three (3) members of the Board of Directors.

The Chairperson of the Board will nominate the FAA Committee Chairperson and members annually, subject to confirmation by the Board. The FAA Committee shall elect a Committee Vice Chairperson from among its members at its first meeting of the year to perform the duties of the Chairperson in case of the absence, disability or disqualification of the Committee Chairperson.

Each member of the FAA Committee must be financially literate, as the Board interprets such qualification in its business judgment, or must become financially literate within a reasonable period of time after his or her appointment. In addition, one member of the FIAA Committee must be a metropolitan planning organization appointee with at least 10 years of experience as a financial or accounting professional.

Committee members shall be free of any relationship that would interfere with his or her individual exercise of independent judgment in accordance with CapMetro’s Code of Ethics and applicable law.

IV. EDUCATION

CapMetro executive management is responsible for providing the FAA Committee with educational resources related to accounting principles and procedures, risk management, ethics, employee health and benefit plans and other information that may be requested by the FAA Committee. CapMetro executive management shall assist the FAA Committee in maintaining appropriate financial and compliance literacy.

V. MEETINGS

The FAA Committee will meet at least four (4) times a year, with authority to convene additional meetings as circumstances require. All meetings will be conducted in accordance with the Texas Open Meetings Act, as applicable. FAA Committee members are expected to attend each meeting. The FAA Committee may direct members of management, auditors, or others to attend meetings and provide pertinent information, as necessary. CapMetro staff will post meeting agendas and backup materials for Board members and the public to view no later than seven (7) calendar days before the committee meeting.

VI. RESPONSIBILITIES

The FAA Committee will carry out the following responsibilities:

1. Financial & Other Reporting: *The FAA Committee shall provide reasonable assurance to the Board that financial information reported by management substantively portrays CapMetro's financial condition, results of operations, plans, and long-term commitments. The FAA Committee may review other reports requiring Board approval prior to submission to public sector entities. The FAA Committee will:*
 - Review fiscal, investment, and other financial management policies and practices including but not limited to:
 - Operating & Capital Budgeting
 - Procurement and contracting
 - Revenue (e.g., grants, fare structure, new revenue opportunities including partnerships with external entities)
 - Debt and investments
 - Disadvantaged Business Enterprise (DBE) Program
 - Insurance and risk management
 - Review financial statements, including interim financial statements, auditor's opinions and management letters, and consider whether they are complete and consistent with information known to FAA Committee members, and reflect appropriate accounting principles.
2. Internal Control: *The FAA Committee shall understand CapMetro's key financial reporting risk areas and the internal control structure. The FAA Committee will:*
 - Consider the effectiveness of CapMetro's internal control systems, including information technology security and control.
 - Understand the scope of internal and external auditors' review of internal controls over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.

- Review and provide oversight for technology investments and processes that support the Authority's strategic financial goals and objectives.
 - Review the reports and results of internal and external audits.
3. Internal Audit: *The FAA Committee shall provide direct oversight of CapMetro's internal audit function. To facilitate the effectiveness and independence of the internal audit function, the internal audit function is ultimately accountable to the Board of Directors and the FAA Committee. The FAA Committee will:*
- Make recommendations to the full Board of Directors regarding the appointment, removal, or other personnel actions of the Chief Audit Executive (CAE).
 - Review annually with management and the CAE the charter, audit plans, activities, staffing, and organizational structure of the internal audit function.
 - Ensure there are no unjustified restrictions or limitations on the internal audit function.
 - Review audit results, reports, and recommendations and ensure adequate management follow-up and resolution.
 - Meet with the CAE to discuss any matters that the FAA Committee or internal audit believes should be discussed.
 - Request internal auditors to perform special studies, investigations, or other services in matters of interest or concern to the FAA Committee or Board that may be outside the scope of the approved Audit Services Plan. Such projects could include investigation of areas of high control risk, potential or suspected fraud or other irregularities, compliance with laws, regulations, policies and procedures, or evaluation of external auditors.
 - Conduct an annual performance review and evaluation of the CAE.
 - Review the effectiveness of the internal audit function through periodic external quality assurance reviews.
4. External Audit: *The FAA Committee shall assure independence in fact and in appearance of all external financial assurance services. External auditors are ultimately accountable to the Board of Directors and the FAA Committee. The FAA Committee will:*
- Review the external auditors' proposed audit scope and approach, including coordination of audit effort with internal audit.
 - Consider the facts and circumstances of each case in order to determine if firm or audit partner rotation is needed in order to ensure an independent financial audit in accordance with the Policy on Rotation of Auditors.
 - Approve in advance any non-audit services by external auditors or their consulting practice/affiliates.
 - Ensure that external auditors do not (1) provide non-audit services that involve performing management functions or making management decisions, or (2) audit their own work or provide non-audit services that are significant or material to the subject matter of the audits.
 - Meet with the external auditors to discuss any matters that the FAA Committee or auditors believe should be discussed in detail.
 - Review with management and the external auditors the results of the audit, including any serious difficulties or disputes with management encountered during assurance work.

5. Compliance: *The FAA Committee shall provide reasonable assurance to the Board of Directors that its policies are being carried out and that systems are in place to ensure compliance with laws and regulations. The FAA Committee will:*
 - Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.
 - Review the findings of any examinations by regulatory agencies, and any auditor observations.
 - Review the process for communicating the Code of Ethics to company personnel and for monitoring compliance therewith.
 - Obtain regular updates from the Board Ethics Officer and the Staff Ethics Officer regarding ethics and compliance matters.

6. Reporting Responsibilities: *The FAA Committee will:*
 - Report and recommend action, as appropriate to the Board of Directors about FAA Committee activities, issues, and related recommendations.
 - Provide an open avenue of communication between internal audit, the external auditors, and the Board of Directors.
 - Review any other reports CapMetro issues that relate to FAA Committee responsibilities.

7. Other Responsibilities: *The FAA Committee will:*
 - Perform other activities related to this charter as requested by the CapMetro Board of Directors.
 - Review and assess the adequacy of the FAA Committee Charter annually, requesting Board approval for proposed changes, and ensure appropriate disclosure as may be required by law or regulation.
 - Confirm annually that all responsibilities outlined in this charter have been carried out.

Board of Directors

Item #: AI-2024-1372

Agenda Date: 3/24/2025

SUBJECT:

Approval of a resolution updating the Charter Statement for the Operations, Planning and Safety Committee.

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 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: CapMetro's two board committees assist the Board of Directors in providing strong governance and play a key advisory role to the full Board. Their expertise and in-depth look at issues before the Board is vital to our long-term strategic planning.

BUSINESS CASE: Does not apply

COMMITTEE RECOMMENDATION: This item was presented and recommended for approval by the Operations, Planning and Safety Committee on March 12, 2025.

EXECUTIVE SUMMARY: In 2010, each of the committees of the Board of Directors adopted Committee Charter Statements defining their areas of responsibility. A periodic review of these charters was requested by the Board upon adoption and allows the committees to ensure that the charters still meet the needs and parameters of each committee. This charter was last reviewed by the Board in December, 2023.

After reviewing the Charter, staff's only recommendation is updating the name of the agency from "Capital Metro" to "CapMetro" to reflect current branding. No other substantive changes are suggested.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply.

RESPONSIBLE DEPARTMENT: Board of Directors

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

**STATE OF TEXAS
COUNTY OF TRAVIS**

AI-2024-1372

WHEREAS, the Board of Directors has established committees made up of members of the Board to consider specified areas of interest to the Authority; and

WHEREAS, the Board of Directors has adopted Committee Charter Statements that define the roles and responsibilities of each of these committees; and

WHEREAS, the Board of Directors desires to review the Committee Charter Statement to ensure that it reflects current roles and responsibilities.

NOW, THEREFORE, BE IT RESOLVED that the Capital Metropolitan Transportation Authority Board of Directors hereby updates the Committee Charter Statement for the Operations, Planning and Safety Committee to reflect the current branding of the agency's name from "Capital Metro" to "CapMetro".

Date: _____

**Secretary of the Board
Becki Ross**

**CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS
OPERATIONS, PLANNING AND SAFETY COMMITTEE CHARTER**

I. PURPOSE AND AUTHORITY

The Operations, Planning and Safety Committee (the “OPS Committee”) has been established by the Capital Metropolitan Transportation Authority (“Capital Metro”) Board of Directors (the “Board”) to review and make recommendations to the full Board on policies and practices related to the efficient, safe, and reliable operation of the Capital Metro system and effective short and long-range planning for a sustainable Capital Metro.

The OPS Committee serves as an advisory committee to the Board which has the legal responsibility to make decisions and policies for Capital Metro.

II. RESPONSIBILITIES

The OPS Committee shall be responsible for:

- Overseeing short-range service planning and modification;
- Developing and making recommendations to the Board on long-range system planning and coordinating with external partners on regional planning initiatives;
- Reviewing and making recommendations to the Board on route standards and service standards;
- Monitoring performance indicators for service and operations, including but not limited to ridership, customer service and satisfaction, passenger and employee safety and security standards, and facility and vehicle maintenance;
- Making recommendations to the Board on system safety and security initiatives and plans to enhance organizational focus on safety and security and comply with applicable federal, state and local laws and regulations;
- Making recommendations to the Board on vehicle purchase and fleet management plans and other capital purchases related to operations;
- Overseeing facility and capital project design and construction programs;
- Recommending to the Board policies and processes designed to provide for effective and efficient IT governance;
- Reviewing and making recommendations to the Board on land use related to Capital Metro and property acquisition and disposal;
- Ensuring compliance with Title VI requirements;
- Overseeing the implementation of system start-ups; and
- Ensuring that all Capital Metro services operate effectively as an integrated transit system.

III. MEMBERSHIP

The OPS Committee shall consist of four (4) members of the Board. The Chairperson of the Board will nominate the OPS Committee Chairperson and members annually, subject to confirmation by the Board. The OPS Committee shall elect a Committee Vice Chairperson from its members at its first meeting of the year to perform the duties of the Chairperson in case of the absence, disability or disqualification of the Committee Chairperson.

IV. MEETINGS

The OPS Committee will meet at least four (4) times a year, with authority to convene additional meetings, as circumstances require. All meetings will be conducted in accordance with the Texas Open Meetings Act, as applicable. Committee members are expected to attend each meeting. The OPS Committee may direct members of management, auditors, or others to attend meetings and provide pertinent information, as necessary. CapMetro staff will post meeting agendas and backup materials for Board members and the public to view no later than seven (7) calendar days before the committee meeting.

The OPS Committee shall take up and consider any other items as directed by the Chairperson of the Board.

ORIGINAL

**CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS
OPERATIONS, PLANNING AND SAFETY COMMITTEE CHARTER**

I. PURPOSE AND AUTHORITY

The Operations, Planning and Safety Committee (the “OPS Committee”) has been established by the Capital Metropolitan Transportation Authority (“CapMetro”) Board of Directors (the “Board”) to review and make recommendations to the full Board on policies and practices related to the efficient, safe, and reliable operation of the Capital Metro system and effective short and long-range planning for a sustainable Capital Metro.

The OPS Committee serves as an advisory committee to the Board which has the legal responsibility to make decisions and policies for CapMetro.

II. RESPONSIBILITIES

The OPS Committee shall be responsible for:

- Overseeing short-range service planning and modification;
- Developing and making recommendations to the Board on long-range system planning and coordinating with external partners on regional planning initiatives;
- Reviewing and making recommendations to the Board on route standards and service standards;
- Monitoring performance indicators for service and operations, including but not limited to ridership, customer service and satisfaction, passenger and employee safety and security standards, and facility and vehicle maintenance;
- Making recommendations to the Board on system safety and security initiatives and plans to enhance organizational focus on safety and security and comply with applicable federal, state and local laws and regulations;
- Making recommendations to the Board on vehicle purchase and fleet management plans and other capital purchases related to operations;
- Overseeing facility and capital project design and construction programs;
- Recommending to the Board policies and processes designed to provide for effective and efficient IT governance;
- Reviewing and making recommendations to the Board on land use related to CapMetro and property acquisition and disposal;
- Ensuring compliance with Title VI requirements;
- Overseeing the implementation of system start-ups; and
- Ensuring that all CapMetro services operate effectively as an integrated transit system.

III. MEMBERSHIP

The OPS Committee shall consist of four (4) members of the Board. The Chairperson of the Board will nominate the OPS Committee Chairperson and members annually, subject to confirmation by the Board. The OPS Committee shall elect a Committee Vice Chairperson from its members at its first meeting following board action on annual committee appointments to perform the duties of the Chairperson in case of the absence, disability or disqualification of the Committee Chairperson.

IV. MEETINGS

The OPS Committee will meet at least four (4) times a year, with authority to convene additional meetings, as circumstances require. All meetings will be conducted in accordance with the Texas Open Meetings Act, as applicable. Committee members are expected to attend each meeting. The OPS Committee may direct members of management, auditors, or others to attend meetings and provide pertinent information, as necessary. CapMetro staff will post meeting agendas and backup materials for Board members and the public to view no later than seven (7) calendar days before the committee meeting.

The OPS Committee shall take up and consider any other items as directed by the Chairperson of the Board.

**CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS
OPERATIONS, PLANNING AND SAFETY COMMITTEE CHARTER**

I. PURPOSE AND AUTHORITY

The Operations, Planning and Safety Committee (the “OPS Committee”) has been established by the Capital Metropolitan Transportation Authority (“CapMetro”) Board of Directors (the “Board”) to review and make recommendations to the full Board on policies and practices related to the efficient, safe, and reliable operation of the Capital Metro system and effective short and long-range planning for a sustainable CapMetro.

The OPS Committee serves as an advisory committee to the Board which has the legal responsibility to make decisions and policies for CapMetro.

II. RESPONSIBILITIES

The OPS Committee shall be responsible for:

- Overseeing short-range service planning and modification;
- Developing and making recommendations to the Board on long-range system planning and coordinating with external partners on regional planning initiatives;
- Reviewing and making recommendations to the Board on route standards and service standards;
- Monitoring performance indicators for service and operations, including but not limited to ridership, customer service and satisfaction, passenger and employee safety and security standards, and facility and vehicle maintenance;
- Making recommendations to the Board on system safety and security initiatives and plans to enhance organizational focus on safety and security and comply with applicable federal, state and local laws and regulations;
- Making recommendations to the Board on vehicle purchase and fleet management plans and other capital purchases related to operations;
- Overseeing facility and capital project design and construction programs;
- Recommending to the Board policies and processes designed to provide for effective and efficient IT governance;
- Reviewing and making recommendations to the Board on land use related to CapMetro and property acquisition and disposal;
- Ensuring compliance with Title VI requirements;
- Overseeing the implementation of system start-ups; and
- Ensuring that all CapMetro services operate effectively as an integrated transit system.

III. MEMBERSHIP

The OPS Committee shall consist of four (4) members of the Board. The Chairperson of the Board will nominate the OPS Committee Chairperson and members annually, subject to confirmation by the Board. The OPS Committee shall elect a Committee Vice Chairperson from its members at its first meeting of the year to perform the duties of the Chairperson in case of the absence, disability or disqualification of the Committee Chairperson.

IV. MEETINGS

The OPS Committee will meet at least four (4) times a year, with authority to convene additional meetings, as circumstances require. All meetings will be conducted in accordance with the Texas Open Meetings Act, as applicable. Committee members are expected to attend each meeting. The OPS Committee may direct members of management, auditors, or others to attend meetings and provide pertinent information, as necessary. CapMetro staff will post meeting agendas and backup materials for Board members and the public to view no later than seven (7) calendar days before the committee meeting.

The OPS Committee shall take up and consider any other items as directed by the Chairperson of the Board.

Board of Directors

Item #: AI-2025-1402

Agenda Date: 3/24/2025

SUBJECT:

Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute an encroachment agreement with the City of Pflugerville on CapMetro-owned property located at 10805 Cameron Road, Austin, Texas, for the purpose of providing new storm water drainage infrastructure related to construction of CapMetro’s new North Base Demand Response Facility.

FISCAL IMPACT:

Funding for this action is available in the FY2025 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: Executing the encroachment agreement for storm water drainage for the North Base Demand Response Capital Improvement Project directly supports the agency's ability to construct this new operational facility and therefore fulfill key strategic goals and objectives.

The encroachment agreement allows Capital Metro to construct the new North Base Demand Response Capital facility which directly supports the agency's ability to provide an improved paratransit (ADA) and accessible transit system to the community. The encroachment agreement allows a financially responsible technical solution to be constructed for managing storm water runoff.

BUSINESS CASE: The approval of the storm water drainage encroachment agreement is proposed to provide a cost-effective technical solution to address storm water runoff from the Capital Metro project. Funding for this action is available in the FY2025 Capital Budget.

COMMITTEE RECOMMENDATION: The item was presented and recommended for approval by the Operations, Planning & Safety Committee on March 12, 2025.

EXECUTIVE SUMMARY: CapMetro is developing a new Demand Response operations maintenance facility located on 25 acres of land at 10805 Cameron Road, Austin, Texas. This parcel of land is owned by CapMetro and is currently undeveloped which requires new storm drain infrastructure. A surface storm drainage channel is proposed by CapMetro on the property to minimize impacts to Cameron Road and reduce capital cost. This surface channel is over the top of an existing easement granted to the City of Pflugerville in 2004 for their raw-water lines. The encroachment agreement is granted by the City of Pflugerville to allow CapMetro to construct the surface drainage channel and related storm water drainage infrastructure. CapMetro in return will waive railroad license fees where the City of Pflugerville's raw water lines cross CapMetro's railroad right-of-way locations.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply.

RESPONSIBLE DEPARTMENT: Capital Construction, Engineering & Design (CCED)

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

**STATE OF TEXAS
COUNTY OF TRAVIS**

AI-2025-1402

WHEREAS, CapMetro is committed to providing safe, reliable, and accessible public transportation systems to serve the growing needs of the Austin community; and

WHEREAS, the new North Base Demand Response facility, located at 10805 Cameron Road, Austin Texas, is a key operations and maintenance facility that will provide enhanced paratransit (ADA) and pick-up services to the community; and

WHEREAS, the new facility proposes cost effective and efficient storm water drainage infrastructure within the City of Pflugerville’s existing utility easement;

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the President & CEO, or her designee, is authorized to finalize and execute an encroachment agreement with the City of Pflugerville on CapMetro-owned property located at 10805 Cameron Road, Austin, Texas, for the purpose of providing new storm water drainage infrastructure related to construction of CapMetro’s new North Base Demand Response Facility and CapMetro will waive railroad license fees where the City of Pflugerville’s raw water lines cross CapMetro’s railroad right-of-way.

Date: _____

**Secretary of the Board
Becki Ross**



North Base Demand Response Facility

Encroachment Agreement with City of Pflugerville

CapMetro Board Action

March 12, 2025

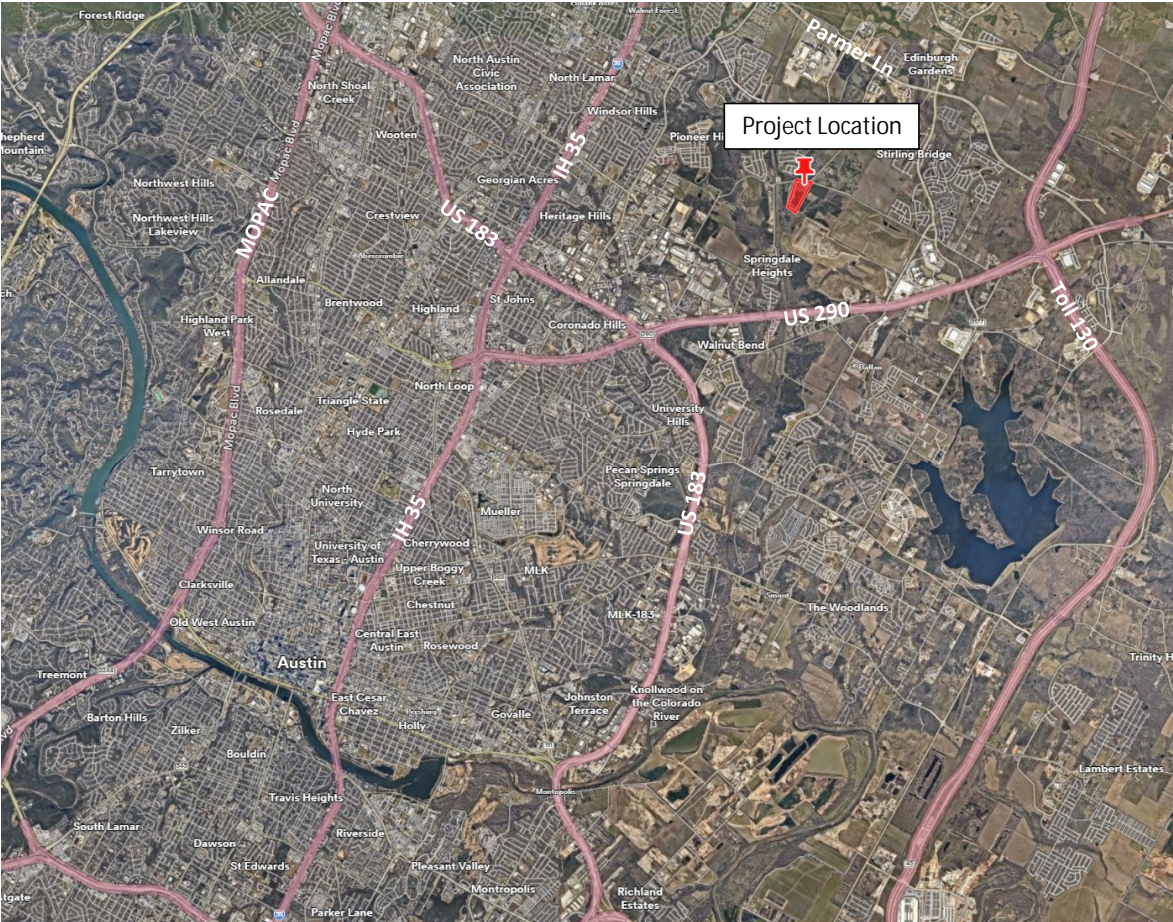
Demand Response – Growing service



CapMetro

2

Location: 10805 Cameron Road, Austin, TX 78754



Encroachment Summary

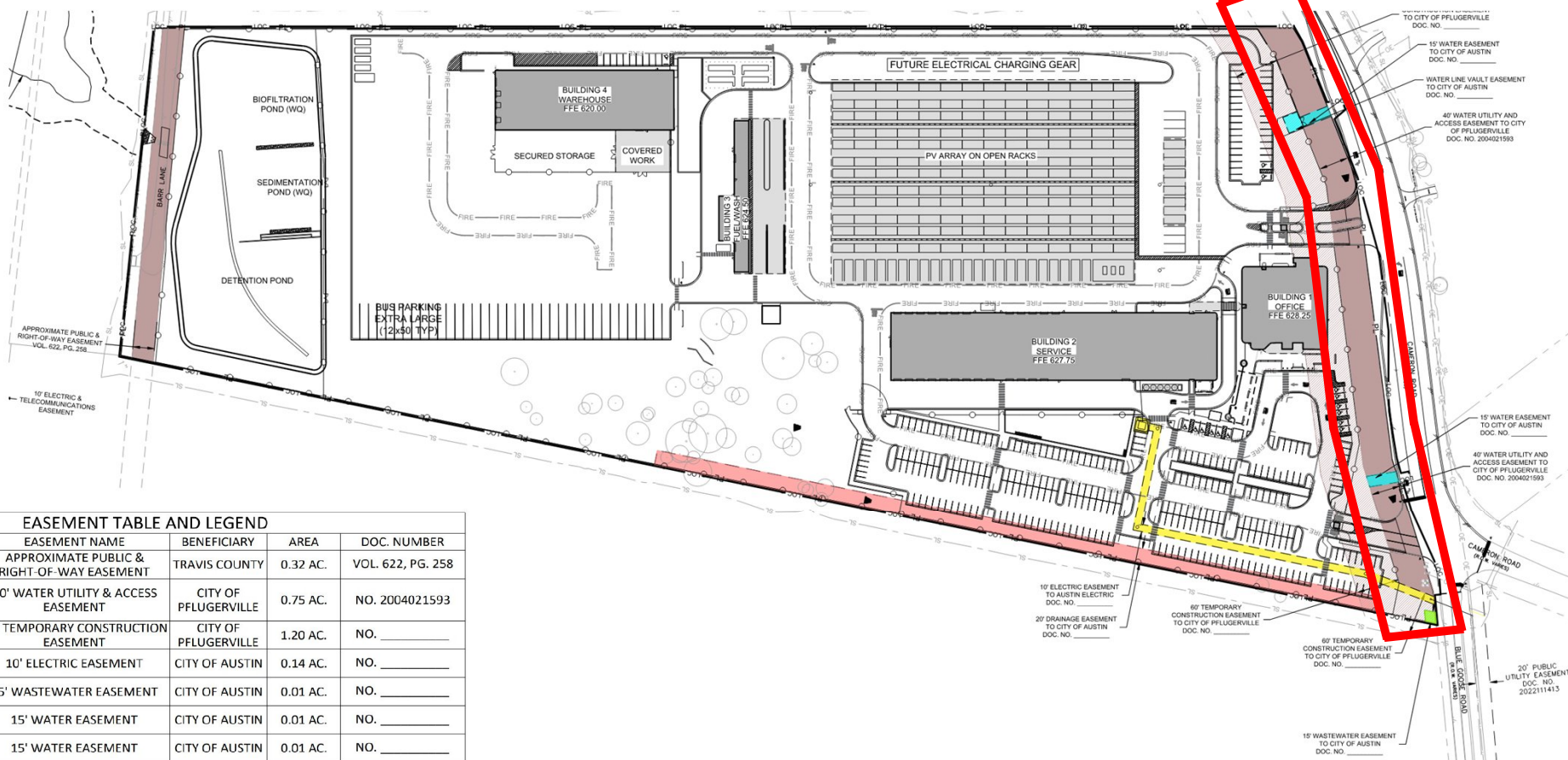
In 2004 prior to CapMetro purchasing the property, the City of Pflugerville (COP) was granted a 40-foot wide utility easement across the front portion of the property to be used for the installation of two raw-water lines which convey water from the Colorado River to Lake Pflugerville.










Under an encroachment agreement, the COP will allow CapMetro to construct surface storm drain features and related infrastructure along this easement which is a cost effective solution to construct the North Base Demand Response project.

As a partnership and consideration for this item, CapMetro will waive railroad licensing fees where COP's raw water lines cross CapMetro's railroad ROW locations.

Easement & Encroachment Diagram

Encroachment area with City of Pflugerville



EASEMENT TABLE AND LEGEND					
	EASEMENT NAME	BENEFICIARY	AREA	DOC. NUMBER	
	EXISTING APPROXIMATE PUBLIC & RIGHT-OF-WAY EASEMENT	TRAVIS COUNTY	0.32 AC.	VOL. 622, PG. 258	
	EXISTING 40' WATER UTILITY & ACCESS EASEMENT	CITY OF PFLUGERVILLE	0.75 AC.	NO. 2004021593	
	PROPOSED 60' TEMPORARY CONSTRUCTION EASEMENT	CITY OF PFLUGERVILLE	1.20 AC.	NO. _____	
	PROPOSED 10' ELECTRIC EASEMENT	CITY OF AUSTIN	0.14 AC.	NO. _____	
	PROPOSED 15' WASTEWATER EASEMENT	CITY OF AUSTIN	0.01 AC.	NO. _____	
	PROPOSED 15' WATER EASEMENT	CITY OF AUSTIN	0.01 AC.	NO. _____	
	PROPOSED 15' WATER EASEMENT	CITY OF AUSTIN	0.01 AC.	NO. _____	
	PROPOSED WATER LINE VAULT EASEMENT	CITY OF AUSTIN	0.01 AC.	NO. _____	
	PROPOSED 20' DRAINAGE EASEMENT	CITY OF AUSTIN	0.47 AC.	NO. _____	

CapMetro

Thank you!

Board of Directors

Item #: AI-2025-1411

Agenda Date: 3/24/2025

SUBJECT:

Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute an interlocal agreement (ILA) with the City of Austin to support the connection of public safety dispatch radio consoles and other equipment to the GATRRS Master Site network for an estimated amount not to exceed \$140,000.

FISCAL IMPACT:

Funding for this action is available in the FY2025 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 interlocal agreement will support CapMetro’s commitment to providing a safe and reliable transit system for our customers. CapMetro’s use of the Greater Austin Travis Regional Radio System (GATRRS) ensures CapMetro’s effectiveness in responding to public safety incidents on the CapMetro system and supports the interdependencies with our local and regional public safety partners.

BUSINESS CASE: Ensuring the safety of the CapMetro system requires a timely and effective response to public safety emergencies. Effective emergency communications equipment is critical to safe and effective delivery of CapMetro Transit Police services. The GATRRS Master Site Use ILA supports the public safety dispatch radio console connectivity to the GATRRS network and includes the duties of both parties in security, maintenance, and software requirements, and any costs to be assessed or shared.

COMMITTEE RECOMMENDATION: The item was presented and recommended for approval by the Operations, Planning and Safety Committee meeting on March 12, 2025.

EXECUTIVE SUMMARY: This interlocal agreement with the City of Austin permits the connection of CapMetro's radio system, dispatch consoles, and other equipment to the GATRRS Master Site and includes the duties of both parties in security, maintenance, and software requirements, and any costs to be assessed or shared. CapMetro has a separate ILA with the City for general use of the system which was approved by the CapMetro Board in July 2023. In addition, there is a third ILA pursuant to which the City of Austin provides services for the installation, configuration, maintenance, and repair of public safety equipment which was approved by the CapMetro Board in August 2023. As a participating member of GATRRS, CapMetro needs to ensure effective internal emergency communications by the CapMetro Transit Police, and regional communications with other Public Safety and Emergency Management Departments.

DBE/SBE PARTICIPATION: Does not apply

PROCUREMENT: Does not apply

RESPONSIBLE DEPARTMENT: Information Technology

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

**STATE OF TEXAS
COUNTY OF TRAVIS**

AI-2025-1411

WHEREAS, CapMetro’s participation in the Greater Austin-Travis County Regional Radio System (GATRRS) ensures CapMetro’s effectiveness in responding to public safety incidents on the CapMetro system and supports the interdependencies with CapMetro’s local and regional public safety partners; and

WHEREAS, as a participant in the GATRRS, CapMetro will need specialized technical support services and equipment from the City of Austin for the equipment used to access the GATRRS.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the President & CEO, or her designee, is authorized to finalize and execute an interlocal agreement (ILA) with the City of Austin to support connection of CapMetro’s public safety dispatch radio consoles and other equipment to the GATRRS Master Site network for an estimated amount not to exceed \$140,000.

Date: _____

**Secretary of the Board
Becki Ross**

**Master Site Use Radio Communications System Interlocal
Cooperation Agreement
Between
City of Austin, TX and Capital Metropolitan Transportation Authority**

This Interlocal Cooperation Agreement (“Agreement”) is between City of Austin (“City”), a Texas home-rule and municipal corporation, in its capacity as Program Manager for the Greater Austin-Travis County Regional Radio System (“GATTRS”), and its partners under an 800 MHz Trunked Voice Radio System Implementation Interlocal Agreement and the Capital Metropolitan Transportation Authority (“CapMetro”), a political subdivision of the State of Texas.

Whereas City is the Program Manager of the trunked P25 integrated voice and data interoperable radio communications system known as GATTRS that operates in the Austin/Travis County metropolitan area and beyond;

Whereas, the Austin City Council authorized City to cooperate with other governments to establish the Texas Radio Coalition to plan and develop a statewide wireless interoperable communication system composed of local and regional systems under local control as stated in Ordinance No. 20070419-003;

Whereas, City has identified certain Texas governmental entities’ wireless communication systems and consoles that could be connected to the GATTRS Master Site to improve the ability of public safety providers’ interoperability and seamless communications for public safety;

Whereas, City, as GATTRS Program Manager, has the authority to contract and administer this Agreement on behalf of its GATTRS Partners as stated in the Interlocal Agreement for the Operation and Maintenance of the Regional Radio System;

Whereas, City and CapMetro have entered into a separate interlocal cooperation agreement for the purpose of CapMetro becoming an “associate” user of GATTRS with the last signature date being January 18, 2024;

Whereas, the Austin City Council authorized the negotiation and execution of this Master Site Use Radio Communications System Interlocal Cooperation Agreement on November 21, 2024;

Now Therefore, the parties hereto, in consideration of these promises and mutual obligations herein undertaken, do agree as follow:

1 Definitions

- 1.1 Except as expressly provided otherwise in this Agreement, Attachments, or in Exhibits A-D, the following capitalized terms apply to this Agreement.
- 1.2 “Greater Austin-Travis County Regional Radio System,” or “GATTRS,” means the multi-channelled regional P25 trunked, integrated voice-and-data radio system serving

Austin and Travis County, Texas, funded by City of Austin, Travis County, Austin ISD, and University of Texas at Austin in accordance with the 800 MHz Trunked Voice Radio System Implementation Interlocal Agreement and the Interlocal Agreement for the Operation and Maintenance of the Regional Radio System.

- 1.3 “GATRRS Partners” or “Greater Austin-Travis County Regional Radio System Partners” means the local government entities or agencies that have entered into the 800 MHz Trunked Voice Radio System Implementation Interlocal Agreement and the Interlocal Agreement for the Operation and Maintenance of the Regional Radio System.
- 1.4 “City” means City of Austin, Texas.
- 1.5 “City Personnel” means City of Austin employees, officers, elected officials, contractors, agents, or representatives.
- 1.6 “CapMetro Radio System” is the P25 radio communications system(s), radio consoles, subscriber units, miscellaneous system management devices, system monitoring clients, and required administrative clients and system management terminals that are operated, used, and maintained by CapMetro.
- 1.7 “Master Site” is the hub of the GATRRS network where trunked radio sites, radio consoles, and system management terminals connect via closed wireline and Internet Protocol (IP) technology. Master Site includes any zone controller connected to it.
- 1.8 “Public Safety” means the provision of law enforcement, emergency medical services, fire suppression and prevention, and emergency management by local government entities.
- 1.9 “Parties” means City of Austin and CapMetro.
- 1.10 “WCSD” means City of Austin Wireless Communication Services Division.
- 1.11 “Security” means the state of being protected from or resilient to threats, harm, or unauthorized access, encompassing measures and practices to ensure the confidentiality, integrity, availability, and safety of physical, digital, and communications assets. This includes safeguarding systems, networks, data, and individuals from malicious activities, natural disasters, or human error, whether in physical, electronic, or virtual domains. This definition integrates cybersecurity as a key subset of overall security, emphasizing its importance alongside physical and information security measures.
- 1.12 “Talkgroup” means a virtual radio channel created for/by a trunked radio system for voice communication amongst a group of users. The trunked radio system core controller can instantly move all the users of a particular talkgroup from one set of system radio frequencies to another, but to users of the talkgroup, their conversation will be seamless. Each time a user transmits on a radio unit, all users assigned to the selected talkgroup (so-called virtual channel) will be able to both hear and talk to the others assigned to that talkgroup.

2 Purpose

This Agreement is to permit the connection of CapMetro's Radio System, and/or Dispatch Consoles, and/or other equipment to the GATRRS Master Site to facilitate interoperable and seamless radio communications among public safety providers and City, provided CapMetro meets the requirements set forth in this Agreement.

3 CapMetro System Connection Requirements

- 3.1 CapMetro's Radio System functionality, operation, and maintenance shall comply with City's technical, security, software, and maintenance requirements and any future amendments as described below. Failure of CapMetro to comply with these requirements shall automatically cause disconnection of CapMetro Radio System to the Master Site. City will endeavor to provide written notice to CapMetro with an opportunity to remedy the deficiency but, depending on the circumstances, prior written notice may not be possible. In this event, City will provide written notice to CapMetro as soon as reasonably possible after the disconnection.
- 3.2 CapMetro Radio System Technical Standards. Attached hereto and incorporated by reference is Exhibit A (System Technical Requirements).
- 3.3 CapMetro Radio System Security Rules and Regulations. Attached hereto and incorporated by reference is Exhibit B (System Security Requirements).
- 3.4 CapMetro Radio System Software Requirements. Attached hereto and incorporated by reference is Exhibit C (System Software Requirements).
- 3.5 CapMetro Radio System Maintenance Requirements. Attached hereto and incorporated by reference is Exhibit D (System Maintenance Requirements).

4 CapMetro Cost

- 4.1 Connection to Master Site. CapMetro is responsible for any and all costs incurred for CapMetro's electronic or wireline connection to the Master Site. City will not be responsible for this cost, which CapMetro must cover by way of CapMetro funds or other source of funding available to CapMetro.

City will charge CapMetro a one-time "onboarding" labor services flat rate fee of \$21,710, payment due upon execution of this Agreement. For budgeting purposes, this flat rate fee was computed as 200 hours of labor to facilitate the console "onboarding" at an hourly rate of \$108.55 for City labor services to include, but not be limited to, Master Site engineering, project planning, consultations, determination of CapMetro Talkgroup requirements, radio template development/preparation, initial subscriber radio unit programming, console template development and programming, reviewing contents of GATRRS interoperability plan with designated CapMetro trainer(s), assisting CapMetro trainer(s) with development of CapMetro dispatcher and CapMetro police officer radio/talkgroup use training, reviewing of GATRRS NICE (or later vendor

brand) centralized recording capabilities and CapMetro recording retrieval procedures, and project management to get CapMetro consoles installed at the:

a) Combined Transportation and Emergency Communications Center (CTECC) at 5010 Old Manor Road, Austin, TX and

b) the Back-Up Center (BUC), to include Zone 1, Dynamic System resiliency (DSR), at the Capital Area Council of Governments (“CAPCOG”) facility, at 6800 Burleson Rd, Austin, TX.

Such City “onboarding” cost is in addition to that being charged by Motorola and its subcontractors related to the sale, installation, testing, warranty, software upgrades, ongoing maintenance services, etc. being provided by Motorola under direct contract to CapMetro.

Once City concludes the onboarding effort for each of (a) and (b) locations stated, the City Project Manager will notify CapMetro designated Project Manager in writing that the onboarding period for that location has ended and that the operational period has begun. Post onboarding, any further City provided services at the respective location in support of CapMetro for GATRRS, and/or the City CTM Wireless Communication Services radio shop will be invoiced as indicated at the prevailing labor rate, overtime labor rate, trip fee, and/or parts charges.

- 4.2 Use Fee. As GATRRS Program Manager, City anticipates incurring costs for capital projects, operations, and maintenance of facilities at the Master Site for which CapMetro benefits directly. City may elect to assess CapMetro a recurring annual “use fee,” which may be paid directly to City via CapMetro funds or other source of funding to CapMetro. Due to the rising costs of GATRRS Master Site maintenance and operations each year, the City reserves the right to increase the use fee no more than 5% above the costs incurred in the previous year.
- 4.3 Other Costs. City agrees that, upon request by CapMetro, City will provide maintenance, programming, and other services related to radio interoperability to CapMetro, including but not limited to radio programming; radio template or “code plug” development; radio aliasing and alias database management; engineering support; planning; consultations; activation and deactivation of subscriber radio ID’s, “Smart Connect,” or other radio features/services; console, radio talkgroup, and/or dispatcher telephone recording; system and master site connectivity troubleshooting and repair; and program management will be billed to CapMetro at City’s prevailing standard hourly rate, with overtime at time-and-a-half after normal Wireless Communication Services business hours. City will notify CapMetro no less than thirty (30) days in advance in writing of any increase to the City’s prevailing standard hourly rate.

CapMetro’s initial total costs under this Agreement will not exceed **\$140,000**. Additional costs for services requested in excess of \$140,000 will be agreed upon by both parties in writing and approved by CapMetro’s Board of Directors before such services are provided.

- 4.4 Invoices. City will invoice CapMetro regularly for the amount due for services provided during a specified date period. The invoices shall include details of services provided during the billing period, the amount to be paid per service item, and the total amount to be paid. The invoices will be sent to CapMetro at:

Accounts Payable
Capital Metropolitan Transportation Authority
P.O. Box 6308
Austin, Texas 78762-6308; ap_invoices@capmetro.org

- 4.5 Payment. CapMetro agrees to pay each invoice within thirty (30) days of the receipt of services or the invoice, whichever is later, pursuant to the Prompt Payment Act, Chapter 2251 of the Government Code. Payment shall be made to City of Austin, Communications and Technology Management Department, ATTN: Accounts Receivable, 6800 Burleson Rd, Bldg. 312, Ste 265, Austin, TX 78744

5 Agreement Term

The initial term of this Agreement shall commence on April 1, 2025, (Effective Date) to end on September 30, 2025 unless terminated earlier in accordance with Section 15 or 16. This Agreement will automatically renew on October 1st of each year, unless a written notice is provided by either party of its intent to not renew no later than six-months in advance of Agreement expiration in the year of the then-current term.

6 Designation of Project Managers

- 6.1 City's Project Manager is the Wireless Communication Services Manager or designee. Project or other GATRRS-related correspondence may be sent to: Wireless Communication Services Manager, City of Austin, 1006 Smith Road, Austin, Texas 78721, email: wirelessmgr@austintexas.gov. City's Project Manager represents the interests of City during the term of this Agreement and is the designated point of contact for CapMetro Project Manager.
- 6.2 City's Project Manager shall promptly review all written reports submitted by CapMetro. City may require from time-to-time written reports or other documents certifying CapMetro continued compliance with provisions of this agreement.
- 6.3 CapMetro's Project Manager is Jeffrey Downey, Technology Project Manager III, (512) 589-3630, jeffrey.downey@capmetro.org. CapMetro's Project Manager shall represent CapMetro for this Agreement and shall be the designated point of contact for the GATRRS Program Manager.
- 6.4 Should the identity of City's or CapMetro's Project Manager change, each party will identify a qualified and competent replacement and promptly notify the other party in writing of the change.

7 Master Site Connection

- 7.1 City must approve the method of CapMetro's connection to the Master Site. Any such "connection" will be performed by City, or its authorized agent within a reasonable time after the receipt of CapMetro's written request and the execution of this Agreement by both parties. If applicable, it may be necessary for CapMetro to order connectivity from a commercial telephone company or other City approved network provider. City will assist CapMetro in determining connectivity specifications so that the ordered connectivity conforms to technical requirements for proper CapMetro interface into the Master Site. CapMetro's personnel and agents will have no physical access to the Master Site.
- 7.2 If applicable, within sixty (60) days from contract execution, parties will complete and agree to a Talkgroup sharing plan and roaming arrangement between the parties' separate system users.
- 7.3 Connection by CapMetro to the Master Site does not impact a party's separate ownership rights to radio system components that each party purchased separately.

8 City Duties

- 8.1 City will serve as the Project Manager for CapMetro's radio system connection to the GATRRS Master Site. As Project Manager, City will serve as the primary contact with CapMetro Radio System technical staff or any contractor whose services are procured by CapMetro.
- 8.2 The GATRRS Program Manager or his/her designee will coordinate with CapMetro or CapMetro's authorized contractor whose services are procured by CapMetro regarding the connection to the Master Site.
- 8.3 The GATRRS Program Manager or his/her designee shall provide CapMetro with periodic reports to update CapMetro about changes, if any, to the Master Site technical and security requirements, software upgrades, and operational issues.
- 8.4 If at any time, City determines that CapMetro's continued connection to the Master Site is causing harmful consequences or interference to the Master Site, other connected elements, or operations, City shall have the right to take emergency measures to repair and/or remove the identified source(s) of the problem, up to and including disconnection of CapMetro's system from the Master Site at CapMetro's sole risk and expense. In the event City takes emergency measures to stop interference or protect the Master Site, City will contact CapMetro's Project Manager or designee after the emergency has been resolved and will notify the Project Manager in writing of the action(s) taken and describe possible steps necessary to mitigate the problem or prevent reoccurrence.
- 8.5 If City determines CapMetro is not in full compliance with the Agreement requirements and such compliance does not harm the Master Site or related components, cause interference, or adversely impact Master Site operations, City will contact CapMetro's Project Manager or designee in writing about the noncompliance issue(s). If CapMetro fails to bring its Radio System into compliance, as determined by City, within 48 hours from City's notice, City may disconnect CapMetro's connection to the Master Site at

CapMetro's sole risk and expense. If such disconnection occurs, City will promptly notify CapMetro's Project Manager or designee, in writing, of the actions taken.

9 CapMetro's Duties

- 9.1 CapMetro's Project Manager is required to submit periodic status reports to City on compliance of CapMetro Radio System with City technical, security, software, and maintenance requirements. Such reports shall be submitted by CapMetro Project Manager to City within fourteen (14) business days of a request for such reports.
- 9.2 CapMetro agrees to comply with City's Radio System Technical, Security, Software, and Maintenance Requirements as per this Agreement at all times. If the requirements change, City will notify CapMetro and provide a copy of the updated requirements.
- 9.3 CapMetro agrees to use the Master Site connection for CapMetro's authorized voice radio communications, in compliance with applicable Federal Communications Commission regulations and rules.
- 9.4 CapMetro agrees that all mobile and portable radios within CapMetro which have access to the CapMetro Radio System will have the appropriate GATRRS systemwide interoperability talkgroups, as determined by City, programmed into them
- 9.5 CapMetro must have implemented appropriate security controls, policies and procedures and technological safeguards to maintain and protect the integrity, consistent with industry standards and practices U.S. Department of Commerce, National Institute of Standards and Technology (NIST) guidelines. CapMetro will report security occurrence, violation, breach, or imminent threat to the City of Austin Wireless Communication Services Division via telephone call to (512) 972-3200 and email to radio.system.coa@gatrrs.com and wirelessmgr@austintexas.gov within 24 hours of the initial CapMetro determination that a security occurrence, violation, breach, or imminent threat has occurred.

10 No Ownership to City of Austin/Travis County Regional Radio System.

This Agreement or CapMetro's connection to the Master Site does not transfer or alter any ownership rights to the Master Site or to the GATRRS.

11 Right to Audit

- 11.1 The parties agree that the representatives of the Office of City Auditor, CapMetro Internal Auditor, or other authorized representatives of a party, shall have access to, and the right to audit, examine, or reproduce, any and all records of the other party related to the performance under this Agreement. Each party shall retain all such records for a period of three (3) years 1) after final payment on this Contract if CapMetro is required to make payments to City under this Agreement or 2) until all audit and litigation matters that a party has brought to the attention of the other party are resolved, whichever is longer. To the extent applicable, each party agrees to refund the other party for any overpayments disclosed by any such audit.

11.2 Each party shall include 11.1, above, in all subcontractor agreements, if any, entered into in connection with this Agreement.

12 Independent Contractor

This Agreement shall not be construed as creating an employer/employee relationship, a partnership, joint enterprise, or a joint venture between the parties. City and CapMetro are independent contractors. CapMetro agrees and understands that the Agreement does not grant to CapMetro or CapMetro's employees any rights or privileges established for employees of City.

13 Suspension

City will have the right to suspend CapMetro's connection to the Master Site, at any time, for a reasonable duration upon providing such notice to CapMetro as is reasonably practical, for the purpose of performing maintenance, repairs, replacements, adjustments, or security assessments to the GATRRS Master Site.

14 Default

A party to this Agreement shall be in default ("Default") under the agreement if the party (a) fails to fully, timely, and faithfully perform any of its material obligations under the Agreement, and following notice of default as provided in Section 16 (Termination), fails timely to cure the alleged default as provided in Section 16; or (b) fails to provide adequate assurance of performance under Section 15 (Right to Assurance).

15 Right to Assurance

Whenever one party to this Agreement in good faith has reason to question the other party's intent to perform, demand may be made to the other party for written assurance of the intent to perform. In the event that no assurance is given within ten (10) working days after demand is received, the demanding party may treat this failure as an anticipatory repudiation of the Agreement.

16 Termination

In the event of Default by a party, the other party shall have the right to terminate the Agreement for cause, by written notice delivered to the party alleged to be in default via certified mail. Unless the party giving notices specifies a different time in the notice, the Agreement is terminated sixty (60) calendar days after the date the notice. During this time period, the party alleged to be in default may cure the event of Default or provide evidence sufficient to prove to the other party's reasonable satisfaction that such default does not exist or will be cured in a time satisfactory to the party alleging the default. In addition to any other remedy available under law or in equity, the party not in default shall be entitled to recover all actual damages, direct costs, incurred as a result of the other party's default, including court costs, and prejudgment and post-judgment interest

at the maximum lawful rate. Each party's rights and remedies under the Agreement are cumulative and are not exclusive of any other right or remedy provided by law.

17 Termination without Cause

Either Party may terminate this Agreement without cause upon one hundred and twenty (120) calendar days prior written notice to the other party. On receipt of the notice, the parties will mutually agree, in writing, upon a date for the City to disconnect the CapMetro Radio System from the Master Site.

18 Dispute Resolution

17.1 If a dispute arises out of or relates to this Agreement, or the breach thereof, the parties agree to negotiate prior to prosecuting a suit for damages. However, this section does not prohibit the filing of a lawsuit to toll the running of a statute of limitations or to seek injunctive relief. Either party may make a written request for a meeting between representatives of each party to occur within fourteen (14) calendar days after receipt of the request or such later time as agreed by the parties to seek a negotiated resolution. At a minimum, each party shall require one (1) senior level individual with decision-making authority regarding the dispute and with authority to agree to resolve it, subject as may be required by law to approval by the governing body(ies) of the parties, to attend any and each such meeting for such negotiation. The purpose of this and any subsequent negotiation meeting is to attempt in good faith to negotiate a resolution of the dispute. If, within thirty (30) calendar days after such meeting, the parties have not succeeded in negotiating a resolution of the dispute, they will proceed directly to mediation as described below. Negotiation may be waived by a written agreement signed by both parties, in which event the parties may proceed directly to mediation as described below.

17.2 If the efforts to resolve the dispute through negotiation fail, or the parties waive the negotiation process, the parties may select, within thirty (30) calendar days, a mediator trained in mediation skills to assist with resolution of the dispute. Should they choose this option, City and CapMetro agree to act in good faith in the selection of the mediator and to give consideration to qualified individuals nominated to act as mediator. Nothing in this Agreement prevents the parties from relying on the skills of a person who is trained in the subject matter of the dispute or an agreement interpretation expert. If the parties fail to agree on a mediator within thirty (30) calendar days of initiation of the mediation process, the mediator shall be selected by the Travis County Dispute Resolution Center (DRC). The parties agree to participate in mediation in good faith for up to thirty (30) calendar days from the date of the first mediation session. City and CapMetro will share the costs of mediation and the mediator equally, and will bear their own costs of participation, such as fees for any consultants or attorneys they may utilize to represent them or otherwise assist them in the mediation.

19 Survival of Obligations

All provisions of this Agreement that impose continuing obligations on the parties, including but not limited to indemnity, confidentiality, release, and agreement purpose shall survive the expiration or termination of this Agreement.

20 Current Revenues

This Agreement is authorized by the Interlocal Cooperation Act, which is Chapter 791 of the Texas Government Code. Each party's monetary obligations, if any, under this Agreement are payable only and solely from the current revenues appropriated and available for the performance of such obligations.

21 Assignment

A party to this Agreement may not assign or transfer its interests under this Agreement.

22 Entirety of the Agreement

This Agreement constitutes the entire Agreement and understanding between the parties and supersedes all previous agreements, understandings, discussions, or representations concerning its subject matter. This Agreement may not be amended in whole or in part except in a written amendment executed by both parties to this Agreement.

23 Performance

The obligations arising under this Agreement shall be performed in Travis County, Texas.

24 Jurisdiction and Venue

The parties agree that this Agreement is governed by the laws of the State of Texas and that venue for a dispute arising from this Agreement shall be in Austin, Travis County, Texas.

25 Severability

If a term or provision of this Agreement is determined to be void or unenforceable by a court of competent jurisdiction, the remainder of this Agreement remains effective to the extent permitted by law.

26 Notices

Any notice, request, or other communication required or appropriate to be given under this Agreement shall be in writing and shall be considered delivered three (3) business days after postmarked if sent by U.S. Postal Service Certified or Registered Mail, addressed to the person designated for receipt of notice, postage prepaid and Return Receipt Requested. Notices delivered by facsimile shall be considered three (3) business days after transmittal or when received by the addressee, whichever is earlier. Hand-delivered Notices are considered delivered upon receipt by the addressee which may be

noted in a courier confirmation report. The Parties may make routine communications by first class mail or other commercially accepted means. Notices to City and CapMetro shall be addressed as follows:

CapMetro:

Darryl Jamail (or successor)
Director of Public Safety & Emergency
Management
Capital Metropolitan Transportation
Authority
2910 East Fifth Street
Austin, TX 78702
(512) 369-7717
darryl.jamail@capmetro.org

With Copies To:

Brad Bowman (or his successor)
Chief Counsel
2910 E. 5th Street
Austin, Texas 78702
Brad.Bowman@capmetro.org

City:

Wireless Communication Services Manager
City of Austin
Communications and Technology Management
Wireless Communication Services Division
1006 Smith Road
Austin, Texas 78721
Phone: (512) 972-3209
Email: wirelessmgr@austintexas.gov

27 Release

To the extent permitted by the Constitution and laws of the State of Texas, each party releases the other party from and waives any claim, loss, expense, or damage occurring to CapMetro's Radio System or the Master Site or GATRRS including but not limited to radio consoles, system management terminals, equipment, cables, wiring, software, occurring in the course and scope of City's operation of the GATRRS and Master Site, excepting only such claims, losses, expenses or damages that are caused by the willful misconduct or gross negligence of the party or the party's personnel.

28 Limitation of Liability

In no event shall the parties to this Agreement be liable to the other party for any special, consequential, incidental or punitive damages on any claim arising out of or concerning this Agreement.

29 DISCLAIMER

CITY DISCLAIMS ANY WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ONLY TO THE EXTENT ALLOWED BY LAW. CITY DOES NOT WARRANT CapMetro's CONNECTIVITY TO THE MASTER SITE AND THAT CapMetro's RADIO COMMUNICATIONS WILL BE UNINTERRUPTED OR ERROR-FREE. CapMetro IS RESPONSIBLE FOR, AND CITY MAKES NO WARRANTY CONCERNING THE BACK-UP AND DISASTER RECOVERY PROCEDURES, FACILITIES, SOFTWARE AND EQUIPMENT FOR THE MASTER SITE OR RRS. DETERMINATION OF THE FUNCTIONALITY OF THE MASTER SITE AND RRS IS FOR CapMetro TO MAKE. THIS DISCLAIMER OF WARRANTY CONSTITUTES AN ESSENTIAL PART OF THIS AGREEMENT.

30 [This Section is reserved]

31 Governmental Immunity

Nothing in this Agreement shall be deemed to waive, modify, or amend any legal defense available at law or equity to either of the parties, or to create any legal rights or claims on behalf of any third party. Neither City nor CapMetro waives, modifies, or alters to any extent whatsoever the availability of the defense of governmental (sovereign) immunity under the laws of the State of Texas.

32 Execution of this Agreement

Parties to this Agreement shall submit certified documentation of approval by its governing body authorized to execute this Agreement. This Agreement may be executed (by original or facsimile) by the parties in one or more counterparts, each of which shall be considered one and the same agreement. The counterparts to this Agreement may be executed and delivered by electronic signature by either party and the receiving party may rely on the receipt of such document so executed and delivered electronically as is the original had been received. The signatories to this Agreement represent that each, respectively, has the authority to execute this Agreement by virtue of official action of their governing body, duly adopted and recorded in conformity with the laws of the State of Texas. This Agreement is executed in duplicate originals.

33 Force Majeure

Neither party shall be liable for any default or delay in the performance of its obligations under this Agreement if, while and to the extent such default or delay is caused by acts of God, unusual weather conditions, fire, riots, sabotage, acts of domestic or foreign

terrorism, or any other cause beyond the reasonable control of such Party ("Force Majeure"). Force Majeure does not include economic or market conditions, which affect a party's cost, but not its ability to perform. The party invoking Force Majeure shall give prompt, timely and adequate notice to the other party, by facsimile transmission or telephone confirmed promptly thereafter in writing, and shall use due diligence to remedy the event of Force Majeure, as soon as reasonably possible. In the event of default or delay in Agreement performance due to any of the foregoing causes, then the time for completion of the services will be extended by a mutually agreeable period of time reasonably necessary to overcome the effect of such failure to perform.

34 Confidentiality

33.1 If CapMetro is permitted to access certain City's or licensor's confidential information (including software, inventions, employee information, trade secrets, confidential know-how, confidential business information, and other information which City or its licensors consider confidential) (Confidential Information) in connection with this Agreement, CapMetro acknowledges and agrees that the Confidential Information is the valuable property of City and its licensors and any unauthorized use, disclosure, dissemination, or other release of the Confidential Information may substantially injure City and its licensors. CapMetro (including its employees, subcontractors, agents, or representatives) agrees it will maintain the Confidential Information in strict confidence and shall not disclose, disseminate, copy, divulge, recreate, or otherwise use the Confidential Information without prior written consent of City, or in a manner not expressly permitted under this Agreement, unless the Confidential Information is required to be disclosed by law or an order of a court or other governmental authority with proper jurisdiction. In all cases, CapMetro agrees to promptly notify City before disclosing Confidential Information to permit City reasonable time to seek an appropriate protective order. CapMetro agrees to use protective measures no less stringent than CapMetro uses in its business to protect its own confidential and proprietary information. In all circumstances, CapMetro's protective measures must ensure the continued confidentiality of the Confidential Information.

33.2 If City is permitted to access certain CapMetro or its licensor's confidential information (including software, inventions, employee information, trade secrets, confidential know-how, confidential business information, and other information which CapMetro or its licensors consider confidential) (Confidential Information) in connection with this Agreement, City acknowledges and agrees that the Confidential Information is the valuable property of CapMetro and its licensors and any unauthorized use, disclosure, dissemination, or other release of the Confidential Information may substantially injure CapMetro and its licensors. City (including its employees, subcontractors, agents, or representatives) agrees it will maintain the Confidential Information in strict confidence and shall not disclose, disseminate, copy, divulge, recreate, or otherwise use the Confidential Information without prior written consent of CapMetro, or in a manner not expressly permitted under this Agreement, unless the Confidential Information is required to be disclosed by law or an order of a court or other governmental authority with proper jurisdiction. In all cases, City agrees to promptly notify CapMetro before disclosing Confidential Information to permit CapMetro reasonable time to seek an

appropriate protective order. City agrees to use protective measures no less stringent than City uses in its business to protect its own confidential and proprietary information. In all circumstances, City's protective measures must ensure the continued confidentiality of the Confidential Information.

35 Texas Public Information Act

Both parties to this Agreement acknowledge this Agreement is subject to Chapter 552 of the Texas Government Code (Public Information Act or Act). Under the Public Information Act, this Agreement, and documents related to this Agreement, which are in City's or CapMetro's possession, or to which City or CapMetro has access, are presumed to be public and either party, upon written request, may release these records to the public, unless an exception described in the Act applies to a document.

[The remainder of this page is intentionally left blank.]

This Agreement states the entire agreement of the parties, and an amendment to it is not effective unless in writing and signed by all parties.

CapMetro

By: _____

Name: _____

Title: _____

Date: _____

CITY OF AUSTIN, TX

By: _____

Name: _____

Title: _____

Date: _____

Exhibits

Exhibit A Radio System Technical Standards

Exhibit B Radio System Security Rules

Exhibit C Radio System Software Requirements

Exhibit D Radio System Maintenance Requirements

Exhibit A
Radio System Technical Standards
CapMetro

(Include CapMetro's system description, as-built drawings, and subscriber unit inventory at cutover to the GATRRS master site.) If there is a vendor proposal, attach here. If not initially available, as-built" documentation may be required when available at a later date.)

Exhibit B
Radio System Security Rules
CapMetro

1. Subscriber Unit Programming and Documentation: Programming of CapMetro subscriber units will be performed by City and/or other entity which City may approve, subject to City's "Advanced System Key" policy and related procedures and Section 2, below.

Before connection to the Master Site is allowed, CapMetro agrees to provide the GATRRS Program Manager a complete list of subscriber units, including System ID, Manufacturer's Serial Number, Unique Alias Names per standards set by the City and Assigned Agency or Department. This list is to be kept current by CapMetro as subscriber units are added, subtracted, and/or reassigned. CapMetro agrees to provide an updated list to the GATRRS Program Manager within 10 business days of any change in subscriber units.

CapMetro or its contractors shall not program, or allow to be programmed, for interoperability or any other purpose, any subscriber unit (radio) belonging to any entity that is not specifically authorized by interlocal or other agreement to operate on GATRRS by the GATRRS Program Manager.

2. CapMetro Staff and Service Contractor Access to Sites and System: Before connection to the Master Site is allowed, CapMetro shall follow the criminal background check process described below for all CapMetro employees and CapMetro contracted service provider employees who are designated to provide service and maintenance of communication tower site equipment, shelter equipment, dispatch console equipment and any other equipment connected to the GATRRS Master Site. CapMetro employees and CapMetro's service provider employees shall pass a criminal background check administered by the City of Austin Police Department, utilizing forms and processes required by the Austin Police Department. City reserves the right to deny CapMetro connection and access to the Master Site and related equipment for reasonable cause, including CapMetro employee's or contractor's failure to pass an Austin Police Department criminal background check. City will notify CapMetro of any such denial no more than thirty (30) business days after submission of required documentation to the Austin Police Department. This provision does not apply to contracted service technicians who have received prior clearance from City of Austin and are currently authorized by City of Austin to perform service on GATRRS connected equipment. CapMetro agrees that this criminal background check provision shall also apply to future CapMetro employees and CapMetro contracted service provider employees who are designated to provide service and maintenance of communication tower site equipment, shelter equipment, dispatch console equipment and any other equipment connected to the GATRRS.

3. GATRRS Interoperability Plan: CapMetro agrees to observe and abide fully by the rules and guidelines set forth in GATRRS Interoperability Plan Version 31, dated March 1, 2024, which is attached to this Exhibit B as Attachment 2 and incorporated by reference. This version shall be superseded by a later version. City reserves the right to change the rules and guidelines at any time and without prior notice. However, City will promptly provide CapMetro with a copy of updated rules and guidelines. CapMetro will have the option to appeal any changes that CapMetro feels are harmful or detrimental to CapMetro. City will provide CapMetro with a copy of updated rules and

guidelines. This plan addresses programming requirements, channel-naming conventions, interoperability talkgroup reservations, assignments, and proper use, access to the system by governmental and critical infrastructure entities, as well as privately owned hospital, ambulance service, air medical service, and other topics related to regional public safety communication interoperability. The purpose is to support continuity across the various local GATRRS layers and affiliates around the state.

4. Security: CapMetro must have implemented appropriate security controls, policies and procedures and technological safeguards to maintain and protect the integrity, consistent with industry standards and practices U.S. Department of Commerce, National Institute of Standards and Technology (NIST) guidelines. CapMetro will report security occurrence, violation, breach, or imminent threat to the City of Austin Wireless Communication Services Division via telephone call to (512) 972-3200 and email to radio.system.coa@gatrrs.com and wirelessmgr@austintexas.gov within 24 hours of the initial CapMetro determination that a security occurrence, violation, breach, or imminent threat has occurred.

Exhibit C
Radio System Software Requirements
CapMetro

1. Motorola System Upgrade Agreement: For the duration of this Agreement, CapMetro shall maintain its radio system, dispatch console, and subscriber unit programming, operating, and security software at the same Motorola Astro 25 software release level as that of the GATRRS. CapMetro will purchase and renew each year for the term of this Agreement a system upgrade agreement that provides the necessary software updates using CapMetro funds or by way or other funds available to it.

2. Notification by GATRRS Program Manager of Scheduled Software Upgrade or Maintenance with Budgetary Impact: When software upgrade or non-emergency software maintenance of the Master Site or other subsystems or components of the GATRRS is required for continued or improved functionality, continued or improved regional or statewide interoperability, or any other purpose deemed necessary by the GATRRS Program Manager, and that software upgrade or maintenance event has budgetary impact affecting CapMetro, the GATRRS Program Manager will notify CapMetro not less than twelve (12) months in advance of the software upgrades, and not less than six (6) months in advance for non-emergency software maintenance. Notification will take the form of an email to CapMetro Project Manager or his/her designee, followed by telephone and in-person discussions of the planned upgrade process.

3. Notification by CapMetro Project Manager of Scheduled Software Upgrade or Maintenance with Budgetary Impact: When CapMetro desires to upgrade its system or component software for continued or improved functionality, continued or improved regional or statewide interoperability, or any other purpose deemed necessary by CapMetro Project Manager, and that software upgrade or maintenance event has budgetary impact affecting GATRRS and its partners, CapMetro Project Manager will notify the GATRRS Program Manager not less than twelve (12) months in advance for software upgrades, and not less than six (6) months in advance for non-emergency software maintenance. Notification will take the form of an email to the GATRRS Program Manager or his/her designee, followed by telephone and in-person discussions of the planned upgrade process, including a proposed statement of work, schedule, and related costs.

Exhibit D
Radio System Maintenance Requirements
CapMetro

1. CapMetro shall not be required to purchase a radio system maintenance services contract as part of this Agreement. However, GATRRS is maintained under a Motorola Solutions services contract. Therefore, to the extent necessary to maintain the GATRRS system, City may from time to time require access to CapMetro system sites and equipment. When such access is required, the GATRRS Program Manager or designee will contact CapMetro Project Manager or designee to coordinate and schedule the access.

1.a. GATRRS System Access Restricted: The following GATRRS functions are the sole responsibility of City of Austin Wireless Communication Services Division (WCSD) in its role as the GATRRS Program Management Entity, and its designated Motorola or Motorola-certified field service and system technicians under City of Austin's Motorola Customer Support Plan. Technicians not specifically authorized to perform system service under that plan are not authorized to perform the following GATRRS functions:

System Functions:

- Frame Network Distribution
- Domain Network Administration
- Network Management Client

Database Functions:

- Zone Configuration Manager (ZCM)
- User Configuration Manager (UCM)
- Motorola Supervisory Control and Data Acquisition (MOSCAD)
- Dispatch Console Template Guidance (for networked consoles)

Subscriber Level Functions:

- Codeplug Management
- Advance System Key Management
- Unit ID Activation: (CapMetro Project Manager or designee may assign unit ID's within a designated range per the statewide interoperability plan; City must activate all CapMetro assigned system ID's.)

CapMetro-owned systems and GATRRS network clients shall be maintained by CapMetro except for those functions that are the sole responsibility of the GATRRS Program Manager. The following functions are examples of items to be maintained by CapMetro.

- Subscriber Units (mobile and portable radios, control stations, and accessories)
- Repeaters
- Consolettes and Stand-alone (RF-only) Consoles
- Tower Site Equipment (towers, shelters, alarm systems, antennas, combiners, multicouplers, microwave systems, etc.)

1.b. Maintenance and repair of CapMetro system components that rely on connection to the Master Site for functionality require the involvement of WCSD and its authorized Motorola or Motorola-certified technicians. Unauthorized access is not permitted. For assistance with diagnosing and resolving network- or connectivity-related problems, CapMetro will contact WCSD, during normal business hours, at **(512) 972-3200**. WCSD services performed as a result of these calls will be billed to CapMetro at the prevailing standard hourly rate and overtime rate at one-and-a-half times the hourly rate).

1.c. Radio programming and template (“codeplug”) guidance: The GATRRS Program Manager or his/her designee may review all radio programming templates created for use by CapMetro before any template is programmed into a CapMetro subscriber unit. WCSD services pertaining to the development and creation of CapMetro radio programming templates (except for review and approval), and any physical programming of subscriber units (mobile and portable radios, control stations, dispatch consoles, etc.), will be billed by WCSD to CapMetro at the prevailing standard hourly rate with overtime at time-and-a-half.

1.d. Miscellaneous labor and parts: Other services pertaining to its radio communications needs, such as radio equipment or other public safety equipment installation, maintenance, and repair, requested by CapMetro and provided by WCSD, will be billed by WCSD to CapMetro at the standard hourly rate with overtime at time-and-a-half. Parts and supplies used in the performance of maintenance or repair services shall be billed at City’s documented vendor’s invoiced cost to City, plus the prevailing City mark-up.

1.e. Within thirty (30) calendar days of CapMetro’s receipt of City’s invoice, CapMetro shall make payment to: City of Austin – CTM, ATTN: Accounts Receivable, 6800 Burleson Rd., Bldg. 312, Ste. 265, Austin TX 78744. If payment is not timely made, interest shall accrue on the unpaid balance at the lesser of the rate specified in Texas Government Code Section 2251.025 or the maximum lawful rate.

1.f. Emergency Radio Shut-off: In the event a subscriber unit is lost, stolen, or is being misused, CapMetro shall have the device immediately disabled and shall contact WCSD at (512) 972-3200 to make the request and send a written request to the GATRRS Program Manager within one business day via email to wirelessmgr@austintexas.gov.

2. Notification of Scheduled Maintenance or Repair with Service Impact: Prior to undertaking scheduled maintenance or repair of the GATRRS Master Site, tower sites, or other subsystems or components, when that scheduled maintenance or repair may affect operations, connectivity, or functionality of CapMetro’s system, dispatch consoles, subscriber units, or other components, the GATRRS Program Manager or designee will notify CapMetro of the scheduled maintenance or repair event and the reason for it. This notification will be provided in the form of an email to the CapMetro Project Manager and any other CapMetro provided contacts. The email notification will be sent at least 72 hours in advance of the start of the planned maintenance period, unless the maintenance is identified as an emergency, meaning lesser time notice will be provided. CapMetro will have the option of requesting that the maintenance event be postponed for reasons of public or officer safety, or because the announced schedule severely impacts previously scheduled CapMetro operations.

Immediately prior to the start of any service-affecting work, CapMetro dispatch supervisors may be contacted by City of Austin Wireless Communication Services Division to alert them to the impending maintenance period. CapMetro may at that time request the maintenance be postponed or suspended for reasons of public or officer safety. Justifications for calling off scheduled maintenance include major inclement weather moving into the affected area, a multi-alarm fire in progress, or a law enforcement agency vehicle pursuit in progress. If City cancels the scheduled maintenance, all affected dispatch centers (if available) will be notified of the cancellation. The maintenance will be rescheduled following the procedures described above.

3. Notification by GATRRS Program Manager of Scheduled Maintenance or Upgrade with Budgetary Impact: When upgrade or non-emergency maintenance of the Master Site or other subsystems or components of the GATRRS is required for continued or improved functionality, continued or improved regional or statewide interoperability, or any other purpose deemed necessary by the GATRRS Program Manager, and that upgrade or maintenance event has budgetary impact affecting CapMetro the GATRRS Program Manager will notify CapMetro not less than twelve (12) months in advance for upgrades, and not less than six (6) months in advance for non-emergency maintenance. Notification will take the form of an email to CapMetro Project Manager or designee, followed by telephone and in-person discussions of the planned upgrade process.

4. Notification by CapMetro Project Manager of Scheduled Maintenance or Upgrade with Budgetary Impact: When upgrade or non-emergency maintenance of CapMetro system or other subsystems or components is desired for continued or improved functionality, continued or improved regional or statewide interoperability, or any other purpose deemed necessary by CapMetro Project Manager, and that upgrade or maintenance event has budgetary impact affecting GATRRS and its partners, CapMetro Project Manager will notify the GATRRS Program Manager not less than twelve (12) months in advance for upgrades, and not less than six (6) months in advance for non-emergency maintenance. Notification will take the form of an email to the GATRRS Program Manager or designee, followed by telephone and in-person discussions of the planned upgrade process, including a proposed statement of work, schedule, and related costs.

Board of Directors

Item #: AI-2025-1419

Agenda Date: 3/24/2025

SUBJECT:

Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with the Texas Department of Information Resources (DIR) Interlocal Contract No. DIR-SS-ILC0030 held by DIR and CapMetro for Shared Technology Services to renew Salesforce CRM Software licensing for one (1) year for a total amount not to exceed \$435,699.

FISCAL IMPACT:

Funding for this action is available in the FY2025 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 Salesforce Customer Relationship Management (CRM) system allows CapMetro to centrally manage customer information, better capture customer concerns and resolve their issues more quickly as well as provide customers with the latest CapMetro information at the desired time and frequency. This allows CapMetro to build customer service excellence by delivering innovative and continuous solutions for customer needs. This will build CapMetro’s brand reputation as an organization that is easily reachable, listens, and provides value to the community while at the same time providing customer service excellence.

BUSINESS CASE: CapMetro has implemented the Salesforce Service Cloud system for customer case management known as Customer Comment Reports (CCRs). CapMetro has expanded the use of the Service

Cloud application and is building an expansion module for the Community Intervention Program. Additionally, the Service Cloud application has been expanded to collect expressions of interest for the CapMetro Police Department and is engaged with the transition of customer account balances from Bytemark to Umo. Salesforce is a Customer Relationship Management (CRM) technology designed to help CapMetro stay better connected to customers, streamline processes, and provide customers and potential customers with the best customer experience possible.

COMMITTEE RECOMMENDATION: The item was presented and recommended for approval by the Operations, Planning and Safety Committee on March 12, 2025.

EXECUTIVE SUMMARY: CapMetro has implemented the Salesforce Service Cloud system for customer case management and Data Cloud to further provide better customer knowledge toward building a customer 360 profile. CapMetro procured Salesforce technology and implementation services from the State of Texas Department of Information Resources (DIR) Share Technology Services and this contract award will provide an additional module to support CapMetro’s Enterprise Customer Relationship Management strategy.

DBE/SBE PARTICIPATION: A 0% DBE/SBE goal was assigned to this procurement, which did not include subcontract opportunities and was purchased through a cooperative purchasing agreement. This was also procured through an ILA with DIR.

PROCUREMENT: CapMetro will utilize the Texas Department of Information Resources (DIR) Interlocal Contract No. DIR-SS-ILC0030 held by DIR and CapMetro for Shared Technology Services to renew Salesforce CRM Software licensing for one (1) year.

DIR awarded contracts are made available for use by CapMetro via Title 7, Intergovernmental Relations Chapter 791, Interlocal Cooperation Contracts and The Texas Interlocal Cooperation Act. Purchases made using DIR contracts satisfy otherwise applicable competitive bidding requirements. Texas Government Code, Section 2054.0565 (b) states that DIR Contracts meet competitive requirements for all governmental entities.

The fixed price amount under DIR’s Shared Technology Service for a one (1) year renewal is as follows:

Description	Amount
Salesforce Cloud Licensing and Support Renewal	\$435,698.34

RESPONSIBLE DEPARTMENT: Information Techno

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

**STATE OF TEXAS
COUNTY OF TRAVIS**

AI-2025-1419

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and CapMetro Management endeavor to continue support of a Customer Relationship Management System.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the President & CEO, or her designee, is authorized to finalize and execute a contract with the Texas Department of Information Resources (DIR) Interlocal Contract No. DIR-SS-ILC0030 held by DIR and CapMetro for Shared Technology Services to renew Salesforce CRM Software licensing for one (1) year for a total amount not to exceed \$435,699.

Date: _____

**Secretary of the Board
Becki Ross**

Board of Directors

Item #: AI-2025-1427

Agenda Date: 3/24/2025

SUBJECT:

Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute the granting of a restrictive covenant to the City of Austin on CapMetro-owned property located on 25 acres of land at 10805 Cameron Road, Austin, Texas for the purpose of creating an Integrated Pest Management plan for an onsite stormwater infrastructure.

FISCAL IMPACT:

This action has no fiscal impact.

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: Granting the restrictive covenant for the North Base Demand Response Capital Improvement Project directly supports the agency's ability to construct this new operational & maintenance facility and therefore fulfill key strategic goals and objectives.

BUSINESS CASE: Conveyance of the restrictive covenant to the City of Austin is a permit requirement and will provide a long-term commitment for the maintenance of onsite stormwater treatment facilities at the North Base Demand Response operations and maintenance facility project at 10805 Cameron Road, Austin, Texas. The new facility will provide expanded operations and maintenance capacity which will provide for the increased transit service to the community.

COMMITTEE RECOMMENDATION: This item was presented and recommended for approval at the Operations, Planning and Safety Committee meeting on March 12, 2025.

EXECUTIVE SUMMARY: As a condition of receiving a site development permit for the proposed North Base Demand Response operations and maintenance facility, the City of Austin requires that an Integrated Pest Management Restrictive Covenant be granted to the City obligating CapMetro to long-term commitment for the maintenance of onsite stormwater treatment facilities on the property. This restrictive covenant will be provided to the City of Austin at no cost.

CapMetro's established practice requires Board approval before CapMetro grants a restrictive covenant against real property owned by CapMetro.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply.

RESPONSIBLE DEPARTMENT: Capital Construction, Engineering & Design (CCED)

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

**STATE OF TEXAS
COUNTY OF TRAVIS**

AI-2025-1427

WHEREAS, CapMetro is committed to providing safe, reliable, and accessible public transportation systems to serve the growing needs of the Austin community; and

WHEREAS, the new North Base Demand Response facility, located at 10805 Cameron Road, Austin Texas, is a key operations and maintenance facility that will provide enhanced paratransit (ADA) and pick-up services to the community; and

WHEREAS, it is necessary to grant an Integrated Pest Management Restrictive Covenant on CapMetro property to the City of Austin to obtain a site development permit for the construction of transit facilities.

NOW, THEREFORE, BE IT RESOLVED that the Capital Metropolitan Transportation Authority Board of Directors authorizes the President & CEO, or her designee, to finalize and execute the granting of a restrictive covenant to the City of Austin on CapMetro-owned property located on 25 acres of land at 10805 Cameron Road, Austin, Texas for the purpose of creating an Integrated Pest Management plan for an onsite stormwater infrastructure.

Date: _____

**Secretary of the Board
Becki Ross**

Board of Directors

Item #: AI-2025-1429

Agenda Date: 3/24/2025

SUBJECT:

Approval of a resolution authorizing the President & CEO, or her designee, to implement the June 2025 Service Changes.

FISCAL IMPACT:

Funding for this action is available in the FY2025 Capital Budget.

STRATEGIC PLAN:

Strategic Goal Alignment:

1. Customer

Strategic Objectives:

- A. Provide reliable and safe transit service.
- B. Maintain a high-quality customer experience.

EXPLANATION OF STRATEGIC ALIGNMENT:

Service changes are in accordance with CapMetro’s Service Standards and Guidelines (June 2023). These changes are designed to meet Initiative 10: Bus Service Improvements in CapMetro’s Strategic Plan.

10.1 Conduct ongoing service planning to improve reliability and service quality.

BUSINESS CASE:

Service changes provide CapMetro an opportunity to adjust its services to meet the needs of customers and efficiently use our resources. Service changes occur up to three times a year typically in January, June, and August to coincide with local school and university calendars. In the interim months between service change implementations, CapMetro continuously seeks and invites year-round feedback from the community.

COMMITTEE RECOMMENDATION:

This agenda item was presented at the Operations, Planning and Safety Committee meeting and at a public hearing on March 12, 2025. In addition, this agenda item will be presented to the full board on March 24, 2025.

EXECUTIVE SUMMARY:

The following is a high-level summary of the proposed minor service changes for June 2025. These changes

are focused on minor adjustments to support day-to-day service. Future service changes could include more substantial service adjustments and various scenario options will be considered as part of our ongoing [Transit Plan 2035 <https://www.capmetro.org/transit-plan-2035>](https://www.capmetro.org/transit-plan-2035) process.

- Summer Service Adjustments - Typical transition to summer service levels will occur on UT Shuttle routes and select trips on local routes.
- Minor Rail Schedule Adjustments - Rail on weekdays and/or Saturdays may receive minor schedule adjustments to ensure more efficient and reliable service.
- Minor Bus Schedule and Stop Adjustments - To improve on-time performance, reliability and better serve customers, select routes may receive minor adjustments to their schedules and/or stops. This does not impact route locations.

The proposed changes would be in accordance with CapMetro's proposed FY2025 budget. This service change includes minor adjustments proposed for the system. Although a Title VI analysis is not required for this service change as these changes are considered minor, understanding and balancing our customers' needs with our operational resources is how we conduct our service change process. Equity is consistently considered throughout this process to ensure we are meeting our community's needs.

If approved, the changes would be implemented on Sunday, June 1, 2025.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply.

RESPONSIBLE DEPARTMENT: Planning and Development

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

**STATE OF TEXAS
COUNTY OF TRAVIS**

AI-2025-1429

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and CapMetro management desire to efficiently distribute limited resources to provide reliable service for our customers, and

WHEREAS, the proposed changes are focused on minor adjustments to support day-to-day service and improve on-time performance throughout the system, and

WHEREAS, the proposed changes do not meet the major service change threshold set forth in CapMetro's Title VI Policy, and thus service equity analyses were not conducted, as required by the Federal Transit Administration's Title VI Circular 4702.1B, and

WHEREAS, a public hearing was held on March 12, 2025.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the President & CEO, or her designee, is authorized to implement June 2025 Service Changes described in the attached memo beginning Sunday, June 1, 2025.

Date: _____

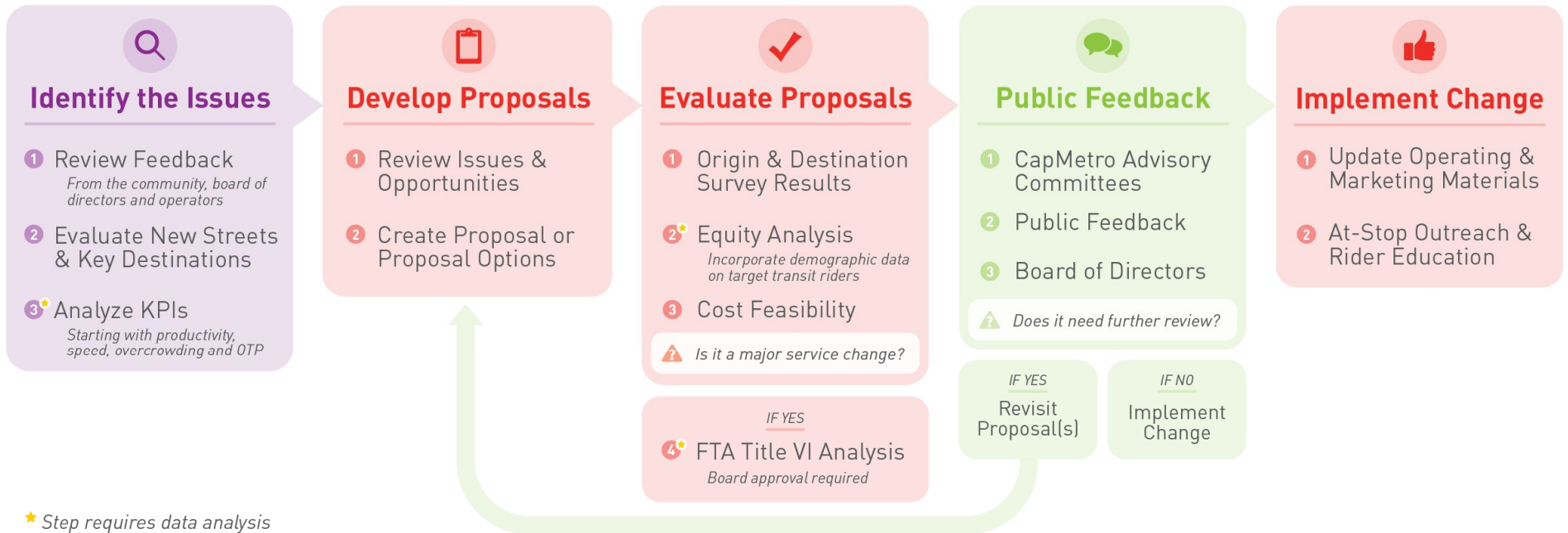
**Secretary of the Board
Becki Ross**

CapMetro

June 2025 Service Changes

March 2025 Board Meeting

Service Evaluation Process



* Step requires data analysis








Proposed June 2025 Service Changes - Overview



- Summer Service Adjustments – Typical transition to summer service levels will occur on UT Shuttle routes and select trips on local routes.
- Minor Rail Schedule Adjustments – Rail on weekdays and/or Saturdays may receive minor schedule adjustments to ensure more efficient and reliable service.
- Minor Bus Schedule and Stop Adjustments – To improve on-time performance, reliability and better serve customers, select routes may receive minor adjustments to their schedules and/or stops. This does not impact route locations.

If approved, changes would be implemented on Sunday, June 1.

Potential Minor Schedule Adjustments

 Scheduled Time	 Layover or Timepoints	 Additional Trip(s)	 Minor Routing Adjustments & Updated Bus Stops	 Timetable Structure
<ul style="list-style-type: none"> • Route 1 • Route 3 • Route 7 • Route 228 • Route 300 • Route 350 • Route 383 • Route 481 • Rapid 800 • Rapid 801 • Rapid 803 • Rapid 837 • Route 985 	<ul style="list-style-type: none"> • Route 324 (Layover) • Route 640 (Layover) • Route 300 (Timepoint on Oltorf) • Route 383 (Timepoint on Research) • Rapid 800 (Timepoint near Oak Springs) 	<ul style="list-style-type: none"> • Route 20 (Early AM) 	<ul style="list-style-type: none"> • Route 233 (Minor Route Adjustment within Eagles Landing) 	<ul style="list-style-type: none"> • Rapid 801 (Adjustment to Timepoints) • Rapid 803 (Adjustment to Timepoints)

Outreach & Public Feedback

February

- Board Memo
- Meetings with Stakeholders and Member Cities
- Email to Contact Lists and Listserve
- Operator Notices
- Service Change Website with Comment Box

March

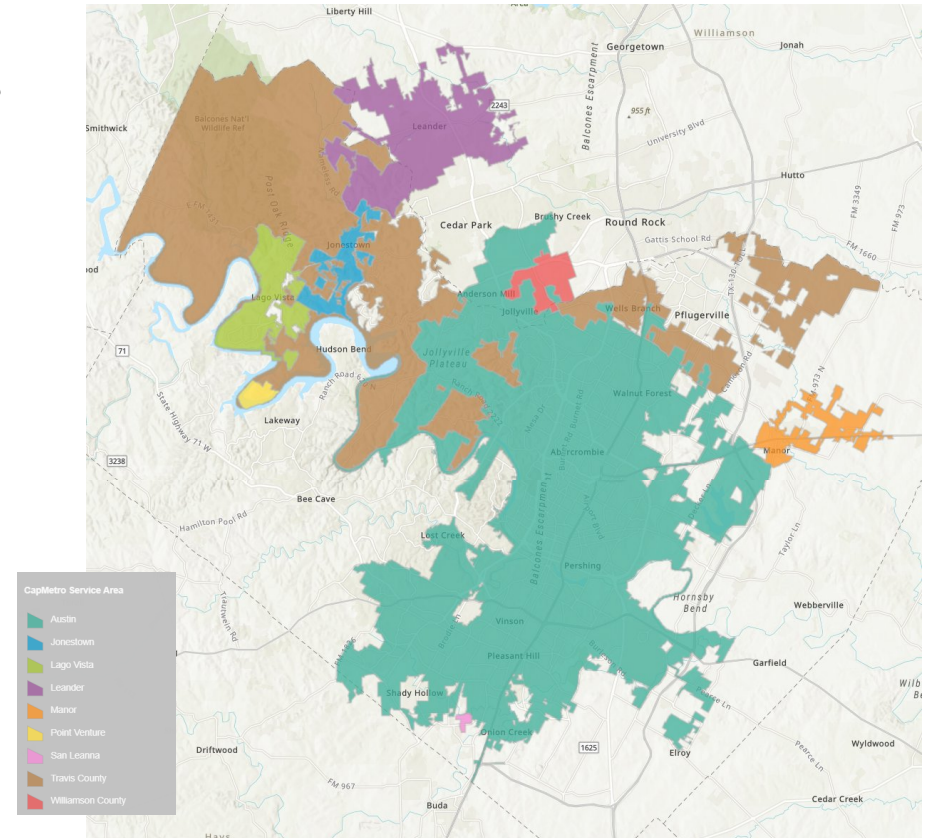
- On-Bus Brochure
- Customer Service Advisory Committee
- Access Committee
- MetroAlerts & Social Media
- Public Hearing
- Board Approval

Changes Implemented Sunday, June 1st, 2025

Regional Coordination

Ongoing collaboration with member cities and regional partners is essential to achieving CapMetro's vision for our entire service area.

- Planning staff meet with Government Affairs team members on a regular basis.
 - Positive feedback and excitement for the launch of Pickup Decker via Travis County's Transit Development Plan
 - Continued positive feedback from the expansion of Pickup Leander zone
 - Working with Lago Vista to discuss their needs as they work on their comprehensive plan
- Communicating proposed service changes
- Coordination throughout the Transit Plan 2035 process



Look Ahead: Transit Plan 2035



- [Transit Plan 2035](#) is underway!
- Evaluating the entire system and will yield an initial draft plan
- CapMetro will engage the community around the Central Texas region
- Final product will be phased recommendations
- Adoption of the final plan anticipated in late 2025
- Service change proposals will implement Transit Plan recommendations

CapMetro

Thank you!



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2025-1447

Agenda Date: 3/24/2025

Memo: Updates on the Proposed June 2025 Service Changes (March 17, 2025)

To: CapMetro Board of Directors
 From: Sharmila Mukherjee, EVP, Chief Strategic Planning and Development Officer
 Date: March 17, 2025
 Re: Updates on the Proposed June 2025 Service Changes

CapMetro staff provided a [memo](#) to the Board outlining our proposed June 2025 Service Changes and corresponding community engagement work. This memo provides an update on those activities.

CapMetro’s service change public involvement plan aims to keep customers informed on the potential changes and gather input to guide the decision-making process. Community engagement kicked off on February 24, 2025, and a public hearing was held on March 12, 2025. During this period, CapMetro staff received comments through the [comment box on the webpage](#) requesting more specificity on the proposed minor schedule adjustments. Details regarding which routes are being closely reviewed for minor schedule adjustments have been added to the webpage and will be specified in future webpages.

Specific schedule adjustments are determined further in the service changes process to more accurately respond to evolving traffic conditions and construction in the region. This timing makes sure the schedule best serves customers, more closely reflects available resources, and improves on-time performance. The following is a summary of the minor schedule adjustments under evaluation for the June 2025 Service Changes.

<i>Proposed Minor Schedule Adjustments</i>	Details	Routes under Evaluation
<i>Scheduled Time with Potential Minor Frequency Adjustments</i>	May adjust the scheduled time to respond to traffic conditions or operational needs. Based on existing resources, may result in minor frequency adjustments for specific periods of the day (typically a few minutes within a limited window).	<ul style="list-style-type: none"> • Route 1 • Route 3 • Route 7 • Route 228 • Route 300 • Route 350 • Route 383 • Route 481 • Rapid 800 • Rapid 801 • Rapid 803 • Rapid 837 • Route 985
<i>Layovers & Timepoints</i>	May adjust the allocated time or location for a layover/timepoint.	<ul style="list-style-type: none"> • Route 324 (Layover) • Route 640 (Layover) • Route 300 (Timepoint on Oltorf) • Route 383 (Timepoint on Research)

		<ul style="list-style-type: none"> • Rapid 800 (Timepoint near Oak Springs)
<i>Additional Trip(s)</i>	May add individual scheduled trip(s) in response to passenger demand and need.	<ul style="list-style-type: none"> • Route 20 (Early AM)
<i>Minor Routing Adjustments & Updated Bus Stops</i>	May include minor routing and/or minor bus stop location adjustments.	<ul style="list-style-type: none"> • Route 233 (Minor Route Adjustment within Eagles Landing)
<i>Timetable Structure</i>	May modify the structure of a route's schedule to maintain space (headway-based schedule) or to hold at specific stops to maintain the schedule (timepoint-based schedule).	<ul style="list-style-type: none"> • Rapid 801 (Adjustment to Timepoints) • Rapid 803 (Adjustment to Timepoints)

Other [comments](#) requested adjustments to frequency, span and/or routing on select routes. These suggestions are being further evaluated as part of our ongoing [Transit Plan 2035](#) process.

Public input is considered and reviewed throughout the engagement process leading up to the final recommendations. Following board approval, finalized changes will be communicated through promotional materials to promote the final decisions on service adjustments. Further details of engagement efforts for the proposed June 2025 Service Changes can be found in the appendices of this memo. The CapMetro Board of Directors will consider approval of the proposal on March 24, 2025. If approved, the changes would be implemented on Sunday, June 1, 2025.

Should Board Members have any questions regarding the proposed changes, they can contact Ed.Easton@capmetro.org.

Appendix A: Community Engagement for June 2025 Service Changes

The following is a list of all engagement efforts conducted for the June 2025 Service Changes, including tailored outreach to ensure customers potentially affected by proposed changes are informed and able to provide feedback.

- **Board Memo (February 6, 2025)**
- **Service Change Webpage with Comment Box (February 12, 2025 – March 12, 2025)**
 - CapMetro staff received 12 comments through the [comment box on the webpage](#), 5 of which requested more specificity regarding the proposed minor schedule adjustments. Upon receiving these comments, CapMetro staff added more details regarding which routes were being closely reviewed for minor schedule adjustments. These details will also be specified in future service change webpages. Other comments requested adjustments to frequency, span and/or routing on select routes. These suggestions are being further evaluated as part of our ongoing [Transit Plan 2035](#) process.
- **Message Centers (February 22, 2025 – Ongoing)**
 - Signage was placed onboard directly behind drivers' seats.
- **Public Hearing Notice (February 23, 2025)**
- **CapMetro Advisory Committees (February 27, 2025)**
 - Email updates were provided to the CapMetro Customer Satisfaction Advisory Committee (CSAC) and Access Advisory Committee.
- **Operator Communications (March 3, 2025 - Ongoing)**
 - All operators with Keolis received notice of the proposed change through flyers in their mailboxes, direct email, and TimePoint TV.
- **MetroAlerts Text Messages (March 3, 2025 - Ongoing)**
 - Email and text went out to all subscribers.
- **Email to CapMetro's Contact List and Listserv (March 4, 2025 - Ongoing)**
 - Email updates were provided to 10,491 customers, stakeholders and interested members via our contact list and listserv.
- **Social Media Posts (March 7, 2025 – Ongoing)**
- **Rack Cards (March 10, 2025 – Ongoing)**
 - Brochures are available onboard at the front of buses.
- **Public Hearing (March 12, 2025)**
- **Upcoming Board Meeting (March 24, 2025)**

Appendix B: June 2025 Service Changes Email Sent to Customers

Subject: Service Change 2025 Updates

Dear Community Members,

CapMetro makes planned changes to our service three times a year to improve your riding experience and respond to shifts in how our customers use the service. If approved, the changes outlined below will start on **Sunday, June 1** with UT routes transitioning at the end of Spring Term on **Thursday, June 5**.

These changes focus on minor adjustments to support daily service and improve on-time performance. UT Shuttle routes will transition to Summer Level service and school trips will be temporarily suspended for summer break.

Summer Service

We will transition to summer-level service on all the [UT Shuttle routes](#) at the end of the Spring Term on June 5.

These school trips will be suspended for summer service and will return in the fall:

- [Route 4](#) (7th Street) to Austin High School & the Liberal Arts and Science Academy (LASA)
- [Route 217](#) (Montopolis Feeder) to Allison Elementary School
- [Route 315](#) (Ben White) to Small Middle School
- [Route 333](#) (William Cannon) to Perez Elementary School
- [Route 337](#) (Koenig/Colony Park) to LBJ Early College High School

Minor Schedule Adjustments

To improve on-time performance and reliability, select Bus and Rail schedules will be adjusted.

Engage With Us

Share your comments with us on the Proposed June 2025 Service Change [here](#).

Attend the Public Hearing

The community will have an opportunity to comment on the proposed service changes during a public hearing on March 12 at CapMetro Headquarters, 2910 E 5th St. Served by Routes 2, 4 and 300

Reasonable modifications and equal access to communications are provided upon request at least two days in advance. Call Martin Kareithi at (512) 389-7583 or email martin.kareithi@capmetro.org for more info or to request info in another format.

Learn more and submit your feedback [here](#).

Appendix C: Rack Card for June 2025 Service Changes Engagement



PROPOSED JUNE 2025 SERVICE CHANGES

We're proposing the following changes to start on June 1:

- Minor Bus & Rail schedule adjustments to improve performance
- Transition to summer service on UT routes and school trips

**Share your Feedback at a Public Hearing
March 12 at 12 p.m.**

CapMetro Headquarters, 2910 E 5th St
Served by Routes 2, 4 and 300

Reasonable modifications and equal access to communications are provided upon request at least two days in advance.

Call Martin Kareithi at **(512) 389-7583** or email **martin.kareithi@capmetro.org** for more information or to request details in another format.



See more details & provide feedback:
capmetro.org/june2025



PROPUESTA DE CAMBIOS DE SERVICIO JUNIO 2025

Proponemos los siguientes cambios a partir del 1 de junio:

- Pequeños ajustes en los horarios de los autobuses y del tren para mejorar el rendimiento
- Transición de las rutas de UT y excursiones escolares al servicio de verano

**Bríndenos su opinión en audiencia pública
12 de marzo a las 12 p.m.**

Sede de CapMetro, 2910 East 5th Street
Con servicio de las Rutas 2, 4 y 300

Se podrán realizar modificaciones razonables y brindar igualdad de acceso a las comunicaciones previa solicitud con al menos dos días de antelación.

Comuníquese con Martin Kareithi al teléfono **(512) 389-7583** o al correo electrónico **martin.kareithi@capmetro.org** para obtener más info o solicitarla en otro formato.



Obtén más detalles y comparte tus comentarios: capmetro.org/june2025

Board of Directors

Item #: AI-2025-1379

Agenda Date: 3/24/2025

SUBJECT:

Approval of a resolution authorizing the President & CEO, or her designee, to amend the CapMetro Acquisition Policy to incorporate information from the recently revised FTA Third-Party Contracting Guidance (FTA Circular 4220.1G) and revise guidelines to align with industry standards.

FISCAL IMPACT:

This action has no fiscal impact.

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 is in alignment of CapMetro’s strategy to improve organizational effectiveness and be a fiscally responsible and transparent steward of public funds by ensuring our Acquisition Policy is up-to-date and in compliance with all Federal and State regulations and best practices.

BUSINESS CASE: The Acquisition Policy is structured to ensure that CapMetro successfully exercises its fiduciary responsibility for obligating public funds. On occasion this policy requires revisions to incorporate changes in local, state, or federal requirements to accomplish this responsibility. Revisions frequently incorporate best practices in procurement to further strengthen our policy.

COMMITTEE RECOMMENDATION: This agenda item was presented and is recommended for approval by the Finance, Audit and Administration Committee meeting on March 12, 2025.

EXECUTIVE SUMMARY: This amendment revises the Acquisition Policy to incorporate revisions and updates to local, state and federal requirements for best practices in procurement and revise guidelines to align with industry standards.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply.

RESPONSIBLE DEPARTMENT: Procurement

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

**STATE OF TEXAS
COUNTY OF TRAVIS**

AI-2025-1379

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and CapMetro management endeavor to periodically amend the Procurement Department Acquisition Policy to ensure compliance with local, state and federal regulations and best practices; and

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and CapMetro management recognize the need to raise the board approval threshold; and

WHEREAS, the policies and procedures of the procurement manual are separated to distinguish that only policy changes require approval by the Capital Metropolitan Transportation Authority Board of Directors and the implementing procedures and standardized work processes and delineated responsibilities are delegated to the Vice President of Procurement & Chief Contracting Officer.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the President & CEO, or her designee, is authorized to amend the CapMetro Acquisition Policy to incorporate updated cites and language and to revise guidelines to align with industry standards as stated in the revised Policy.

Date: _____

**Secretary of the Board
Becki Ross**

CapMetro

Acquisition Policy

March 2025

Changes

- Capital Metro is updated to CapMetro, spelling, formatting and grammar fixes, clarifying language and updated citations.
- Changed all references to hard-copy solicitation submittals as we no longer accept them.
- Updated all references to allow for electronic submittals and contacts.

Changes

- Unauthorized Procurement Actions
 - Added Task Orders
 - Removed blanket purchase agreements and blanket purchase orders.
- Buy America
 - Updated section with corrected language and citation.
- Buy American
 - Updated section with corrected language and citation.
- Advance Payments
 - Added FTA language outlining when advance payments are allowable.
- Investment Recovery
 - Added definition and section on Recovered Products.

Benchmarking

We benchmarked the board thresholds of Transit Authorities of similar type and size and found that the following have board thresholds of \$250,000:

- Austin Transit Partnership (ATP)
- Chicago Transit Authority (CTA)
- Houston Metro
- Kansas City Area Transportation Authority (KCATA)

Emergency Procurements

	Austin Transit Partnership (ATP)	Houston Metro	Chicago Transit Authority (CTA)	Kansas City Area Transportation Authority (KCATA)	CapMetro
Authorization	Executive Director or their Designee	President & CEO	President or designee with the concurrence of the General Counsel and approval of Chairman	CEO or Designee	EVP & President/CEO
Board Notification	Receipt of each emergency Procurement	At the next scheduled meeting	Prompt written report together with a statement of expenditures	Request for a Ratification of each procurement	At the next scheduled meeting

Gratuities

- Added language clarifying that the restrictions apply to Procurement personnel only.

Protests and Disputes

- Removed language regarding appeals to the FTA as they have removed the requirement and no longer accept these appeals.
- Added language about reporting.
- Added section for Disputes.

Threshold Update

All references to the Board threshold are raised from \$150,000/year to \$250,000/year.

Transparency

CapMetro has a public webpage with all current contract details.

<https://app.capmetro.org/opencontracts>


Contract Number	Vendor Name	Description	Department	Effective Date	Expiration Date	Committed Amount	Invoiced Amount	Agreement Classification
137666	HERZOG TRANSIT SERVICES INC	Commuter Rail - Operations, Dispatch and Maintenance	544-COMMUTER RAIL OPERATIONS	07/27/2015	09/30/2026	\$231,159,597.62	\$55,944,739.51	Standard
137737	AUSTIN WESTERN RAILROAD, LLC	FRIEGHT OPERATIONS	542-FREIGHT RAIL MANAGEMENT	10/01/2015	07/31/2035	\$1	\$0	Standard
15608	TEXAS MUNICIPAL LEAGUE INTERGOVERNMENTAL RISK POOL	INSURANCE PREMIUMS	420-RISK MANGEMENT AND SAFTEY	05/09/2000	09/30/2025	\$9,810,648.7	\$3,027,466.72	Standard
200005	STADLER BUSSNANG AG	Stadler RDS Software	544-COMMUTER RAIL OPERATIONS	05/13/2016	12/31/2025	\$305,500	\$0	Standard
200232	ULTIMATE SOFTWARE	HRIS Subscription and Maintenance	340-PEOPLE AND CULTURE	02/16/2018	02/15/2026	\$592,064.13	\$138,241.44	Standard
200352	HDR ENGINEERING INC	PROGRAM MGR OWNER REP	320-STRATEGIC PLANNING & DEVELOPMENT	12/20/2018	01/03/2027	\$104,310,848.7	\$26,278,094.92	Task Order
200354	CORNERSTONE ADVISORS ASSET MANAGEMENT INC	INVESTMENT ADVISOR SERVICES	340-PEOPLE AND CULTURE	02/07/2019	02/07/2026	\$527,500	\$13,000	Standard
200359	TEXAS DISPOSAL SYSTEMS	Waste Disposal and Recycling	540-PROPERTY AND ASSET MANAGEMENT	02/27/2019	02/26/2025	\$640,590.5	\$344,348.88	Standard

CapMetro

Thank You

CapMetro Procurement Acquisition Policy – major changes and talking points

Section	Change
Complete document	Changed references from Capital Metro to CapMetro, spelling, formatting and grammar fixes, clarifying language and updated citations.
Complete document	Changed all references to the Board threshold to raise it from \$150,000/year to \$250,000/year.
Complete document	Changed all references to hard-copy solicitation submittals as we no longer accept them. Updated all references to allow for electronic submittals and contacts.
I-2 Vendor Contacts and Communications	Updated section title and clarified requirements.
I-2.3 Acceptance of Gratuities	Added language clarifying that the restrictions apply to Procurement personnel only.
II-4 Unauthorized Procurement Actions	<ul style="list-style-type: none"> • Added Task Orders. • Removed blanket purchase agreements and blanket purchase orders.
II-6 Buy America	Updated section with corrected language and cites.
II-7 Buy American	Updated section with corrected language and cites.
II-8 Emergency Purchases	Raised threshold for EVP & President/CEO approval on Emergency Purchase Justification forms from \$50K to \$100K.
II-10 Contract Types and Options	Added language prohibiting percentage of construction cost contracts and included cites.
II-11 Personal Services Contracts	Removed two sections regarding selection as they are procedural rather than policy.
II-12 Methods of Procurement	New section outlining multiple award, IDIQ and mixed A&E-Construction contracts.
II-14 Cost or Price Analysis	New section adding requirement for cost or price analysis for procurements exceeding the micro purchase threshold.
II-18 Protests and Disputes	<ul style="list-style-type: none"> • Removed language regarding appeals to the FTA as they have removed the requirement and no longer accept these appeals. • Added language about reporting. • Added section for Disputes.
IV-6.3 Evaluation of Bids	<ul style="list-style-type: none"> • Removed language about evaluation committees as they are used in negotiated procurements and not IFBs. • Added Two-Step Sealed Bidding.
VI-3 Approval Levels for Non-Competitive Procurements	Raised signature authority amounts.
VII-5 Advance Payments	Added FTA language outlining when advance payments are allowable.
VIII-Investment Recovery	Added definition and section on Recovered Products.

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	Chief Contracting Officer	Approved by: Board of Directors


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Change log

1/2007	Increased board approval threshold to \$100,000
2/2007	Revise delegation of authority on contract mods and incorporate risk-based contingency on new contracts
9/2007	Added contract audit and contract bonding policies
12/2008	Increased micro purchase threshold to \$3000
8/2012	Increased small purchase to \$50,000 and board approval to \$150,000
5/2013	Post-PSR updates
6/2015	Updated investment recovery section and allowed insurance premiums to be paid by check request
12/2016	Authorization of design-build procurement method
5/2017	Modified investment recovery section and made it a standalone chapter
12/2019	Increased micro purchase threshold to \$10,000
3/2025	Increased board approval threshold to \$250,000

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CHAPTER I – OVERVIEW
POLICY

I-1 INTRODUCTION

The Acquisition Policy of Capital Metropolitan Transportation Authority (CapMetro) sets forth the minimum standards for processing third party procurement transactions. These policies are furnished to ensure that materials and services are obtained timely, efficiently, and economically, adhering to principles of good administrative practices and sound business judgment, utilizing Disadvantaged Business Enterprise (DBE) firms (for federally funded procurements) and Small Business Enterprise (SBE) firms (for locally funded procurements), as an integral part of the process as permitted by law.


All procurement transactions, except micro purchases as defined herein, shall be conducted in a manner that provides for maximum competition consistent with 2 CFR 200.317 through 200.327 (Super Circular), FTA Circular 4220.1G, "Third Party Contracting Requirements," Department of Transportation 49 CFR Part 18 and 26, and the CapMetro Employees' Code of Ethics, as in effect at any given time.

Contracts outside the scope of third party contracting include, but are not limited to, employment contracts, real estate contracts and intergovernmental agreements ("Non-Procurement Agreements"). When possible, CapMetro will purchase common goods and services using available Interlocal Cooperation Contracts and Agreements. CapMetro is responsible for assuring that each of its sub-recipients complies with the applicable requirements and standards of 2 CFR 200.317 through 200.327 and FTA Circular 4220.1G, as in effect at any given time, and that each of its sub-recipients is aware of the Federal statutory and regulatory requirements that apply to its actions as a sub-recipient.

CapMetro will not implement any procurement practices, which give in-state or local geographical preferences in the evaluation of bids or proposals, except in those cases where Federal statutes expressly mandate or encourage geographic preference. This does not preempt State licensing laws.

CapMetro policy recognizes five basic procurement methods:

1. Micro Purchases (below the Federal Micro Purchase Threshold set forth in 41 U.S.C. § 1902, as in effect at any given time ("the Micro Purchase Threshold")) (see Chapter III);
2. Small Purchase (exceeding the Micro Purchase Threshold to \$50,000.00) (see Chapter III);

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3. Sealed Bids (greater than \$50,000.00) (see Chapter IV);
4. Competitive Proposals (greater than \$50,000.00) (see Chapter V); and
5. Non-competitive Proposals (see Chapter VI).


These methods encompass every type of third-party contract currently utilized in procuring goods, services, equipment, and construction for CapMetro through local funds or Federally assisted programs or projects. A procedure has been developed for each method from inception of a project to its close out. Particular emphasis has been placed on certain aspects of the procurement process where warranted by the importance of the subject matter.

All procurement transactions must be conducted in a manner that allows for full and open competition in accordance with Texas Transportation Code Section 451.110, this policy and other applicable law. Contracts with a value of \$50,000.00 or more shall be awarded by sealed bid or competitive negotiation. The following practices are deemed restrictive of competition:

- Unreasonable requirements placed on firms to qualify to do business;
- Unnecessary experience and excessive bonding requirements;
- Noncompetitive pricing practices between firms or among affiliated companies;
- Noncompetitive awards to any person or firm on retainer contracts;
- Organizational conflicts of interest;
- Restrictive use of brand names;
- Any arbitrary action in the procurement process; and
- Geographic preferences (unless mandated).

I-2 VENDOR CONTACTS AND COMMUNICATIONS

The importance of demonstrating constant and attentive sensitivity to ethics policies cannot be overemphasized. Employees shall avoid any conduct which may give reasonable basis for the impression that any person can improperly influence official acts or actions. Employees shall avoid compromising or culpable acts, including any

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action that gives the appearance of improper influence or personal conflict of interest as outlined in CapMetro’s Code of Ethics.

Employees must be mindful that one-on-one communications with vendors occurring prior to contract award are subject to enhanced scrutiny due to the importance of maintaining a “level playing field” among all eligible vendors during competitive procurements.

To avoid misunderstandings with vendors and contractors, the following guidelines shall govern CapMetro contacts with vendors /or contractors:

2.1 Contacts Prior to Issuance of a Solicitation


Informational and market research contacts with prospective vendors or contractors are a valuable source of data to CapMetro. These contacts must be guided by the exercise of good judgment. The primary pitfalls to be avoided are promises or implications of a future contract and requests for substantial complimentary goods or services, which may create the impression of an obligation on the part of CapMetro. Some specific services or assistance from potential vendors which should be avoided include, but are not limited to:

- Testing services;
- Custom drawings;
- Special investigations;
- Demonstrations;
- Furnishing significant samples; and
- Free trips to view products.

If any of the above are required, the Project Manager will invite Procurement to a demonstration/vendor meeting. . Prior to any vendor demonstration, the Project Manager must work with the Legal Department to have the vendor sign a Vendor Acknowledgment for Remote Demonstration Form, a Vendor Disclaimer Form, or any other form required by Legal.ny

2.2 Contacts During Solicitation, Evaluation, Negotiation, and Award Process

All contacts with vendors or contractors that relate to procurement that are in the solicitation, evaluation, negotiation, and award phase must be conducted through the Procurement Department. The Procurement Department will direct all technical questions to the Project Manager for evaluation.

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The only exception to the above policy is that Disadvantaged Business Enterprise (DBE) and Small Business Enterprise (SBE) questions or issues must be directed to the department that handles such matters.

Employees should not volunteer any information to a vendor concerning their product, the product of a competitor, or the workings of CapMetro.

2.3 Acceptance of Gratuities by Procurement Personnel

Invitations to any member of CapMetro Procurement received from vendors or potential contractors for business lunches, dinners, or parties should be politely refused, noting that it is the policy of CapMetro to avoid any situation that might give the appearance of improper influence.

Any offer of gratuities should be tactfully refused.

Any calendars, note pads, or similar items of nominal value received from vendors containing commercial advertising should not be used for CapMetro business or displayed in the Procurement Department.


I-3 CONTRACTOR CLAIMS

Contractor claims must be submitted to the Chief Contracting Officer in accordance with the Disputes provision of the contract. Any contractor claim shall be accompanied by a certification that:

- (a) The claim is made in good faith;
- (b) Supporting data are accurate and complete to the best of the contractor's knowledge and belief; and
- (c) The dollar amount requested accurately reflects the contract adjustment for which the contractor believes CapMetro is liable.

If the contractor is an individual, that individual shall execute the certification. If the contractor is not an individual, the certification shall be executed by:

- (a) A senior company official in charge at the contractor's plant or location involved; or

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- (b) An officer or general partner of the contractor having overall responsibility for the conduct of the contractor's affairs.

I-4 ORGANIZATIONAL CONFLICTS OF INTEREST

4.1 Detailed Content

An organizational conflict of interest occurs when the type of work to be performed may, without some restrictions on future or follow-on activities, result in an unfair competitive advantage or impair the contractor's objectivity in performing the contract work.


(a) When specifications and scope of work are prepared, it may identify the possibility that a firm:

- May have a competitive advantage because of prior work done (e.g. designed the information system to be installed).
- May have a bias performing the work because of prior work done or future interests of the firm (e.g. a firm proposing to provide legal representation and advice for construction claims has a major local construction firm as a long-term client).
- May have a competitive advantage in future or follow-on work as a result of the contract to be awarded (e.g. in a preliminary engineering procurement, many firms may wish to propose on the preliminary engineering work that also wish to propose on final design work of the same facility).

(b) If a situation as described above is identified, the firm's eligibility for the contract should be restricted. If such a situation exists, the firm should be restricted from performing both contracts, i.e. require the firm to choose in advance whether, by offering to perform the work at hand, it wants to restrict itself from the second contract.

(c) Many procurements have the potential of organizational conflict of interest, but they are more likely to occur in contracts involving:

- Management support services
- Consultant or other professional services, particularly preparation of plans, designs, or specifications for further work or products
- Contractor performance of, or assistance in, technical evaluations

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- Systems engineering and technical work performed by a contractor that does not have overall responsibility for development or production
- Legal and accounting services

4.2 General Rule

The following general rule prescribes limitations on contracting as the means of avoiding, neutralizing or mitigating organizational conflicts of interest that might otherwise exist in the stated situations. Each individual contracting situation should be examined on the basis of its particular facts and the nature of the proposed contract. The exercise of common sense, good judgment and sound discretion is required in both the decision on whether a significant potential conflict exists and, if it does, the development of an appropriate means for resolving it.

The underlying principle is Contractors that develop or draft specifications, requirements, statements of work, and invitations for bids or requests for proposals must be excluded from competing for such procurements.

By following this general rule, it assists in preventing the existence of conflicting roles that might bias a contractor’s judgment and preventing unfair competitive advantage.

I-5 NON-PROCUREMENT PURCHASES

There are instances where goods or services are not processed through the Procurement Department; however, the Procurement Department may set up contract purchase agreements for these goods or services in the financial system to track expenditures on an annual basis.


Certain expenses are routinely incurred without the issuance of formal purchasing documents. Expenses that do not require a Purchase Order or Purchase Agreement and do not need to be processed through the Procurement Department include but are not limited to, Payroll account reimbursement, tax withholding payments, and all associated benefit payments.

Claim settlements.

Real property settlements and Escrow payments.

Periodic vendor payments under established leases.

Licenses and permits.

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Subscriptions and publications

Conference and seminar registration fees.

Training

Organizational and professional membership dues.

Refunds (returns of bid deposits, overpayment of bus passes, etc.)

Reimbursement of petty cash.

Freight bills and/or courier service.

Official Capital Metro newspaper advertisements by Marketing, Community Relations, Procurement, Personnel, and/or Legal.

Travel advances and employee reimbursements.


Replenishment of postage meters.

- Interlocal Cooperation Agreements.
- Utilities.
- Sub-recipients.
- Insurance Premiums.
- Partnership/Sponsorship Agreements.
- Other purchases or agreements that based on their nature, who they are with, or who they benefit, are determined to be exempt from procurement by the Chief Contracting Officer in consultation with Legal.


I-6 PREQUALIFICATION

CapMetro does not maintain a prequalification program.

I-7 ENSURING MOST EFFICIENT AND ECONOMIC PURCHASE

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Departments, during their annual budget process, should determine the procurement actions necessary to sustain their operations through the fiscal year. A list of these procurement actions exceeding the Federal Micro Purchase Threshold should be forwarded to the Procurement Department annually. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase and to avoid purchase of unnecessary or duplicative items. Where appropriate, an analysis will be made of lease versus purchase alternatives and any other appropriate analysis to determine the most economical approach. CapMetro considers various procurement sources to ensure economical purchases including, but not limited to DIR, HGAC, TXMAS, OMNIA Partners, GSA, and Buy Board, depending on funding source. Additionally, in accordance with Section 3019 of the Fixing America’s Surface Transportation (FAST) Act, as in effect at any given time, CapMetro may purchase from another State’s cooperative procurement contract, and Cooperative procurement contracts which are purchasing schedules between a state or eligible nonprofit with one or more vendors for rolling stock.

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**CHAPTER II – PROCUREMENT REQUIREMENTS
POLICY**

II-1 DELEGATION OF PROCUREMENT AUTHORITY


1.1 Board Authority

Chapter 451 of the Texas Transportation Code provides that the Board of Directors shall have authority and responsibility to advertise, enter into, and amend contracts for the purchase or lease of goods or services through competitive bidding. It also authorizes the Board of Directors to adopt rules governing its procurement policy.

1.2 President & CEO Authority

The Board of Directors hereby authorizes and delegates to the President & CEO or their designee, identified by signed Certificate of Appointment, the authority and responsibility to:

- Approve and execute all purchase orders and contracts.
- Advertise and/or issue solicitation documents (RFQs/IFBs/RFPs/SOQs).
- Issue solicitation documents (RFQs/IFBs/RFPs/SOQs) and execute contract instruments for consumable items which are considered basic requirements in support of CapMetro’s day-to-day transit operations such as, but not limited to, supply agreements for bus parts, supplies, petroleum products, tickets, and passes, regardless of the dollar amount.
- Approve and execute purchase orders and contract instruments awarded under CapMetro’s micro and small purchase procedures.
- Execute contracts or options to contracts resulting from Invitation for Bids (IFB), Request for Proposals (RFP) and Statements of Qualifications (SOQ) which do not exceed the \$250,000 threshold per year (the “Board Threshold”) for services the construction of improvements, or purchase of material, machinery, equipment, supplies and all other property, except real property. Any modification to the contract that causes the contract amount to exceed the total board-approved contract amount, base and options included, or the Board Threshold in any year of the contract shall require Board approval.
- Approve and execute contracts resulting from non-competitive procurements and unauthorized procurement actions that do not exceed the Board .

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- Approve and execute modifications to Board approved contracts which individually, or in combination, cannot exceed the Board Threshold or a Board approved contingency.
- Approve and execute contracts, modifications, or change orders in case of emergency, which shall mean cases where postponement of the action until the next scheduled meeting of the Board of Directors will result in loss of property, danger to life or health, or major adverse effect on transit service, provided that the President & CEO shall request ratification of each action under this emergency provision at the next meeting of the Board of Directors.
- Approve and execute settlements of contractual claims against CapMetro in an aggregate amount not to exceed the Board Threshold per claimant.

II-2 REPORTING REQUIREMENTS


The Chief Contracting Officer shall report monthly all awards between the amount of \$150,000 - \$250,000 to the Finance, Audit and Administration Committee.

II-3 PURCHASE REQUISITIONS

The Procurement Department is responsible for all soliciting, purchasing and associated contracting activities in support of CapMetro.

CapMetro staff shall follow sound procurement and contract administration practices that ensure timely delivery of materials and services, promote greater economy and efficiency and adhere to prudent business principles.

There will be no procurement action taken until a properly executed Purchase Requisition (PR) and any required backup documentation is received by the Procurement Department.. The individual requesting the PR is responsible for the accuracy and adequacy of information supporting the request. PRs should be submitted early enough to have a purchase order or contract prepared, reviewed, and issued in time for the material or service to be obtained when needed. The requestor will be responsible for assuring that all advance preparations are made so that total PR processing time is expeditious. Incomplete PRs will be returned to the user department. PRs that contain incomplete information upon arrival in the Procurement Department will be returned to the originator for clarification prior to procurement action. PRs will not be accepted and processed for solicitation by the Procurement Department until the specifications or scope of work are adequate to provide clear communication to the bidders or offerors. Procurement will train requesters in the use of the ERP requisitioning

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function as needed. Purchase requisitions over the micro purchase threshold must have an independent cost estimate.


The Grants Accountant (Finance) and the Budget Office must approve all Purchase Requisitions for FTA-funded procurements. The Chief Financial Officer and the President & CEO must approve, regardless of the dollar value, any Purchase Requisition which is not within approved budgets; that is, where the financial availability is dependent on future budget changes or amendments.

If the department desires to make any change in estimated dollar amount or scope of work to the PR subsequent to submittal to the Procurement Department, the person making the change must resubmit the PR with the correct information. If the award amount of a purchase is for less than the PR amount, no further approvals are needed.

II-4 UNAUTHORIZED PROCUREMENT ACTIONS

When persons acting outside the established limits of procurement authority direct, instruct, order, or request a person to do something for, or on behalf of, CapMetro without a purchase order, task order, contract, contract modification, or formal change order, they are creating an unauthorized procurement action. CapMetro may not be bound by the unauthorized procurement acts of individuals who have not been delegated procurement authority. Unauthorized procurement actions may include any of the following:

- (a) The outright purchase of an item by an employee outside the Procurement Department.
- (b) Placing orders against expired contracts, task orders, or purchase orders.
- (c) Placing orders in excess of the “not-to-exceed” value of a variable quantity contract, task order, or purchase order. Note that our fiscal year “budget” and the contract “not-to-exceed” values are not necessarily synonymous.
- (d) Directing changes to the scope of the contractor’s work under the Contract without express, written, or delegated authority. Changes could be:
 - requiring additional work;
 - deleting work;
 - requesting quantities in excess of or less than those specified;
 - “trading-off” item A for item B.

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or


- changes to the contractual terms and conditions;
 - requiring acceleration or deceleration of the work schedule;
 - promising to pay sooner than called for in the contract;
 - promising to pay more than the specified amounts.
- (e) Changing the Nature or Quality of the Goods, Services or Construction.
- Directing the vendor to perform work outside of the original intent of the contract.
 - Allowing substitutions of brand-named items other than those specified in the agreement.

The President & CEO may reduce the department's budget by the amount of the inappropriate purchase amount or procurement action when a violation involves an amount exceeding the micro purchase threshold. The President & CEO may make a determination whether an employee will be required to pay CapMetro for the amount of the violation. The President & CEO may delegate to the Chief Contracting Officer authority to approve unauthorized procurement actions that are less than \$50,000.00.

An unauthorized procurement action may result in the employee authorizing the action being personally liable and making payment to the vendor for the goods or services procured, the vendor absorbing any losses, or ratification for the unauthorized procurement action.

In the event of an unauthorized procurement action, corrective or disciplinary action may be initiated against the employee charged with undertaking the unauthorized procurement action, up to and including termination. The severity of the disciplinary action shall be commensurate with the severity of the action taken. The employee's supervisor shall consult with the Department of People and Culture for compliance with applicable disciplinary policies. Factors to be considered in determining the severity of the action taken and the appropriate disciplinary action may be:

- The dollar value of the adverse effect of the action
- Whether this is the first unauthorized procurement action of the employee

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- Whether the action was knowing or unintentional
- Whether the action subjected the Authority to operational or financial risk
- Reputational impact of the action or creation of an appearance of conflict of interest

Examples of actions with a lower impact to CapMetro may be:

- Any action in which the adverse effect is less than the CapMetro’s micro purchase threshold.
- Authorizing bidder or vendor to begin work prior to receipt of a purchase order, contract, task order, or contract notice to proceed.
- Authorizing substitution without prior written approval by the Procurement Department.
- Outright purchase of an item outside the Procurement Department that is not an emergency purchase.
- Changing the delivery address without modification to the purchase order or contract.

Examples of actions with a moderate impact to CapMetro may be:

- Any action in which the adverse effect is from the CapMetro’s micro purchase threshold to less than \$50,000.00.
- Repeat of the same minor offense within one year.
- Changing the scope of work without a contract modification or task order revision.
- Placing orders against expired contracts, task orders or purchase orders.
- Directing the vendor to perform outside the original intent of the contract.
- Promising to pay sooner than called for or to pay more than the amount specified.
- Agreeing to change the terms and conditions of the contract without the Procurement Department’s written modification.

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Examples of actions with a severe impact to CapMetro may be:

- Knowingly committing an unauthorized procurement action which has an adverse effect of \$50,000.00 or more, or significantly affects public image.
- Repeat of the same moderate offense within one year.
- Falsification of any documents submitted to the Procurement Department.
- Failure to disclose a known or potential organizational conflict of interest.
- Inappropriate discussion of proposals or their evaluation prior to award of a contract.

II-5 TRANSIT VEHICLE PURCHASES

CapMetro will utilize a competitive procurement process (sealed bid or request for proposal, state purchases or co-ops) for procurement of transit vehicles in accordance with Transportation Code Section 451.137.


Transit Vehicle Manufacturer (TVM) certification requirements state that all bidders or proposers on transit vehicles purchased with FTA funds for the primary purpose of public transportation (this includes large buses, small buses, and vans) must certify compliance with 49 CFR Part 26, Subpart D. Vehicles purchased for use as support (non-revenue) vehicles rather than for transport of passengers are excluded. The threshold for Buy America Compliance is \$150,000. See 49 U.S.C. 5323(j)(13).

CapMetro may not purchase or lease a new bus model using FTA grant funds unless the bus model is tested at the Altoona test facility and receives a passing test score as required by and in accordance with 49 CFR 665 as in effect at any given time.

CapMetro must complete a pre-award audit in compliance with 49 CFR Part 663, as in effect at any given time, prior to contracting for the purchase of revenue service rolling stock with FTA funds. CapMetro must also complete a post-delivery audit prior to final acceptance in accordance with 49 CFR Part 663.

The Contract term limit for rolling stock purchases is five (5) years, inclusive of options. This term limit does not apply to delivery of the vehicles.

The Contract term limit for rail vehicles is seven (7) years, inclusive of options. This term limit does not apply to the delivery of the vehicles.

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II-6 BUY AMERICA CERTIFICATION REQUIREMENT FOR STEEL AND MANUFACTURED PRODUCTS AND BUY AMERICA BUILD AMERICA ACT FOR CONSTRUCTION MATERIALS

If steel or manufactured products (as defined in 49 CFR 661.3 and 661.5, as in effect at any given time) are being procured, or if construction materials under the Build America, Buy America Act, Public Law 117-58, div. G, tit. IX, sections 70911-70927 (2021), as implemented by the U.S. Office of Management and Budget, including, as applicable, 2 CFR Part 184 are being procured, the appropriate certificate as set forth in 49 CFR 661.6 shall be completed and submitted by each offeror in accordance with the requirement contained in 49 CFR 661.13(b). The threshold for Buy America Compliance is \$150,000. See 49 USC 5323 (j)(13).


II-7 BUY AMERICAN CERTIFICATION REQUIREMENT FOR STEEL, IRON AND MANUFACTURED PRODUCTS AND BUY AMERICA BUILD AMERICA ACT FOR CONSTRUCTION MATERIALS (If applicable)

If steel, iron, and manufactured products as defined in 41 USC 8302 and 48 C.F.R. § 25.001 are procured using certain federal funds, or if construction materials under the Build America, Buy America Act, Public Law 117-58, div. G, tit. IX, sections 70911-70927 (2021), as implemented by the U.S. Office of Management and Budget, including, as applicable, 2 CFR Part 184 are being procured, the appropriate certificate of compliance shall be completed and submitted by each offeror.

II-8 EMERGENCY PURCHASES

Except under emergency situations, only authorized members of the Procurement Department may obligate CapMetro to incur costs for the purchase of goods and services. Any other commitments are informal and expose whoever makes such a commitment to personal liability for costs thereby incurred. Genuine emergencies may arise at times when established purchasing procedures cannot be followed and non-Procurement Department personnel may be required to obligate CapMetro to incur costs. To avoid unauthorized procurement actions, contact the Procurement Department for specific details.

During normal business hours, the Procurement Department **MUST** be contacted before taking emergency action which obligates CapMetro.

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After normal business hours, the person making the emergency purchase should attempt to obtain quotes to the extent practicable within the time available to resolve the emergency. A PR should be submitted to the Procurement Department within five (5) business days following the emergency procurement. The requisition must include an Emergency Purchase Justification Form containing an explanation of the emergency, why it could not have been anticipated, rationale for the selection of the awarded vendor, and a statement that the price is fair and reasonable, to include how the price fair and reasonable determination was made.

Emergency Purchase Justifications of \$100,000 or more require the signature and approval of the department’s assigned Executive Vice President and the President & CEO on the Emergency Purchase Justification Form when it is submitted to the Procurement Department. If an emergency purchase meets or exceeds the Board Threshold, it must be taken before the board at the earliest possible opportunity.

II-9 TECHNICAL SPECIFICATIONS AND STATEMENTS OF WORK

Technical Specifications and Statements of Work for either sealed bid or competitive proposal procurements shall describe accurately and in clear, concise language the technical requirements to be met by a contractor in satisfying CapMetro’s needs (2 CFR 200.319(d)(1)). These documents shall be in a format that describes, in logical steps, the complete service or item to be delivered for each milestone of the total requirement from inception to 100% completion.

Specifications/requirements shall not be slanted toward any particular prospective contractor. Descriptive literature from one prospective contractor shall not be used as the sole basis for writing specifications/requirements. Descriptions shall not contain features that unduly restrict competition.


Solicitations of offers for professional services shall clearly and accurately set forth all requirements which the offerors must fulfill, including the factors to be used in evaluating the bids or proposals.

Work to be done on or to CapMetro property requires contractor insurance. Risk Management will provide insurance requirements based on specific contractor tasking.

II-10 CONTRACT TYPES AND OPTIONS

10.1 Contract Types

There are two basic contract types: the fixed-price type and the cost-reimbursement type. The fixed-price type is the only type of pricing arrangement that can be used in

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sealed bid procurements. In negotiated procurements (RFPs), either the fixed-price or the cost-reimbursement type contract can be used. The primary difference between the two contract types is risk.

A fixed-price contract provides for a price that is not subject to any adjustment on the basis of the contractor's cost experience in performing the contract. This contract type places upon the contractor maximum risk and full responsibility for all costs and resulting profit or loss. It provides maximum incentive for the contractor to control costs and perform effectively and imposes a minimum administrative burden upon the contracting parties.

Cost-reimbursement types of contracts provide for payment of allowable incurred costs, to the extent prescribed in the contract. These contracts establish an estimate of total cost for the purpose of obligating funds and establishing a ceiling that the contractor may not exceed (except at its own risk) without the approval of the contracting officer.

CapMetro shall not use a cost-plus-a-percentage-of-cost-contract. Such contracts are prohibited by law (2 CFR 200.324(c)).

Percentage of construction cost contracts are prohibited. 2 CFR 200 prohibits the use of the percentage of construction cost method of contracting (2 CFR 200.324(c)).

Time and Materials contracts are restricted. 2 CFR 200.318(j) permits the use of time and materials type contracts only after a determination that no other contract type is suitable. If used, the contract must specify a ceiling price that the contractor may not exceed except at its own risk.


The Procurement Department will determine which contract type is most appropriate for each specific procurement.

10.2 Federal Restrictions on Contract Term

Except for procurements of rolling stock and replacement part contracts, which are limited by law to five (5) years, and seven (7) for rail vehicles, the other third party contracts (such as property, services, leases, construction, revenue, and so forth) are not encumbered by Federal requirements restricting the maximum periods of performance. Nevertheless, the duration of the other contracts must be reasonable.

10.3 Contract Options

A contract option is a unilateral right in a contract by which, for a specified time, CapMetro may elect to purchase additional equipment, supplies, goods or services called for by the contract, or may elect to extend the term of the contract. The option

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quantities or periods contained in the contractor’s bid or offer must be evaluated in order to determine contract award. When options have not been evaluated as part of the award, the exercise of the options will be considered a sole source procurement. CapMetro must ensure that the exercise of an option is in accordance with the terms and conditions of the option stated in the initial contract award.


In recognition of CapMetro’s needs in certain service contracts for continuity of operations and the potential cost of disrupted support, options may be included in service contracts if there is an anticipated need for continued service beyond the first contract period and competition is infeasible.

CapMetro may exercise an option only after making a written determination, signed by the Project Manager, the department’s assigned Vice President and/or Executive Vice President, and the Chief Contracting Officer and placed in the contract file, that the exercise of the option is the most advantageous method of fulfilling CapMetro’s needs, considering price and other factors.

II-11 PERSONAL SERVICES CONTRACTS

A Personal Services Contract is a contract that, by its express terms and as administered, makes the Contractor personnel appear to be, in effect, CapMetro employees. A Personal Services Contract is characterized by:

- (a) The employer-employee relationship it creates between CapMetro and the Contractor's personnel;
- (b) Relatively continuous supervision and control by a CapMetro Manager;
- (c) Contract performance may be virtual or accomplished at a CapMetro facility;
- (d) Principal tools, equipment, goods, supplies, and administrative support may be provided by CapMetro;
- (e) The services are applied directly to the integral effort of CapMetro in furtherance of an assigned function or mission;
- (f) The inherent nature of the service, or the manner in which it is provided, reasonably requires, directly or indirectly, CapMetro direction and supervision of contractor employees in order to:
 - Adequately protect CapMetro's interest;

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- Retain control of the function involved; or,
- Retain full personal responsibility for the function supported by a duly authorized CapMetro officer or employee.

(g) Personal Services Contractors shall be selected on a competitive basis except when competition is not required or is waived pursuant to non-competitive procurement guidelines.

11.1 President & CEO Approval

The President & CEO must approve the use of a Personal Services Contract prior to solicitation. The President & CEO must also approve any modifications to a Personal Services Contract.

11.2 Reason for Use of Personal Services Contracts

Personal Services Contracts may be considered when one or more of the following factors apply:


- Requirement of special expertise or unusual qualifications.
- Nature, magnitude, or complexity of services required.
- CapMetro lacks the resources, support staff, specialized facilities, or equipment.
- Lower cost.
- Short-term need for the services.
- Infrequent need for the services.
- Emergency requirements.

11.3

11.4

II-12 METHODS OF PROCUREMENT

12.1 Multiple Award Indefinite-Delivery A&E Contracts. CapMetro is not precluded from making multiple award indefinite-delivery contracts for A&E services, provided the selection of

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A&E firms and placement of orders is consistent with the requirement for qualifications-based selection.

12.2 Mixed A&E-Construction Contracts.

(a) Alternative Contracting Methods. In a traditional design-bid-build delivery method, design services and construction services are procured through separate procurements. Alternative contracting methods (ACM) can combine these services in different ways. Design-build, construction manager/general contractor, and progressive design-build are three examples.

(b) Procurement Method. Generally, an ACM contract that combines design and construction services should be procured using the method that aligns with the predominant costs of the contract (Circular 4220.1G, Chapter VI, Section 3).

II-13 OTHER CONTRACT TYPES


13.1 Revenue Contracts

A revenue contract is a contract in which the recipient or subrecipient provides access to public transportation assets for the primary purpose of either producing revenues in connection with an activity related to public transportation, or creating business opportunities with the use of FTA assisted property. CapMetro has broad latitude in determining the extent and type of competition appropriate for a particular revenue contract. To ensure fair and equal access to FTA assisted property and to maximize revenue derived from such property, CapMetro should conduct its revenue contracting as follows:

(a) Limited Contract Opportunities: If there are several potential competitors for a limited opportunity then CapMetro must use a competitive process to permit interested parties an equal chance to obtain that limited opportunity.

(b) Open Contract Opportunities: If, however, one party seeks access to a public transportation asset, and CapMetro is willing and able to provide contracts or licenses to other parties similarly situated, then competition would not be necessary because the opportunity to obtain contracts or licenses is open to all similar parties.

(c) Joint Development: Joint Development is when a public transportation agency forms a partnership with the private sector in order to promote real estate development in and around transit facilities, which is often referred to as “joint development.” Although FTA joint development projects are primarily a means to provide private capital to transit projects, joint development projects combine aspects of federally assisted construction

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and revenue contracting. If a contract between CapMetro and a third party involving a joint development project is not a construction contract or a revenue contract as defined in FTA Circular 4220.1G, then that contract is not covered by FTA’s third-party contracting provisions. Nevertheless, even in situations not covered by the third-party contracting provisions, FTA generally favors full and open competition. Joint Development is a function of CapMetro’s Real Estate Department.


13.2 Design/Bid/Build

It has been traditional in the construction industry to employ an architect/engineer (A/E) to complete a detailed design of the entire project before soliciting bids from construction contractors. This traditional approach is known as sequential design and construction. This sequential design/construction approach requires that a detailed design package of the entire project be 100% complete and signed and sealed by the registered or licensed individual of record before bids are solicited from construction contractors. Following award of the construction contract, the A/E is often retained by the owner for the construction phase, and acts as the owner’s agent, to inspect the construction work to ensure that the structures are built according to the designs and specifications.

13.3 Design-Build

The design-build procurement method consists of contracting for design and construction simultaneously with contract award to a single contractor, consortium, joint venture, team, or partnership that will be responsible for both the project’s design and construction. The Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) expressly authorizes the use of FTA capital assistance to support design-build projects “after the recipient complies with Government requirements,” 49 U.S.C. Section 5325(d)(2). CapMetro must follow Chapter 2269 of Texas Government Code for all Design-Build projects.

- (a) **Construction Predominant:** The construction costs of a design-build project are usually predominant so that the recipient would be expected to use competitive negotiations or sealed bids for the entire procurement rather than the qualification-based Brooks Act procurement procedures or Texas Professional Services Procurement Act.
- (b) **Design Services Predominant:** When cost of most work to be performed will consist of costs for architectural and engineering, program management, construction management, feasibility studies, preliminary engineering, design, architectural engineering, surveying, mapping, or related A&E services, CapMetro must use qualifications-based procurement procedures based on the Brooks Act or Texas Professional Services Procurement Act.
- (c) **Public-Private Partnerships:** A Public-Private Partnership (PPP) is a formal contractual arrangement between CapMetro and one or more private partners

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establishing a mechanism for procuring property and services under which the private sector assumes some of the public sector’s customary role in planning, financing, design, construction, operation, and maintenance. PPPs may use the following types of contracting delivery arrangements or project delivery systems including, but not limited to:


- Design-Build;
- Design-Build with a Warranty;
- Construction Manager at Risk;
- Design-Build-Operate-Maintain;
- Design-Build-Finance-Operate;
- Build-Operate-Transfer;
- Build-Own-Operate; and
- Full Delivery or Program Management.

For a description of these types of PPPs, see FTA “Notice of establishment of Public-Private Partnership Pilot Program; solicitation of applications,” 72 FR 2583, esp. 2584, 2585-2591, January 19, 2007.

(d) Value Engineering: Value Engineering is a procedure designed to incentivize contractors to submit change proposals which reduce the cost of contract performance by promising the contractor a share of the savings. Contractors can often find less expensive ways to perform their contracts than the methods prescribed in their contract specifications. They will be reluctant, however, to propose changes which will reduce their contract price and have the effect of reducing their profit on the contract. Value engineering is a technique designed to overcome this disincentive by offering them a share of the savings resulting from their change proposals. See Part 48 of the FAR for additional details on value engineering.

II-14 COST OR PRICE ANALYSIS

If the procurement will exceed the micro purchase threshold, CapMetro must perform a cost or price analysis consistent with 2 CFR 200.324. Profit must be negotiated as a separate element of the price for each contract in which there is no price competition and in all cases where a cost analysis is performed.

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II-15 IMPERMISSIBLE ACTIONS

13.1 Improper Contract Extension

A contract has been improperly expanded when it includes a larger scope, greater quantities, or options beyond the reasonably anticipated needs. A contract has also been improperly expanded when excess capacity has been added primarily to permit assignment of those contract rights to another entity.

13.2 Cardinal Changes

A significant change in contract work (property or services) that causes a major deviation from the original purpose of the work or the intended method of achievement, or causes a revision of contract work so extensive, significant, or cumulative that, in effect, the contractor is required to perform very different work from that described in the original contract, is a cardinal change. Such practices are sometimes informally referred to as “tag-ons.” A change within the scope of the contract (sometimes referred to as an “in-scope” change) is not a “tag-on” or cardinal change. Cardinal changes are prohibited.


II-16 ACQUISITION THROUGH ASSIGNED CONTRACT RIGHTS (PIGGYBACKING)

Although FTA does not encourage the practice, CapMetro may find it useful to acquire contract rights through assignment by another recipient. A recipient that obtains contractual rights through assignment may use them after first determining the contract price remains fair and reasonable, and the contract provisions are adequate for compliance with all Federal requirements. CapMetro does not need to perform a second price analysis if a price analysis was performed for the original contract. CapMetro must determine whether the contract price or prices originally established are still fair and reasonable before using those rights. CapMetro will be responsible for ensuring the contractor’s compliance with FTA’s Buy America review certifications. Before proceeding with the assignment, Procurement must review the contract to be sure that the quantities do not exceed the amounts available under the contract. When piggybacking, the FTA’s piggybacking checklist must be completed prior to making an award.

II-17 STATE CONTRACTS

Section 3019 of the FAST Act allows CapMetro to purchase from:

- Another State’s cooperative procurement contract; and

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- Cooperative procurement contracts which are essentially purchasing schedules between a state or eligible nonprofit with one or more vendors for rolling stock.

State contracts (DIR, TXMAS, Buy Board, etc.) awarded competitively for the benefit of all State agencies are not considered "piggybacking/IDIQ" actions and do not require minimum and maximum quantities or assignability clauses. When using these contracts with federal funding, it must include all FTA required clauses and certifications. If buying a product that is other than the lowest offered price for that product under all State contracts, it must document the file as to why the higher priced product must be purchased. It must also be determined that the State contracts were awarded with full and open competition and were not subject to geographical preferences (e.g., giving in-state vendors a bidding preference - as some states have such practices that are prohibited by FTA).

II-18 PROTESTS AND DISPUTES


A PROTEST MUST BE SUBMITTED TO THE CHIEF CONTRACTING OFFICER USING PROCEDURES SET FORTH IN EACH SOLICITATION.

Any interested party aggrieved or adversely affected in connection with the solicitation, evaluation, or award of a contract may file a protest with the Chief Contracting Officer of CapMetro and appeal any adverse decision to the President & CEO of CapMetro. Such protest must be in writing and received in the office addressed as follows: CapMetro, Attn: Chief Contracting Officer, Procurement Department, 2910 East Fifth Street, Austin, Texas, 78702.

Any "interested party" is defined with respect to the following:

- (a) With respect to complaints concerning the terms, conditions or form of a proposed procurement action, any prospective bidder or offeror whose direct economic interest would be affected by the award, or failure to award a contract.
- (b) With respect to complaints concerning award decisions, only those actual bidders or offerors who have submitted a bid or offer in response to a CapMetro solicitation and who, if their complaint is deemed by CapMetro to be meritorious, would be eligible for selection as the successful vendor for award of the contract.

Protests directed to the terms, conditions or proposed form of procurement action must be received by the Chief Contracting Officer at least five (5) working days prior to the date established for the opening of bids or receipt of proposals. Protests concerning award decisions, including bid evaluations, must be received by the Chief Contracting Officer within five (5) working days after such aggrieved person knows, or should have

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known, of the grounds of the protest. The Chief Contracting Officer will always respond to issues raised by protests involving fraud, gross abuse of the procurement process, or otherwise indicating substantial prejudice to the integrity of the procurement system.

Reporting: As part of the annual or quarterly Milestone Progress Report process, CapMetro will provide FTA with a list of all bid protests and appeals for solicitations and contracts in excess of \$500,000 where federal funds are utilized. Additionally, the FTA Chief Counsel or FTA Regional Counsel for Region VI will be promptly notified of all disputes.

AFTER CONTRACT AWARD A DISPUTE MUST BE SUBMITTED TO THE CHIEF CONTRACTING OFFICER USING PROCEDURES SET FORTH IN THE CONTRACT.

All questions concerning interpretation or clarification of the Contract, or the acceptable fulfillment of the Contract by the Contractor shall be immediately submitted in writing to the Authority’s Contracting Officer in accordance with the Contract for determination.

All determinations, instructions, and clarifications of the Contracting Officer shall be final and conclusive unless the Contractor files with the CapMetro President/CEO within two (2) weeks after the Authority notifies the Contractor of any such determination, instruction or clarification, a written protest, stating in detail the basis of the dispute.

II-19 CONTRACT AUDIT POLICY


Internal Audit, Procurement, and Finance will annually conduct a joint review and risk assessment of existing and planned contract actions. A proposed risk-based list of planned contract-related audits and/or audit services will be developed. Internal Audit will request operating budget funds annually to address jointly-identified contract risk areas.

Risk considerations include, but are not limited to:

- Contract type / solicitation requirements
- Contract and/or change order (modification) amount
- Use of grant funding
- Management requests / urgency

Internal Audit will allocate internal and/or external audit resources to address identified high risk areas based upon availability of budget/staffing resources.

Scope

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Internal and/or external audit resources can be used to perform or assist with the following contract-related activities:

- Evaluating cost proposals / pre-award audit
- Performing cost / price analyses
- Performing interim and/or contract close-out audits
- Other contract areas as deemed necessary (e.g., evaluating overhead rates)

II-20 CONTRACT BONDING POLICY

CapMetro Procurement, Risk and user departments will jointly review construction, vehicle manufacturing, information technology, transportation operation and maintenance service solicitations and future contract modifications to determine if bonding requirements are appropriate, and if so, assess and determine at what levels. Each purchase will be evaluated on an individual basis as to risk and financial loss potential. This will include an assessment of a requirement for bonding to the contingency level as approved by the CapMetro Board of Directors.


For construction or facility improvement contracts or sub-contracts, CapMetro will adhere to Federal and State statutory bonding requirements. If Federal and State bonding requirements begin to diverge, CapMetro bonding requirements policy will always mirror the most conservative statutory compliance requirement.

Non-construction contracts shall be reviewed on a case-by-case basis, depending on risk factors.

For all identified contracts, if the value of the undelivered work exceeds the bond amount by a material amount because of contract modifications, Procurement will seek to raise the value of the bond, or if federally funded, may request a waiver from FTA. Procurement will consider cost associated with a larger bond, whether the prime has required bonds from its subcontractors, and the performance record and financial resources of the prime.

When essential to the best interests of the Authority, or as required by law, the President & CEO may waive or require bonding, or may increase bonding amounts on any contract or purchase in weighing the effect on cost, competition and DBE participation.

For all contract related bonds, CapMetro will require that any and all bond dividends, rebates, and refunds be returned to CapMetro.

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Exceptions to this policy require the written authorization of the President & CEO.

II-21 COST PRINCIPLES

CapMetro shall require contractors to comply with 48 CFR, Part 31 (FAR) as in effect at any given time.

II-22 GSA SCHEDULES


CapMetro is authorized specifically by Federal law to use a GSA Federal Supply Schedule. These uses are limited, but include:

- Information Technology (IT) – Section 211 of the E-Government Act of 2002, 40 U.S.C. Section 502(c)(1), authorizes State and local governments, within limits established by law, to acquire IT of various types through GSA’s Cooperative Purchasing Program, Federal Supply Schedule 70.
- Major Disaster or Emergency Recovery – Section 502(d) of title 40 U.S.C. authorizes State and local government entities to use any GSA Federal Supply Schedule to acquire property and services in advance of a major disaster declared by the President of the United States, as well as in the aftermath of an emergency event. The State or local government is then responsible for ensuring that the property or services acquired will be used for recovery.
- Local Preparedness Acquisition – Section 502(c)(2) of title 40 U.S.C. authorizes State and local governments, within limits established by law, to acquire law enforcement, security and certain related items of various types through GSA’s Cooperative Purchasing Program Federal Supply Schedule 84, or any amended or later version of that Federal supply classification group.

In addition to the above, CapMetro is also eligible to use any GSA vendor provided they have been identified as a participant in GSA’s Cooperative Purchasing Program. These contracts are marked with a “COOP PURCH” icon on the GSA website.

When using GSA schedules to acquire property or services in this manner, CapMetro must ensure all Federal requirements, required clauses, and certifications (including FTA’s Buy America requirements) are properly followed. Note that GSA schedules are not subject to FTA’s Buy America regulations and may include manufactured products that are not eligible for FTA funds. In these cases, CapMetro must ensure that all Buy America certifications or waivers are received before awarding a contract or purchase order.


Also, when using GSA schedules to acquire property or services, CapMetro can fulfill the requirement for full and open competition by seeking offers from multiple sources. Any purchases from GSA schedules must be certified fair and reasonable.

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II-23 SUB-RECIPIENT OVERSIGHT

When CapMetro passes through funding to a subrecipient, competitive procurement requirements may apply to the subrecipient. This requirement would usually apply to any subrecipient which performs primary project activities normally performed by CapMetro directly. In such circumstances, the procurement process of the subrecipient shall meet Federal requirements contained in the FTA Master Agreement, including Buy America, debarment and suspension, and lobbying requirements.

Monitoring of compliance with FTA third-party contracting requirements will require a review of procurement procedures, either through site visits or a periodic review of written procurement manuals. CapMetro is not required to review each subrecipient's procurement to ensure compliance with Federal requirements. CapMetro may review selected procurements on a periodic basis in conjunction with a site visit or other general review of compliance with Federal requirements. CapMetro's Grants team is responsible for sub-recipient oversight, including procurement activities of those sub-recipients.

	<p style="text-align: center;">Acquisition Policy Chapter III PROC – 100.03</p> <p style="text-align: center;">Chief Contracting Officer</p>	<p>Issued: December 1998 Revised: March 2025</p> <p>Approved by: Board of Directors</p>
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CHAPTER III – MICRO AND SMALL PURCHASE PROCUREMENTS
POLICY

All micro and small purchases shall be made from sources known to provide the types of goods or services required. Disadvantaged Business Enterprise and Small Business Enterprise firms are encouraged to participate in these procurements. Micro and small purchase procurements may not be modified to increase the dollar value of the purchase order in excess of the procurement method used, i.e. a purchase order based on the micro purchase method may not be modified beyond the Federal Micro Purchase Threshold or an order for \$49,500 may not be increased beyond \$50,000.00. Micro and small purchases are exempt from Buy America requirements.

III-1 MICRO PURCHASE


Micro purchases, including delivery charges, may be accomplished without securing competitive quotations if CapMetro considers the price reasonable based on research, experience, purchase history, or other information, and maintains documents to support its conclusion. The threshold for Federal Micro Purchases is established in 2 CFR 200.1; 48 CFR 2.101.. The Procurement Department is not obligated to purchase from the department’s suggested source if the price is not considered fair and reasonable. Micro purchases made under the Purchasing Card (PCard) Program are not excluded from the need for rotation.

Dividing a purchase requirement with the intent of avoiding exceeding the Federal Micro Purchase threshold, competition requirement, or other dollar thresholds is considered bid-splitting and is therefore prohibited.

NOTE: Micro Purchase Procedures must not be used for construction contracts with a value of \$2,000.00 or more. Any construction purchase over \$2,000.00 must include Davis Bacon wage rates.

III-2 SMALL PURCHASE

Small purchases (from the Federal Micro Purchase Threshold to \$50,000.00) shall be made by soliciting competitive written quotations, encouraging participation by Disadvantaged Business Enterprise/Small Business Enterprise firms if possible. “Competitive” means that the Buyer obtained price or rate quotations from an adequate number of qualified sources. The Buyer may exercise judgment in determining what number is adequate. Written records of solicitations must be recorded. In the absence of adequate price competition, a determination that the price is fair and reasonable must be made. Dividing or reducing the size of the purchase to avoid procurement requirements applicable to larger acquisitions is prohibited. CapMetro must maintain records to support its decision to use the small purchase, the selection of contract type, the sources solicited, and the reasons for contractor selection or rejection.

	<p style="text-align: center;">Acquisition Policy Chapter IV PROC – 100.04</p> <p style="text-align: center;">Chief Contracting Officer</p>	<p>Issued: December 1998 Revised: March 2025</p> <p>Approved by: Board of Directors</p>
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**CHAPTER IV – SEALED BID PROCUREMENTS (INVITATION FOR BID (IFB))
POLICY**

In accordance with 2 CFR Part 200.319, all goods and services estimated to cost \$50,000.00 or more should be purchased using full and open competition procedures. Procurement Department personnel may use Texas Centralized Master Bidder’s List (CMBL), the requestor’s source list, the internet, and other methods to assist them in identifying sources.

A sealed bid or Invitation for bid (IFB) procurement method is a method in which bids are publicly solicited, and a firm fixed price contract (lump sum or unit price) is awarded to the lowest responsive and responsible bidder whose bid, conforming to all the material terms and conditions of the invitation for bids. This method is appropriate where discussions are expected to be unnecessary as award of the contract will be principally based on price.

IV-1 DESCRIPTIVE LITERATURE/WRITTEN DATA

Bidders are normally not required to furnish descriptive literature or written data as a part of their bid. CapMetro may deem that such literature or written data is needed before award to determine whether the products offered meet the specification requirements of the Invitation for Bids and/or to establish exactly what the bidder proposes to furnish.

IV-2 BID SAMPLES


Bidders should not be required to furnish a bid sample of a product they propose to furnish unless there are certain characteristics of the product which cannot be described, adequately in the applicable specification or purchase description, thus necessitating the submission of a sample with the bid to assure procurement of an acceptable product.

IV-3 BIDDING TIME

Consistent with the need for obtaining goods, services or construction contracts, all Invitations for Bids must allow sufficient bidding time (i.e., the period of time between the date of distribution of an Invitation for Bids and the date set for opening of bids) to permit prospective bidders to prepare and submit bids.

IV-4 ADVERTISING AND SOLICITATION OF SEALED BIDS

4.1 Advertising

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Every IFB shall be advertised in a local newspaper, and, as appropriate, on the internet, trade journals, etc. In accordance with Texas Transportation Code Section 451.110, the notice must be published in a newspaper of general circulation at least once each week for two consecutive weeks before the date set for the bid opening. The first notice must be published at least 15 days before the date set for the bid opening.

4.2 Delivery to Prospective Bidders

Notice of IFBs should be delivered to the maximum number of prospective bidders deemed practicable and necessary to assure adequate competition.

4.3 Records of Invitation for Bids and Records of Bids

The Procurement Department must retain a record of every Invitation for Bids issued and of each abstract or record of bids, known as the Bid Tabulation, subject to records management guidelines. This record should be reviewed at the time of each subsequent procurement request for the same and/or similar items to ensure that historical data is analyzed for all pertinent purposes.

4.4 Amendment to Invitation for Bids


If, after issuance of Invitation for Bids, but before the time set for opening of bids, it becomes necessary to make changes in quantities, specifications, delivery schedules, opening dates, etc., or to correct a defective or ambiguous IFB, such changes will be accomplished by issuance of an amendment to the IFB. The amendment will be posted on the internet at CapMetro’s customary solicitation posting site.

Any information given to a prospective bidder concerning an Invitation for Bid must be furnished promptly by amendment to all other prospective bidders. No award will be made on the IFB unless such amendment has been issued in sufficient time to permit all prospective bidders to consider such information in submitting or modifying their bids.

4.5 Responsiveness of Bids

To be considered for award, a bid must comply in all material respects with the Invitation for Bids, both to the method and timeliness of submission and to the substance of any resulting contract, so that all bidders are treated equally and the integrity of the formal solicitation process is maintained.

4.6 Time of Bid Submission

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Bids must be received by the due date and time specified in the IFB document.

4.7 Late Bids

Bids are "late bids" when they are received by the Procurement Department (as directed in the IFB) after the exact time specified. Late bids will not be accepted by CapMetro, unless it can be proven that the bid was received timely and mishandled by CapMetro employees, or as otherwise set forth in the solicitation.

4.8 Modification or Withdrawal of Bids

Bids may be modified or withdrawn not later than the exact time set for opening of bids.

4.9 Late Modifications and Withdrawals

Modifications of bids and requests for withdrawal of bids which are received after the exact due date and time are "late modifications" and "late withdrawals," respectively. A late modification of an otherwise successful bid will not be considered. A late withdrawal may be considered, provided that the request is fully documented.

IV-5 BID RECEIPT AND OPENING

5.1 Receipt of Bids


Bids are received electronically through an online bid portal and time/date stamped by that system.

5.2 Opening of Bids

The official designated as the bid opening officer should announce when the time set for bid opening has arrived and will so declare to those present. All bids received prior to the exact time set for bid opening will then be publicly opened, recorded, and, when practicable, read aloud to the persons present. If it is impracticable to read the entire bid, as when many items are involved, the total amount of each bid will be read, if feasible.

5.3 Recording of Bids

The assigned Buyer/Contract Administrator and one other department employee should be present at each bid opening to facilitate bid opening and recording of the bids. When the items are too numerous to warrant the recording of all bids completely, an entry

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should be made of the IFB number, opening date, general description of the procurement items, and the total bid price where definite quantities are involved.

5.4 Cancellation of Invitation for Bid After Opening

Preservation of the integrity of the sealed bid system dictates that, after bids have been opened, award must be made to that responsible bidder who submitted the lowest responsive bid, unless there is a compelling reason to reject all bids and cancel the IFB.

When an IFB must be canceled, it should be because (1) all bids were at unreasonable prices, (2) there is evidence of collusion or bad faith, (3) competition was not adequate to assure a reasonable price, or (4) it is in the best interest of CapMetro. In such instances, thorough documentation to support the action taken must be included in the files.

Invitation for Bids may be canceled after opening, but prior to award, and all bids rejected, where the Chief Contracting Officer determines that circumstances justify such action. Complete written documentation of these cases must be placed in the contract files.

5.5 Rejection of Individual Bids


Any bid which fails to conform to the essential requirements of the Invitation for Bids, such as specifications, delivery schedule, or to any alternatives or other requirements which may be specifically provided for in the IFB, shall be rejected as non-responsive.

Ordinarily, a bid will be rejected when the bidder imposes conditions which would modify requirements of the Invitation for Bids or limit their liability to CapMetro so as to give them an advantage over other bidders.

Any bid may be rejected if the Chief Contracting Officer determines in writing that it is unreasonable as to price. The determination must be supported by review and analysis of the action. Where a bid guarantee is required and a bidder fails to furnish it in accordance with the requirements of the Invitation for Bids, the bid must be rejected.

All rejected bids, and any written findings with respect to such rejections, will be preserved with the documents relating to the procurement.

After submitting a bid, if a bidder transfers all of its assets or that part of its assets related to the bid during the period between bid opening and the award, accordingly, the bid may be rejected.

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Low bids received from firms determined not to be responsible or ineligible for any reason by CapMetro will be rejected.

5.6 Notice to Bidders of Rejection of All Bids

When a determination is made to reject all bids, the Buyer/Contract Administrator should issue a notification through the online bid portal that the solicitation has been canceled.

5.7 Restrictions on Disclosure of Descriptive Literature/Written Data

When a bid is accompanied by descriptive literature or written data and the bidder imposes a restriction that such literature may not be publicly disclosed, such restriction may render the bid non-responsive if it prohibits the disclosure of sufficient information to permit competing bidders to know the essential nature and type of the products offered or those elements of the bid which relate to quantity, price, and delivery terms.

Descriptive literature restricted by a bidder against public disclosure will only be disclosed in accordance with the Texas Public Information Act.

5.8 All or None Qualifications

Unless the Invitation for Bids so provides, a bid is non-responsive by the fact that the bidder specifies that award will be accepted only on all, or a specified group, of the items included in the Invitation for Bids. However, bidders will not be permitted to modify "all or none" qualifications after bid opening since such qualifications are substantive and affect the rights of other bidders.


5.9 Mistakes in Bids

Mistakes are usually discovered after bids are opened and before the contract is awarded. Four generally accepted categories of bid mistakes, and remedies to be exercised at CapMetro's option are as follows:

(a) Minor informalities or irregularities in bids prior to award of the contract

These may be a matter of form and not substance, or an immaterial defect in a bid that can be corrected or waived without being prejudicial to other bidders. The defect is immaterial when the effect on price, quality, or delivery is negligible when contrasted with the total cost or scope of the requirement being procured.

Examples of minor informalities or irregularities include the failure of a bidder to:

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(1) sign the bid, but only if the unsigned bid is accompanied by other material clearly indicating the bidder’s intent to be bound; or

(2) acknowledge receipt of an amendment to the IFB, but only if:

- it is clear from the bid that the bidder received the amendment and intended to be bound by its terms; or
- the amendment involved had a negligible effect on price, quantity or delivery.

(b) Obvious or apparent clerical mistakes discovered prior to award

These mistakes are obvious or apparent on the face of the bid, such as misplacement of a decimal point, mistake in designation of unit, transposition errors, arithmetical errors, and typographical errors. Verification and correction must be made prior to award.

(c) Mistakes other than minor informalities or irregularities in bids, or obvious or apparent clerical mistakes that are discovered prior to award

These mistakes are generally raised by the bidder along with a request to withdraw its bid, such as a subcontractor’s price element was omitted from the bid. Generally, the bidder will be allowed to withdraw its bid without prejudice.

(d) Mistakes discovered after award


CapMetro may allow mistakes discovered after award to be corrected if the correction would be favorable to CapMetro and not change the essential requirements of the specification.

IV-6 EVALUATION OF BIDS

The Procurement Department shall conduct a public bid opening for all sealed bids. Contracts shall be awarded to the lowest responsive and responsible bidder considering price and other price-related factors set forth in the IFB.

6.1 Responsible Bidder

The term “responsible” refers to a bidder’s financial resources, judgment, skill, integrity, and ability to fulfill successfully the requirements of the contract. The principal criteria used to determine a bidder’s responsibility are the following:

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- Technical status as a manufacturer, supplier or construction contractor
- Financial resources and status
- Skill, experience, and staffing levels
- Prior conduct and performance of a contract
- Debarment and suspension.
- Contractor integrity, business ethics, and compliance with public policy.

Before awarding any contract, the Authority will verify, using the Federal System for Award Management and the Texas Comptroller’s Debarred Vendor List, that the offeror recommended for contract award has no unsatisfactory performance history that would prohibit awarding them a contract.

The Procurement Department will make the determination as to whether or not a bidder is considered responsible.

6.2 Responsive Bidder


The responsiveness of the bid itself is determined by its conformance to the technical and legal requirements of the bid solicitation. Generally, a bid is not responsive and may not be considered for award when it contains a deficiency as to any material factor, defined as circumstance which affects price, quality, or quantity of the articles or services furnished.

6.3 Two-Step Sealed Bidding

For Two-Step Sealed Bidding, CapMetro will follow the process stated in FAR Part 14.5 and applicable State law.

IV-7 AWARD PROCESS

7.1 Award

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Award must be made by CapMetro by written notice within the time for acceptance specified in the bid or extension thereof to the responsive, responsible bidder. Award will **not** be made until Board authorization has been obtained, if required, and contract is fully executed.

7.2 Delay of Award


If administrative difficulties cause unavoidable delays in awarding of contracts, and such delays threaten to delay award beyond the bidders' acceptance period, the Buyer/Contract Administrator will request that all bidders extend their bid acceptance period in writing for an additional specific number of days with the consent of sureties, if any. The Buyer/Contract Administrator processes this written request prior to the expiration of the bids in an attempt to avoid the need for re-advertising.

7.3 Award to a Single Bidder

In the event a single bid is received in a sealed bid procurement, CapMetro must conduct a price or cost analysis of the bid. A single bid can be converted to a negotiated procurement if deemed necessary.

7.4 Award Criteria

In all sealed bid procurements, the award of contracts shall be to the lowest responsive, responsible bidder.

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**CHAPTER V – COMPETITIVE PROPOSAL PROCUREMENTS
POLICY**

V-1 INTRODUCTION


In accordance with 2 CFR Part 200.320(b)(2) and applicable State law, this chapter outlines the CapMetro policies for the competitive proposal and qualifications-based procurement methods. The use of Expressions of Interest (EOI) or a Request for Information (RFI) are for informational purposes only and by themselves cannot result in negotiated procurement.

Competitive proposals should be used when circumstances are such that there is a need for discussions or it is important to base the contract award on factors other than price alone due to the nature of the procurement. The less definitive the requirements, the more development work required, or the greater the performance risk, the more technical or past performance considerations may play a dominant role in source selection and supersede low price. On the other hand, the design or fabrication of message signs, signals, movable barriers, and similar property that will become off-the-shelf items or will be fabricated and delivered as final end products for installation in the construction project are not services for which qualifications-based procurement procedures may be used.

RFP: A Request for Proposals (RFP) leading to a negotiated procurement shall be solicited from an adequate number of potentially qualified proposers in order to obtain the greatest possible competition. Contract award under the competitive proposal method is dependent upon the negotiation of a mutually acceptable agreement between CapMetro and the successful proposer(s). CapMetro reserves the right to reject all proposals and re-solicit or cancel the procurement if deemed by CapMetro to be in its best interest. CapMetro reserves the right to enter into a contract with any offeror based upon the initial proposal or on the basis of a final proposal revision (FPR) without conducting written or oral discussions.

SOQ: The qualifications-based procurement of statutory professional services, subject to the Texas Professional Services Procurement Act, Title 10, Chapter 2254 of the Texas Government Code, shall be accomplished utilizing the Federal Transit Administration best practices “Statement of Qualifications” (SOQ) method. After technical evaluations have been completed, discussions will be held with all firms determined to be in the technically competitive range. Price is never an evaluation factor for qualifications-based statutory professional services.

The selection of the technically “most qualified firm” shall be made at the conclusion of discussions and based upon the evaluation of a revised SOQ unless the determination has been made to award on the basis of the initial SOQ without conducting discussions with any of the competing firms. Where multiple awards are proposed, more than one firm

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can be considered as most qualified. Negotiations are conducted only after the most qualified firm or firms has been identified. If an agreement cannot be reached on price, the firm’s submittal is rejected and negotiations are conducted with the next most qualified firm.

This SOQ method will be used for procurement of statutory professional services, such as preliminary engineering, design, architectural, engineering, surveying, mapping, and related services which require performance by a registered or licensed architect or engineer.

When using the SOQ method for procurement of statutory professional services, as stated in Texas Government Code chapter 2254, geographic location may be a selection criteria provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

Late Proposals: Proposals are “late proposals” when they are received by the Procurement Department (as directed in the solicitation) after the exact time and date for the proposal closing. Late proposals will not be accepted by the online bid portal and, if submitted in another fashion, will be returned to the offeror unopened.


NOTE: After receipt of proposals, none of the information contained in the proposals or concerning the number or identity of offerors shall be made available to the public or to anyone in CapMetro not having a legitimate interest or need to know prior to the approval of execution of the contract, unless explicitly stated in statute.

V-2 PREPARATION OF SOLICITATION DOCUMENTS FOR NEGOTIATION

1.1 Competitive proposals are generally utilized to obtain, among other things, the following goods and services:

- Architect/Engineer or related services contracts;
- Professional Services and Consulting Contracts;
- Rolling Stock Contracts;
- Construction Services Contracts

1.2 All RFPs/SOQs shall be based on a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such requirements shall not contain features that unduly restrict competition.

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1.3 The user department is responsible for providing the in-house independent cost estimate (ICE), technical specifications, scope of work, plans, drawings, evaluation criteria and their corresponding weights, and other documents deemed necessary for the procurement.

1.4 In addition to the technical requirements/statement of work, additional and special terms and conditions may be prepared to cover such items as required or desired delivery schedule, and progress reporting requirements. Requestors are responsible for providing this information, together with the Purchase Requisition, to the Procurement Department.

1.5 The Procurement Department is responsible for the solicitation package. A solicitation package includes instructions to offerors, technical specifications, the special terms and conditions recommended by the Department Project Manager, the contractual provisions required by the Federal government (if needed), the proposed contract terms and conditions, and the evaluation criteria that will be utilized to determine contractor selection.

1.6 When all reviews have been completed and approvals obtained, the Procurement Department will issue the final solicitation.

1.7 Solicitations will be posted on the internet at CapMetro’s online bid portal. Notice of the solicitation will be emailed to all vendors whose registration criteria match any of the commodity codes assigned to the solicitation.


1.8 Every RFP/SOQ may be advertised, as appropriate, on the internet, in local newspapers, media trade journals, national media trade journals, etc. The notice must be published in a newspaper of general circulation at least once each week for two consecutive weeks before the date set for the submittal of proposal. The first notice must be published at least 15 days before the date set for receipt of offers. In the case of contracted transit services, the solicitation must be advertised once per week for eight (8) consecutive weeks as required by Texas Transportation Code Section 451.137.

V-3 CONFIDENTIALITY OF PROPOSALS

All cost and pricing data received by CapMetro in competitive proposal procurements is to be treated as confidential during the solicitation process.

All technical data received in response to a competitive proposal is confidential except for data contained in the awarded contract.

Requests for these items shall be referred immediately to the office of the Chief Counsel for handling under the Texas Public Information Act.

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V-4 GUIDELINES FOR THE EVALUATION OF PROPOSALS

Proposals shall be evaluated and ranked on the basis of criteria and the corresponding adjectival rating prepared by the department and contained in the solicitation. Numerical ratings will only be used if required by statute. The criteria will specify the overall technical ranking as well as the analysis of cost. Generally, emphasis will be placed on the best value, technical expertise of the firm and, while price is a consideration, it is not normally the only determining factor. The objective is to select the firm or individual that can best provide the goods or services, when technical ability, price (if applicable), and other factors have been considered.

Several steps are normally completed prior to the selection of a successful proposer:

3.1 Evaluation Committee

Only technically qualified, independent and impartial members are selected for the evaluation of all requests for proposals.


3.2 Evaluation Criteria

Included in the RFP is a list of evaluation criteria, which will be used by the evaluation committee in reviewing the proposals. Typically, the evaluation criteria or factors will relate to the areas of technical expertise, project approach, and cost and price information.

(a) Technical Expertise

The solicitation will identify for the proposer the types of technical expertise required for the particular job. The proposers will then be evaluated on their competence in those areas. For example, a solicitation for A/E services might require expertise in the following areas:

- architectural
- structural
- mechanical
- electrical
- landscape
- civil engineering

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- soils
- graphics
- acoustics
- traffic engineering
- environmental assessment

All areas may not be given equal value in the evaluation process but may be weighted to reflect their relative contribution to the project. The technical criteria must be listed in the solicitation so that the proposer is aware of the items and their relative emphasis.


(b) Project Approach

The proposer will be evaluated on its understanding of the nature and scope of the work to be performed. The evaluation committee will consider both organization and experience with attention to factors such as:

- Experience and make-up of the firm
- Experience of key personnel assigned to the project
- Experience with government agencies
- Experience with transit projects
- Past achievements
- Commitment of key personnel to the project
- Costs
- Innovative management techniques

(c) Cost and Price Information

The following criteria (not listed in order of relative importance) will be used in the evaluation of cost proposals:

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- Clarity and visibility of proposed cost breakdown for the proposer and its subcontractors and subconsultants.
- Credibility of labor hours and dollar cost estimates when related to the proposed project approach.
- Profit negotiated as a separate element of price.
- Total price, including base and all option years.

CapMetro may require proposers to submit information which would indicate the proposer's financial capability to perform the effort required by the solicitation.

3.3 Evaluation Forms

The Procurement Department prepares an evaluation form for each proposer to be used by committee members in evaluating the proposals. The form must be based on the evaluation criteria listed in the solicitation.

3.4 Competitive Range


The CapMetro evaluation committee shall make the determination of which proposals are in the competitive range. The competitive range shall be determined on the basis of the evaluation criteria stated in the solicitation, and should include all proposals which meet the requirements or have a reasonable chance of being made acceptable. The initial number of proposals considered as being within the competitive range may be reduced when, as a result of the written communication or oral discussions, individual proposals are determined to be unacceptable.

Proposals submitted by responsible offerors that meet the technical requirements of what is being procured should be included in the competitive range unless the proposal includes pricing that renders it infeasible.

In the two-step sealed bid process, when unpriced technical proposals are solicited, they should be evaluated in the same manner as an RFP, holding discussions if needed and establishing a competitive range. In phase two, sealed bids are solicited from offerors whose proposals are determined to be acceptable to CapMetro. Award is made to the lowest responsive and responsible bidder.

3.5 Oral Interviews/Written Communication

The committee members prepare lists of questions that they may ask the proposers during the oral interviews. These questions generally address items that are not sufficiently

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covered by the proposers in the proposals. The proposer may be required to update the proposal in writing if clarification or additional information is provided in the oral interview.

The format of the oral interviews is varied. Proposers are either asked to make formal presentations or to be prepared for a question and answer session. The preferable method is for the proposer to be prepared for a question and answer session since CapMetro will obtain more valuable information as it relates to the specific proposal. Oral interviews should not be an opportunity for a sales presentation.

- (a) Written or oral discussions shall be conducted with all responsible offerors who submit proposals which are determined to be within the competitive range, price and other factors considered (including technical quality where technical proposals are requested) **except** that this requirement need not necessarily be applied to the following procurements:
- less than \$50,000.00;
 - in which prices or rates are fixed by law or regulation;
 - in which date of delivery will not permit discussion;
 - the solicitation stipulated that award might be made on the basis of initial proposals received.
- (b) For the sole purpose of eliminating minor uncertainties or irregularities, an inquiry may be made to an offeror concerning their proposal. Such inquiries and resulting clarification furnished by the offeror shall not constitute discussions. If the clarification prejudices the interest of other offerors, award may not be made without discussion with all offerors in the competitive range.

3.6 Discussions with Offerors

- (a) Any offeror determined to be in the competitive range and selected for oral discussions should be provided written notification of the deficiencies in their proposal that will require clarification. A deficiency is defined as that part of a proposal that does not completely satisfy a CapMetro requirement.
- (b) Discussions shall not disclose the strengths or weaknesses of competing offerors or disclose any information about other proposals.
- (c) Auction techniques are strictly prohibited. Indicating to an offeror a price which must be met to obtain further consideration, or informing them that their price is not low in relation to another offeror are examples of auctioning. However, it is

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permissible to inform an offeror that their price may be considered by CapMetro to be unbalanced or too high with respect to the marketplace .

- (d) At the conclusion of discussions, a final, common cutoff date which allows a reasonable opportunity for submission of a Final Proposal Revision shall be established and all remaining participants so notified. If oral notification is given, it shall be confirmed in writing.

The notification shall include information to the effect that (i) discussion has been concluded, (ii) offerors are being given an opportunity to submit a Final Proposal Revision and, (iii) if any such modification is submitted, it must be received by the date and time specified.

3.7 Final Proposal Revision (FPR)


After all discussions have been completed, the Authority reserves the right to shorten its competitive range based upon the results of the oral discussions. Each of the offerors still in the competitive range will be afforded the opportunity to revise its proposal and submit its FPR. The request for FPR should include:

- (a) Notice that discussions/negotiations are concluded;
- (b) Notice that this is the opportunity for submission of a FPR;
- (c) A common date and time for submission of written FPRs, allowing a reasonable opportunity for preparation of written FPRs;
- (d) Notice that if any modification to a FPR is submitted, it must be received by the date and time specified for the receipt of FPRs and is subject to the late submissions, modifications, and withdrawal of proposals provision of the Request for Proposal;
- (e) Notice that if offerors do not submit a FPR or a notice of withdrawal and another FPR, their immediate previous offer will be construed as their FPR.

NOTE: CapMetro reserves the right to make an award to an offeror whose proposal it judges to be most advantageous without conducting any written or oral discussions with any offerors or solicitation of any FPRs.

3.8 Debriefing of Unsuccessful Offerors

When requested by an unsuccessful offeror, a debriefing will be conducted following contract award, by the Buyer/Contracts Administrator and Department Project Manager

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utilizing the evaluation matrix, documentation of scoring process, and the narrative appraisal describing the strengths and weaknesses as basis for the debriefing discussion. When a DBE firm requests a debriefing, the DBE Coordinator may be invited to participate in the debriefing.

3.9 Procurement Summary

The Buyer/CA will prepare written record of procurement history. At a minimum, the following records shall be maintained:

- The rationale for the method of procurement;
- selection of contract type;
- reasons for contractor selection or rejection; and
- the basis for the contract price.

3.10 Before awarding any contract, the Authority will verify, using the Federal System for Award Management and the Texas Comptroller’s Debarred Vendor List, that the offeror recommended for contract award has no unsatisfactory performance history that would prohibit awarding them a contract.

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CHAPTER VI – NON-COMPETITIVE PROCUREMENTS
POLICY

VI-1 SOLE SOURCE

A Sole Source procurement is an acquisition where only one source can provide the goods or services. Proprietary does not justify sole source if there is more than one potential supplier available.


Consistent with Federal and State law, purchase requisitions for goods and services valued at the Federal Micro Purchase Threshold or more shall be competitively procured. Sole Source procurements may only be used when the award of a competitive contract is infeasible under Small Purchase, Sealed Bidding or Competitive Proposal procedures. One of the following circumstances must apply for Sole Source to be used:

- The item is one-of-a-kind equipment, goods or services, especially high technology or scientific, and available from only one source of supply;
- The public emergency for the requirement will not permit a delay resulting from competitive solicitation, or where an unusual and compelling urgency means CapMetro would be seriously injured unless it were permitted to limit the solicitation. In such a case, CapMetro should limit its contract only to the quantities or period of performance necessary to see it through the emergency;
- After solicitation of a number of sources, competition is determined inadequate; or
- Non-Competitive Negotiations are authorized by law or regulatory authority.

The Procurement Department shall negotiate the purchase as to price or cost, delivery, terms and, as applicable, service(s), training, warranties, etc. A cost analysis, verifying the proposed cost data, the projections of the data, and the evaluation of the specific elements of costs and profit, is required. Profit must be negotiated as a separate element of price.

CapMetro will avoid Sole Source procurements except in circumstances where it is allowed by law and in the best interest of the agency. Sole Source procurements shall be allowed only on an exceptional and fully documented basis. Sole Source procurements are not justified based on staff's lack of advance planning.

In all situations, CapMetro should solicit offers from as many potential sources as is practicable under the circumstances.

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VI-2 UNSOLICITED PROPOSALS

Unsolicited proposal is defined as a written proposal that is submitted to CapMetro on the initiative of the submitter for the purpose of obtaining a contract with CapMetro and which is not in response to a formal or informal request.

Unsolicited proposals that CapMetro determines to be acceptable based on need, favorable evaluation, and available funding will be processed as Sole Source procurements. The offeror should demonstrate a unique or innovative concept or capability not available from another source. Unique or innovative concept means a new, novel, or changed concept, approach, or method that is the product of original thinking, the details of which are kept confidential or are patented or copyrighted and is available to the recipient only from one source and has not in the past been available to the recipient from another source.


Unsolicited proposals are a valuable means for CapMetro to obtain innovative or unique methods or approaches to accomplishing its mission.

Advertising material, commercial item offers, contributions or technical correspondence are not considered to be unsolicited proposals.

2.1 A valid unsolicited proposal must:

- Be innovative and unique.
- Be independently originated and developed by the offeror.
- Be prepared without CapMetro supervision.
- Include sufficient detail to permit a determination that CapMetro support could be worthwhile and the proposed work could benefit the agency’s mission responsibilities.
- Not be an advance proposal for a known agency requirement that can be acquired by competitive methods.
- Not be in response to a publicized general statement of agency needs that are not considered to be independently originated.

2.2 Advance Guidance

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CapMetro should encourage potential offerors to make preliminary contacts with appropriate agency personnel before expending extensive effort on a detailed unsolicited proposal or submitting proprietary data to CapMetro. These preliminary contacts include:

- Inquiries as to the general need for the type of effort contemplated.
- Contacts with agency technical personnel for the limited purpose of obtaining an understanding of the agency mission and responsibilities relative to the type of effort contemplated.

CapMetro shall make available to potential offerors of unsolicited proposals at least the following information:


- Definition and content of an unsolicited proposal acceptable for evaluation.
- Requirements concerning responsible prospective contractors and organizational conflicts of interest.
- Role of technical correspondence before proposal preparation.
- Agency contact points for information regarding advertising, contributions, solicitation mailing lists and other types of transactions frequently mistaken for unsolicited proposals.
- Procedures for submission and evaluation of unsolicited proposals.
- Information sources on agency objectives and areas of potential interest.
- Instructions for identifying and marking proprietary information.

Agency personnel shall conduct personal contacts without making any agency commitments concerning the acceptance of unsolicited proposals.

2.3 Content of Unsolicited Proposals

Unsolicited proposals should contain the following information to permit consideration in an objective and timely manner:

- (a) Basic information including:
- Offeror’s name and address and type of organization; e.g. profit, nonprofit, educational, small business.

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- Names and contact information of technical and business personnel to be contacted for evaluation or negotiation purposes.
- Identity of proprietary data to be used only for evaluation purposes.
- Names of other federal, state, local agencies, transit authorities receiving the proposal or funding the proposed effort.
- Date of submission.
- Signature of person authorized to represent and contractually obligate the offeror.

(b) Technical information including:

- Concise title and abstract of the proposed effort;
- A reasonably complete discussion stating the objectives of the effort or activity, the method of approach and extent of effort to be employed, the nature and extent of the anticipated results, and the manner in which the work will help to support accomplishment of the agency’s mission;
- Names and biographical information on the offeror’s key personnel who would be involved, including alternates; and
- Type of support needed from the agency; e.g. facilities, equipment, materials, or personnel resources.

(c) Supporting information including:

- Proposed price or total estimated cost for the effort in sufficient detail for meaningful evaluation.
- A six-month period of time for which the proposal is valid.
- Type of contract preferred.
- Proposed duration of effort.
- Brief description of the organization, previous experience in the field and facilities to be used.
- Required statements about organizational conflicts of interest.

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2.4 Award of unsolicited proposals

Receipt of an unsolicited proposal does not, by itself, justify contract award without providing for full and open competition. CapMetro will take the following actions before entering into a contract resulting from an unsolicited proposal:

- Publicize receipt of the unsolicited proposal and include an adequate description of the property or services offered without improperly disclosing proprietary information or disclosing the originality of thought or innovativeness of the property or services sought;
- Publicize CapMetro’s interest in acquiring the property or services described in the proposal and provide an adequate opportunity for interested parties to comment or submit competing proposals; and
- Publicize CapMetro’s intention to award a contract based on the unsolicited proposal or another proposal submitted in response to the publication.


If it is impossible to describe the property or services offered without revealing proprietary information or disclosing the originality of thought or innovativeness of the property or services sought, CapMetro may make a sole source award to the offeror. A sole source award may not be based solely on the unique capability of the offeror to provide the specific property or services proposed.

VI-3 APPROVAL LEVELS FOR NON-COMPETITIVE PROCUREMENTS

Non-competitive procurements are required to have a “Sole Source Justification Form” processed along with the purchase requisition. Approval levels for non-competitive procurements are as follows:

<u>Dollar Value</u>	<u>Signature Authority</u>
Federal Micro Purchase Threshold to \$149,999.99	Department Head
\$150,000 to \$249,999.99	Executive Vice President
\$250,000 and higher	President & CEO

The Chief Contracting Officer shall approve all non-competitive procurements over the Federal Micro Purchase Threshold.

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CHAPTER VII – CONTRACT ADMINISTRATION POLICY

Contract administration is managing the performance of both parties in all aspects of the contract to ensure successful completion. Contract administration encompasses preparing, executing, and administering assigned contracts in accordance with the warranted authority, including issuing contract modifications, change orders, task orders, and contract closeout or termination. The major players are the Department Project Manager and the Contract Administrator.

VII-1 DEPARTMENT PROJECT MANAGER RESPONSIBILITIES


After contracts are awarded and the Contractor has been issued “Notice to Proceed”, the Project Manager oversees the Contractor through the work process. The Project Manager shall manage and review the progress of the work and initiate review by CapMetro staff, public agencies, and affected utilities as required.

The Project Manager shall review the Contractor's documentation and invoices in relation to the milestones, work completed to date, and is solely responsible for the department budget information. The Project Manager shall also review invoices for accuracy and content and then approve for payment in accordance with Contract Terms and Conditions. The Contract Administrator must approve payment requests before Finance will process payment.

The Project Manager has the primary responsibility for providing technical direction to the Contractor as well as providing performance oversight to ensure the products and services for which the Project Manager is responsible are delivered by the Contractor in accordance with the terms and conditions of the contract, including quality. The Project Manager performs inspection and acceptance of work, as required, and conducts periodic reviews, audits, and surveillances of the Contractor to ensure compliance with the contract, as required.

VII-2 CONTRACT ADMINISTRATOR RESPONSIBILITIES

Immediately after full execution and award of the contract, and issuance of the “Notice to Proceed” the technical administration and project oversight of the contract becomes the responsibility of the Project Manager with the administrative assistance of the Contract Administrator from the Procurement Department. The Contract Administrator’s role is to prepare, execute, and administer assigned contracts in accordance with the warranted authority. The Contract Administrator and Project Manager establish the methods and procedures to be utilized in the performance of the contract as laid out stated in the Contract Management Plan.

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Prior to the contract completion date, the Contract Administrator should contact the Project Manager to confirm that no contractor effort will be required after the specified contract completion date and that the contract may be closed out. This action should be initiated at least sixty (60) days prior to the specified completion date, whenever possible. This is necessary to determine whether there will be an overrun, to negotiate and extend the period of performance if necessary, and to allow sufficient procurement lead time if there is a follow-on effort. If the contract is to be completed on schedule, the Contract Administrator should proceed with the contract closure; otherwise, appropriate action should be taken to extend the contract.

VII-3 CONTRACT MODIFICATIONS

Contract Modifications shall be used pursuant to the Changes provision in the Contract when it becomes necessary to change the contract cost and/or fee, Statement of Work, Period of Performance, or any other mutually agreeable change to the Contract. The authorized representative of the Contractor and Contract Administrator must execute all Contract Modifications in writing.


The Project Manager shall coordinate the requirement for a contract modification as soon as the need is known and shall provide the necessary documentation to permit the Modification to be processed in the most expeditious manner to prevent delays in the Project Schedule.

VII-4 CHANGE ORDERS

Under certain unforeseeable conditions, it may become necessary to redirect the Contractor's effort to prevent an adverse impact on the project. In such instances, the Contract Administrator may issue directions by a unilateral "Change Order" pursuant to the Changes provision. If such direction causes an increase or decrease in the estimated cost and/or fee, a change in the period of performance, or affects any other provision of the Contract, the Change Order shall be incorporated into the Contract by formal Contract Modification in the most expeditious manner possible.

All change orders issued will have cost justifications supporting each change. Procurement must approve any proposed change order before it is issued.

The cost of the change, modification, change order, or constructive change must be allowable, allocable, within the scope of the contract, and reasonable for the completion of project scope.

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VII-5 ADVANCE PAYMENTS

Advance payments are payments made to a contractor before they incur costs. CapMetro does not make advance payments to contractors before the contractor has incurred costs for which payments would be attributed, except for sound business reasons including but not limited to:

- Software licenses;
- Software subscriptions;
- Software and hardware maintenance agreements; or
- Service maintenance agreements.

Exceptions require review and approval by the Chief Contracting Officer.

Adequate security must be obtained when using advance payments.


The Federal Transit Administration (FTA) allows advance payments to contractors under certain conditions. These conditions include:

- **Business reason:** The recipient must have a sound business reason for the advance payment.
- **Security:** The recipient must obtain adequate security for the advance payment.
- **FTA concurrence:** The recipient must obtain written concurrence from the FTA before making the advance payment.
- **Customarily required:** The advance payment must be customary in the marketplace.

Examples of adequate security Surety bonds, Personal or corporate endorsements, Advance payment bonds, Pledges of collateral, and Taking first priority lien on property.

VII-6 PROGRESS PAYMENTS

CapMetro's policy is to make progress payments to contractors for costs incurred in the performance of the contract. CapMetro can use FTA assistance to support progress payments provided it obtains adequate security for those payments and has sufficient written documentation to substantiate the work for which payment is requested.


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VII-7 CONTRACT TERMINATION

The performance of work under a contract may be terminated in part or in whole when the Chief Contracting Officer determines that such termination is in the best interests of CapMetro. Contracts may be terminated for convenience, such as a reduced need or in the best interests of CapMetro, or for default, such as the Contractor failing to perform in accordance with the contractual requirements.

VII-8 CONTRACT CLOSEOUT

The Contract Administrator and the Project Manager are responsible for ensuring that contract files are closed in a timely manner and the closeout actions are documented on the closeout checklist, and in such additional details as appropriate.

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**CHAPTER VIII – INVESTMENT RECOVERY
POLICY**

VIII-1 DISPOSAL OF CAPMETRO SURPLUS OR OBSOLETE PROPERTY

1.1 Purpose:

The intent of this policy is to establish uniform guidelines for the disposal or transfer of surplus, for obsolete CapMetro equipment and supplies. This policy is consistent with CapMetro’s Environmental and Sustainability Policy (SUS-100) and Fixed Assets Capitalization & Disposal Policy (FIN-104). This policy shall apply to all tangible personal property, including rolling stock and technology equipment. This policy excludes the transfer, sale or disposal of real property.

1.2 Definitions:

Damaged – property that is not operable and would require excessive repair (cost, manpower) to return the asset to serviceable condition.

Destroyed – property that is not operable due to destruction beyond repair.

Fair Market Value (FMV) – an estimate for the cost of an asset generated from market research for that particular asset.

Hazardous Waste – regulated and listed waste that is dangerous or capable of having a harmful effect on human health or the environment.


Landfill – lowest priority disposal method. Disposal of waste products in a properly regulated landfill.

Member Unit – any governing body, municipality, or county within the CapMetro service area which participates in the appointment of a CapMetro Board member.

Obsolete – property that no longer meets CapMetro’s specifications or requirements but is still serviceable or useable.

Recovered Products - those materials which have been diverted or removed from the solid waste stream for sale, use, reuse or recycling, whether or not requiring subsequent separation processing.

Scrap – property that no longer functions, is unserviceable but may contain some market value for its basic material content.

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Surplus – property that is in excess of CapMetro’s requirements and is no longer needed but may be useable.

Waste – property that is worthless, useless, and has no market value.

Zero Waste – material handling methods that prioritizes reuse, repurposing, composting and recycling over landfilling.

Zero Waste Hierarchy – a method of evaluating the end of use of products that emphasizes conservation, reuse, product take-back, recycling and recapturing material/energy; and avoids disposal methods that cause the release of toxic materials. Properly regulated landfilling is the last choice in the hierarchy.

VIII-2 PURCHASES MADE WITH RECOVERED PRODUCTS:

CapMetro will maximize the purchase of products made with recovered materials in accordance with the requirements of Section 6002 of the Resource Conservation and Recovery Act (RCRA), as amended (42 U.S.C. 6962), including but not limited to the regulatory provisions of 40 C.F.R. Part 247, and Executive Order 12873, as they apply to the procurement of the items designated in Subpart B of 40 C.F.R. Part 247.

VIII-3 PROPERTY DISPOSAL FORM


The Property Disposal form authorizes the process for disposing of assets in accordance with the Investment Recovery Policy. A fully authorized Property Disposal Form is required in order to dispose of any CapMetro asset. Further information regarding the Property Disposal Form can be found in the Finance Department’s Fixed Assets Capitalization & Disposal Policy (FIN-104); Disposal of Locally Financed Assets.

VIII-4 DETERMINING THE METHOD OF DISPOSAL

The President & CEO or their designee shall be responsible for the segregation, sale and disposal of surplus, obsolete material and equipment in accordance with all applicable laws and regulations.

The determination for the method of disposal will be made once a fair market value analysis is conducted. If surplus, obsolete material and equipment is found to be more cost effective to dispose of as scrap or landfill, the Authority will label it as scrap and attempt to salvage through recycling vendors and/or landfill.

All surplus property will adhere to the following hierarchy method to determine disposition established for the property:

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- (a) Obsolete, Non-repairable or Surplus Vehicles:
 - (1) Offered to each Member Unit at fair market value
 - (2) Sale through public auction or Request for Offer (RFO)
 - (3) Salvage through recycle vendors

- (b) Obsolete or Surplus Property:
 - (1) Reuse within Cap Metro
 - (2) Offered to each Member Unit at fair market value
 - (3) Sale through public auction or Request for Offer (RFO)
 - (4) Recycle
 - (5) Landfill


- (c) Obsolete or Surplus IT Equipment:
 - (1) Reuse within Cap Metro
 - (2) Trade in as part of new IT procurement
 - (3) Offered to each Member Unit at fair market value
 - (4) Sale through public auction or Request for Offer (RFO)
 - (5) Recycle
 - (6) Landfill

- (d) Obsolete, Non-repairable or Scrap:
 - (1) Sale through public auction or Request for Offer (RFO)
 - (2) Salvage through recycle vendors
 - (3) Landfill

VIII-5 FAIR MARKET VALUE

In estimating the Fair Market Value of such Surplus Property, reference should be made to identifiable active markets for such property and information concerning additional factors may also be considered, which may include one or more of the following:

- (1) Original purchase cost (if available)

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- (2) Depreciation
- (3) Residual Value
- (4) Estimated Replacement Value
- (5) Current condition and or market value of the item
- (6) Independent Appraisal

VIII-6 SALE OF OBSOLETE OR SURPLUS VEHICLES

When obsolete or surplus vehicles become available, they will be disposed of in accordance with this policy and applicable laws and regulations. A list of the vehicles, including the offered price based on fair market value, will be made available to each Member Unit within the CapMetro Service Area. Any vehicle not sold to a Member Unit within five (5) business days after notification of vehicle availability will be sold to the general public.


Methods for disposing of obsolete or surplus vehicles include but are not limited to:

- (1) Request for Offers (RFO), public auction or online auction;
- (2) transfer or sale to other public agencies;
- (3) transfer to non-profit agencies or organizations consistent with established legal parameters;
- (4) trade-in as part of a new procurement; or
- (5) sale to recycling or scrapping vendors for material content.

The sale or transfer of surplus vehicles funded by the Federal Transit Administration (FTA) shall be processed in accordance with 49 CFR 18.32 and FTA Circular 5010.1D, Grant Management Requirements as stated in the *Finance Fixed Asset Policy (FIN104): Removal from Service and Disposal of Grant Purchased Assets.*

VIII-7 SALE OF OBSOLETE OR SURPLUS PROPERTY

When obsolete or surplus assets become available, they will be disposed of in accordance with this policy and applicable laws and regulations. A list of the assets, including the fair market value (FMV), will be offered to any Member Unit within the CapMetro service area. CapMetro may accept an offer of in-kind service equal to FMV

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instead of monetary payment. Any asset not acquired by a Member Unit within five (5) business days after notification of availability will be sold to the general public.

6.1 Surplus Property:

Methods for disposing of obsolete or surplus property include but are not limited to:

- (1) Request for Offers (RFO), public auction or online auction;
- (2) transfer or sale to other public agencies;
- (3) transfer to non-profit agencies or organizations consistent with established legal parameters;
- (4) trade-in as part of a new procurement; or
- (5) sale to recycling or scrapping vendors for material content.

The sale or transfer of obsolete or surplus property funded by the Federal Transit Administration (FTA) shall be processed in accordance with 49 CFR 18.32 and FTA Circular 5010.1D, Grant Management Requirements as stated in the *Finance Fixed Asset Policy; Removal from Service and Disposal of Grant Purchased Assets.*

6.2 IT Equipment:


The Information Technology Department will be responsible for the review of the continued usefulness of computer equipment and telecommunications equipment within CapMetro and may identify such equipment as Surplus Property. Surplus IT equipment shall be disposed of using the methods described in section 6.1 above.

VIII-8 SALE OF SCRAP, DAMAGED OR DESTROYED PROPERTY

Scrap, damaged, or destroyed property as determined by the President & CEO or his/her designee shall be sold in accordance with industry best practices through scrap or recycle vendors at the market price for the material content (i.e. steel, metal, plastic, etc.) of the property.

VIII-9 DISPOSAL OF OBSOLETE MATERIAL OR EQUIPMENT, SCRAP, DAMAGED OR DESTROYED PROPERTY WITHOUT MONETARY VALUE

8.1 Surplus Property

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The President & CEO or his/her designee has the authority to dispose of the property in the most cost-effective means consistent with all relevant laws and regulations through proper waste channels in accordance with industry best practices for the following:

- Scrap without monetary value
- Damaged property
- Destroyed property

These items may be deemed as trash if they have no net monetary value.

8.2 IT Equipment

Disposal of worthless damaged or destroyed IT equipment should be made through a certified electronics recycling and disassembly facility in accordance with all relevant laws, regulations and industry best practices.

VIII-10 ZERO WASTE, SUSTAINABILITY AND DISPOSAL OF HAZARDOUS WASTE MATERIALS


9.1 Zero Waste and Recycling:

To the highest extent possible, the disposition of product that is no longer useful to CapMetro should follow the zero-waste hierarchy. This standard is consistent with sustainability and state of good repair best practices and allows for the highest and best use. Zero waste methods include: reuse, repurposing, vendor take-back, packaging minimization and reuse, recycling, composting, and other methods that conserve natural resources and minimize landfilling.

All electronic waste disposal will follow best practices by using a recycling facility or vendor that follows Sustainable Electronics Recycling International (SERI) R2 (or similar standards) guidelines whenever possible.

9.2 Disposal of Hazardous Materials:

When hazardous waste materials become available all waste disposal activities will be completed in accordance with all applicable local, state and federal waste disposal law, ordinances and rules.

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Surplus Property containing any of the Hazardous Waste materials referenced below shall be identified in the Property Disposal Form.

The materials may include (but are not limited to):

- (1) Paints (Oil, Enamel, Polyurethane, Latex)
- (2) Batteries (All types)
- (3) Chemicals (Acid/Base/Flammables)
- (4) Pesticides
- (5) Petroleum Products
- (6) Tires (new outdated or used)
- (7) Refrigerants (i.e. Freon) - Any surplus equipment that utilizes refrigerants must be certified free of refrigerant before disposal
- (8) Electronic equipment containing hazardous materials

9.2 Vendors and Sustainability Practices:


In accordance with CapMetro’s *Environmental and Sustainability Policy (SUS-100)*, all efforts will be taken to make vendors aware of CapMetro’s Environmental Sustainability Management System (ESMS) Policy for assurance that they will dispose of any surplus materials properly, while adhering to all environmental laws and regulations.

VIII-11 CONFLICT OF INTEREST (COI) RESTRICTIONS

CapMetro Procurement personnel, the requesting employee, the requesting department’s manager and/or supervisor and their immediate family members are restricted from purchasing all surplus items due to conflict of interest concerns. Generally, CapMetro employees may make an offer and/or purchase CapMetro surplus property under the same rules as the general public, unless they are a party listed above. Violations by parties that are restricted from purchasing CapMetro surplus property can result in disciplinary action up to and including termination.


VIII-12 DONATION RESTRICTIONS

Donations by a governmental entity to a public, non-profit or any other organization are prohibited under Sec. 51 of the Texas Constitution. It is considered granting of public funds without receipt of value. Donations of CapMetro surplus property are restricted under this policy.

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VIII-13 ANTI-SCAVENGING RESTRICTION

CapMetro property that has been identified as surplus and turned in for disposal, including items that cannot be sold, falls under the anti-scamenging restriction, meaning that unauthorized removal, disposal, or expropriation of CapMetro Property or Surplus Property is considered theft and could subject individuals to disciplinary action up to and including termination or criminal prosecution.

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Change log

1/2007	Increased board approval threshold to \$100,000
2/2007	Revise delegation of authority on contract mods and incorporate risk-based contingency on new contracts
9/2007	Added contract audit and contract bonding policies
12/2008	Increased micro purchase threshold to \$3000
8/2012	Increased small purchase to \$50,000 and board approval to \$150,000
5/2013	Post-PSR updates
6/2015	Updated investment recovery section and allowed insurance premiums to be paid by check request
12/2016	Authorization of design-build procurement method
5/2017	Modified investment recovery section and made it a standalone chapter
12/2019	Increased micro purchase threshold to \$10,000
3/2025	Increased board approval threshold to \$250,000

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CHAPTER I – OVERVIEW
POLICY

I-1 INTRODUCTION

The Acquisition Policy of Capital Metropolitan Transportation Authority (CapMetro) sets forth the minimum standards for processing third party procurement transactions. These policies are furnished to ensure that materials and services are obtained timely, efficiently, and economically, adhering to principles of good administrative practices and sound business judgment, utilizing Disadvantaged Business Enterprise (DBE) firms (for federally funded procurements) and Small Business Enterprise (SBE) firms (for locally funded procurements), as an integral part of the process as permitted by law.


All procurement transactions, except micro purchases as defined herein, shall be conducted in a manner that provides for maximum competition consistent with 2 CFR 200.317 through 200.327 (Super Circular), FTA Circular 4220.1G, "Third Party Contracting Requirements," Department of Transportation 49 CFR Part 18 and 26, and the CapMetro Employees' Code of Ethics, as in effect at any given time.

Contracts outside the scope of third party contracting include, but are not limited to, employment contracts, real estate contracts and intergovernmental agreements ("Non-Procurement Agreements"). When possible, CapMetro will purchase common goods and services using available Interlocal Cooperation Contracts and Agreements. CapMetro is responsible for assuring that each of its sub-recipients complies with the applicable requirements and standards of 2 CFR 200.317 through 200.327 and FTA Circular 4220.1G, as in effect at any given time, and that each of its sub-recipients is aware of the Federal statutory and regulatory requirements that apply to its actions as a sub-recipient.

CapMetro will not implement any procurement practices, which give in-state or local geographical preferences in the evaluation of bids or proposals, except in those cases where Federal statutes expressly mandate or encourage geographic preference. This does not preempt State licensing laws.

CapMetro policy recognizes five basic procurement methods:

1. Micro Purchases (below the Federal Micro Purchase Threshold set forth in 41 U.S.C. § 1902, as in effect at any given time ("the Micro Purchase Threshold")) (see Chapter III);
2. Small Purchase (exceeding the Micro Purchase Threshold to \$50,000.00) (see Chapter III);

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3. Sealed Bids (greater than \$50,000.00) (see Chapter IV);
4. Competitive Proposals (greater than \$50,000.00) (see Chapter V); and
5. Non-competitive Proposals (see Chapter VI).


These methods encompass every type of third-party contract currently utilized in procuring goods, services, equipment, and construction for CapMetro through local funds or Federally assisted programs or projects. A procedure has been developed for each method from inception of a project to its close out. Particular emphasis has been placed on certain aspects of the procurement process where warranted by the importance of the subject matter.

All procurement transactions must be conducted in a manner that allows for full and open competition in accordance with Texas Transportation Code Section 451.110, this policy and other applicable law. Contracts with a value of \$50,000.00 or more shall be awarded by sealed bid or competitive negotiation. The following practices are deemed restrictive of competition:

- Unreasonable requirements placed on firms to qualify to do business;
- Unnecessary experience and excessive bonding requirements;
- Noncompetitive pricing practices between firms or among affiliated companies;
- Noncompetitive awards to any person or firm on retainer contracts;
- Organizational conflicts of interest;
- Restrictive use of brand names;
- Any arbitrary action in the procurement process; and
- Geographic preferences (unless mandated).

I-2 VENDOR CONTACTS AND COMMUNICATIONS

The importance of demonstrating constant and attentive sensitivity to ethics policies cannot be overemphasized. Employees shall avoid any conduct which may give reasonable basis for the impression that any person can improperly influence official acts or actions. Employees shall avoid compromising or culpable acts, including any action that gives the appearance of improper influence or personal conflict of interest as outlined in CapMetro’s Code of Ethics.

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Employees must be mindful that one-on-one communications with vendors occurring prior to contract award are subject to enhanced scrutiny due to the importance of maintaining a “level playing field” among all eligible vendors during competitive procurements.

To avoid misunderstandings with vendors and contractors, the following guidelines shall govern CapMetro contacts with vendors /or contractors:

2.1 Contacts Prior to Issuance of a Solicitation


Informational and market research contacts with prospective vendors or contractors are a valuable source of data to CapMetro. These contacts must be guided by the exercise of good judgment. The primary pitfalls to be avoided are promises or implications of a future contract and requests for substantial complimentary goods or services, which may create the impression of an obligation on the part of CapMetro. Some specific services or assistance from potential vendors which should be avoided include, but are not limited to:

- Testing services;
- Custom drawings;
- Special investigations;
- Demonstrations;
- Furnishing significant samples; and
- Free trips to view products.

If any of the above are required, the Project Manager will invite Procurement to a demonstration/vendor meeting. . Prior to any vendor demonstration, the Project Manager must work with the Legal Department to have the vendor sign a Vendor Acknowledgment for Remote Demonstration Form, a Vendor Disclaimer Form, or any other form required by Legal.

2.2 Contacts During Solicitation, Evaluation, Negotiation, and Award Process

All contacts with vendors or contractors that relate to procurement that are in the solicitation, evaluation, negotiation, and award phase must be conducted through the Procurement Department. The Procurement Department will direct all technical questions to the Project Manager for evaluation.

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The only exception to the above policy is that Disadvantaged Business Enterprise (DBE) and Small Business Enterprise (SBE) questions or issues must be directed to the department that handles such matters.

Employees should not volunteer any information to a vendor concerning their product, the product of a competitor, or the workings of CapMetro.

2.3 Acceptance of Gratuities by Procurement Personnel

Invitations to any member of CapMetro Procurement received from vendors or potential contractors for business lunches, dinners, or parties should be politely refused, noting that it is the policy of CapMetro to avoid any situation that might give the appearance of improper influence.

Any offer of gratuities should be tactfully refused.

Any calendars, note pads, or similar items of nominal value received from vendors containing commercial advertising should not be used for CapMetro business or displayed in the Procurement Department.


I-3 CONTRACTOR CLAIMS

Contractor claims must be submitted to the Chief Contracting Officer in accordance with the Disputes provision of the contract. Any contractor claim shall be accompanied by a certification that:

- (a) The claim is made in good faith;
- (b) Supporting data are accurate and complete to the best of the contractor's knowledge and belief; and
- (c) The dollar amount requested accurately reflects the contract adjustment for which the contractor believes CapMetro is liable.

If the contractor is an individual, that individual shall execute the certification. If the contractor is not an individual, the certification shall be executed by:

- (a) A senior company official in charge at the contractor's plant or location involved; or
- (b) An officer or general partner of the contractor having overall responsibility for the conduct of the contractor's affairs.

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I-4 ORGANIZATIONAL CONFLICTS OF INTEREST

4.1 Detailed Content

An organizational conflict of interest occurs when the type of work to be performed may, without some restrictions on future or follow-on activities, result in an unfair competitive advantage or impair the contractor's objectivity in performing the contract work.


(a) When specifications and scope of work are prepared, it may identify the possibility that a firm:

- May have a competitive advantage because of prior work done (e.g. designed the information system to be installed).
- May have a bias performing the work because of prior work done or future interests of the firm (e.g. a firm proposing to provide legal representation and advice for construction claims has a major local construction firm as a long-term client).
- May have a competitive advantage in future or follow-on work as a result of the contract to be awarded (e.g. in a preliminary engineering procurement, many firms may wish to propose on the preliminary engineering work that also wish to propose on final design work of the same facility).

(b) If a situation as described above is identified, the firm's eligibility for the contract should be restricted. If such a situation exists, the firm should be restricted from performing both contracts, i.e. require the firm to choose in advance whether, by offering to perform the work at hand, it wants to restrict itself from the second contract.

(c) Many procurements have the potential of organizational conflict of interest, but they are more likely to occur in contracts involving:

- Management support services
- Consultant or other professional services, particularly preparation of plans, designs, or specifications for further work or products
- Contractor performance of, or assistance in, technical evaluations
- Systems engineering and technical work performed by a contractor that does not have overall responsibility for development or production
- Legal and accounting services

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4.2 General Rule

The following general rule prescribes limitations on contracting as the means of avoiding, neutralizing or mitigating organizational conflicts of interest that might otherwise exist in the stated situations. Each individual contracting situation should be examined on the basis of its particular facts and the nature of the proposed contract. The exercise of common sense, good judgment and sound discretion is required in both the decision on whether a significant potential conflict exists and, if it does, the development of an appropriate means for resolving it.

The underlying principle is Contractors that develop or draft specifications, requirements, statements of work, and invitations for bids or requests for proposals must be excluded from competing for such procurements.


By following this general rule, it assists in preventing the existence of conflicting roles that might bias a contractor’s judgment and preventing unfair competitive advantage.

I-5 NON-PROCUREMENT PURCHASES

There are instances where goods or services are not processed through the Procurement Department; however, the Procurement Department may set up contract purchase agreements for these goods or services in the financial system to track expenditures on an annual basis.

Certain expenses are routinely incurred without the issuance of formal purchasing documents. Expenses that do not require a Purchase Order or Purchase Agreement and do not need to be processed through the Procurement Department include but are not limited to:


- Payroll account reimbursement, tax withholding payments, and all associated benefit payments.
- Claim settlements.
- Real property settlements and Escrow payments.
- Periodic vendor payments under established leases.
- Licenses and permits.
- Subscriptions and publications.

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- Conference and seminar registration fees.
- Training.
- Organizational and professional membership dues.
- Refunds (returns of bid deposits, overpayment of bus passes, etc.).
- Reimbursement of petty cash.
- Freight bills and/or courier service.
- Official Capital Metro newspaper advertisements by Marketing, Community Relations, Procurement, Personnel, and/or Legal.
- Travel advances and employee reimbursements.
- Replenishment of postage meters.
- Interlocal Cooperation Agreements.
- Utilities.
- Sub-recipients.
- Insurance Premiums.
- Partnership/Sponsorship Agreements.
- Other purchases or agreements that based on their nature, who they are with, or who they benefit, are determined to be exempt from procurement by the Chief Contracting Officer in consultation with Legal.


I-6 PREQUALIFICATION

CapMetro does not maintain a prequalification program.

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I-7 ENSURING MOST EFFICIENT AND ECONOMIC PURCHASE

Departments, during their annual budget process, should determine the procurement actions necessary to sustain their operations through the fiscal year. A list of these procurement actions exceeding the Federal Micro Purchase Threshold should be forwarded to the Procurement Department annually. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase and to avoid purchase of unnecessary or duplicative items. Where appropriate, an analysis will be made of lease versus purchase alternatives and any other appropriate analysis to determine the most economical approach. CapMetro considers various procurement sources to ensure economical purchases including, but not limited to DIR, HGAC, TXMAS, OMNIA Partners, GSA, and Buy Board, depending on funding source. Additionally, in accordance with Section 3019 of the Fixing America’s Surface Transportation (FAST) Act, as in effect at any given time, CapMetro may purchase from another State’s cooperative procurement contract, and Cooperative procurement contracts which are purchasing schedules between a state or eligible nonprofit with one or more vendors for rolling stock.

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**CHAPTER II – PROCUREMENT REQUIREMENTS
POLICY**

II-1 DELEGATION OF PROCUREMENT AUTHORITY


1.1 Board Authority

Chapter 451 of the Texas Transportation Code provides that the Board of Directors shall have authority and responsibility to advertise, enter into, and amend contracts for the purchase or lease of goods or services through competitive bidding. It also authorizes the Board of Directors to adopt rules governing its procurement policy.

1.2 President & CEO Authority

The Board of Directors hereby authorizes and delegates to the President & CEO or their designee, identified by signed Certificate of Appointment, the authority and responsibility to:

- Approve and execute all purchase orders and contracts.
- Advertise and/or issue solicitation documents (RFQs/IFBs/RFPs/SOQs).
- Issue solicitation documents (RFQs/IFBs/RFPs/SOQs) and execute contract instruments for consumable items which are considered basic requirements in support of CapMetro’s day-to-day transit operations such as, but not limited to, supply agreements for bus parts, supplies, petroleum products, tickets, and passes, regardless of the dollar amount.
- Approve and execute purchase orders and contract instruments awarded under CapMetro’s micro and small purchase procedures.
- Execute contracts or options to contracts resulting from Invitation for Bids (IFB), Request for Proposals (RFP) and Statements of Qualifications (SOQ) which do not exceed the \$250,000 threshold per year (the “Board Threshold”) for services the construction of improvements, or purchase of material, machinery, equipment, supplies and all other property, except real property. Any modification to the contract that causes the contract amount to exceed the total board-approved contract amount, base and options included, or the Board Threshold in any year of the contract shall require Board approval.
- Approve and execute contracts resulting from non-competitive procurements and unauthorized procurement actions that do not exceed the Board .

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- Approve and execute modifications to Board approved contracts which individually, or in combination, cannot exceed the Board Threshold or a Board approved contingency.
- Approve and execute contracts, modifications, or change orders in case of emergency, which shall mean cases where postponement of the action until the next scheduled meeting of the Board of Directors will result in loss of property, danger to life or health, or major adverse effect on transit service, provided that the President & CEO shall request ratification of each action under this emergency provision at the next meeting of the Board of Directors.
- Approve and execute settlements of contractual claims against CapMetro in an aggregate amount not to exceed the Board Threshold per claimant.

II-2 REPORTING REQUIREMENTS


The Chief Contracting Officer shall report monthly all awards between the amount of \$150,000 - \$250,000 to the Finance, Audit and Administration Committee.

II-3 PURCHASE REQUISITIONS

The Procurement Department is responsible for all soliciting, purchasing and associated contracting activities in support of CapMetro.

CapMetro staff shall follow sound procurement and contract administration practices that ensure timely delivery of materials and services, promote greater economy and efficiency and adhere to prudent business principles.

There will be no procurement action taken until a properly executed Purchase Requisition (PR) and any required backup documentation is received by the Procurement Department.. The individual requesting the PR is responsible for the accuracy and adequacy of information supporting the request. PRs should be submitted early enough to have a purchase order or contract prepared, reviewed, and issued in time for the material or service to be obtained when needed. The requestor will be responsible for assuring that all advance preparations are made so that total PR processing time is expeditious. Incomplete PRs will be returned to the user department. PRs that contain incomplete information upon arrival in the Procurement Department will be returned to the originator for clarification prior to procurement action. PRs will not be accepted and processed for solicitation by the Procurement Department until the specifications or scope of work are adequate to provide clear communication to the bidders or offerors. Procurement will train requesters in the use of the ERP requisitioning function as needed. Purchase requisitions over the micro purchase threshold must have an independent cost estimate.

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The Grants Accountant (Finance) and the Budget Office must approve all Purchase Requisitions for FTA-funded procurements. The Chief Financial Officer and the President & CEO must approve, regardless of the dollar value, any Purchase Requisition which is not within approved budgets; that is, where the financial availability is dependent on future budget changes or amendments.


If the department desires to make any change in estimated dollar amount or scope of work to the PR subsequent to submittal to the Procurement Department, the person making the change must resubmit the PR with the correct information. If the award amount of a purchase is for less than the PR amount, no further approvals are needed.

II-4 UNAUTHORIZED PROCUREMENT ACTIONS

When persons acting outside the established limits of procurement authority direct, instruct, order, or request a person to do something for, or on behalf of, CapMetro without a purchase order, task order, contract, contract modification, or formal change order, they are creating an unauthorized procurement action. CapMetro may not be bound by the unauthorized procurement acts of individuals who have not been delegated procurement authority. Unauthorized procurement actions may include any of the following:

- (a) The outright purchase of an item by an employee outside the Procurement Department.
- (b) Placing orders against expired contracts, task orders, or purchase orders.
- (c) Placing orders in excess of the “not-to-exceed” value of a variable quantity contract, task order, or purchase order. Note that our fiscal year “budget” and the contract “not-to-exceed” values are not necessarily synonymous.
- (d) Directing changes to the scope of the contractor’s work under the Contract without express, written, or delegated authority. Changes could be:
 - requiring additional work;
 - deleting work;
 - requesting quantities in excess of or less than those specified;
 - “trading-off” item A for item B.

or

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- changes to the contractual terms and conditions;
- requiring acceleration or deceleration of the work schedule;
- promising to pay sooner than called for in the contract;
- promising to pay more than the specified amounts.

(e) Changing the Nature or Quality of the Goods, Services or Construction.


- Directing the vendor to perform work outside of the original intent of the contract.
- Allowing substitutions of brand-named items other than those specified in the agreement.

The President & CEO may reduce the department's budget by the amount of the inappropriate purchase amount or procurement action when a violation involves an amount exceeding the micro purchase threshold. The President & CEO may make a determination whether an employee will be required to pay CapMetro for the amount of the violation. The President & CEO may delegate to the Chief Contracting Officer authority to approve unauthorized procurement actions that are less than \$50,000.00.

An unauthorized procurement action may result in the employee authorizing the action being personally liable and making payment to the vendor for the goods or services procured, the vendor absorbing any losses, or ratification for the unauthorized procurement action.

In the event of an unauthorized procurement action, corrective or disciplinary action may be initiated against the employee charged with undertaking the unauthorized procurement action, up to and including termination. The severity of the disciplinary action shall be commensurate with the severity of the action taken. The employee's supervisor shall consult with the Department of People and Culture for compliance with applicable disciplinary policies. Factors to be considered in determining the severity of the action taken and the appropriate disciplinary action may be:

- The dollar value of the adverse effect of the action
- Whether this is the first unauthorized procurement action of the employee
- Whether the action was knowing or unintentional
- Whether the action subjected the Authority to operational or financial risk

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- Reputational impact of the action or creation of an appearance of conflict of interest

Examples of actions with a lower impact to CapMetro may be:


- Any action in which the adverse effect is less than the CapMetro’s micro purchase threshold.
- Authorizing bidder or vendor to begin work prior to receipt of a purchase order, contract, task order, or contract notice to proceed.
- Authorizing substitution without prior written approval by the Procurement Department.
- Outright purchase of an item outside the Procurement Department that is not an emergency purchase.
- Changing the delivery address without modification to the purchase order or contract.

Examples of actions with a moderate impact to CapMetro may be:

- Any action in which the adverse effect is from the CapMetro’s micro purchase threshold to less than \$50,000.00.
- Repeat of the same minor offense within one year.
- Changing the scope of work without a contract modification or task order revision.
- Placing orders against expired contracts, task orders or purchase orders.
- Directing the vendor to perform outside the original intent of the contract.
- Promising to pay sooner than called for or to pay more than the amount specified.
- Agreeing to change the terms and conditions of the contract without the Procurement Department’s written modification.

Examples of actions with a severe impact to CapMetro may be:

- Knowingly committing an unauthorized procurement action which has an adverse effect of \$50,000.00 or more, or significantly affects public image.

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- Repeat of the same moderate offense within one year.
- Falsification of any documents submitted to the Procurement Department.
- Failure to disclose a known or potential organizational conflict of interest.
- Inappropriate discussion of proposals or their evaluation prior to award of a contract.

II-5 TRANSIT VEHICLE PURCHASES

CapMetro will utilize a competitive procurement process (sealed bid or request for proposal, state purchases or co-ops) for procurement of transit vehicles in accordance with Transportation Code Section 451.137.

Transit Vehicle Manufacturer (TVM) certification requirements state that all bidders or proposers on transit vehicles purchased with FTA funds for the primary purpose of public transportation (this includes large buses, small buses, and vans) must certify compliance with 49 CFR Part 26, Subpart D. Vehicles purchased for use as support (non-revenue) vehicles rather than for transport of passengers are excluded. The threshold for Buy America Compliance is \$150,000. See 49 U.S.C. 5323(j)(13).

CapMetro may not purchase or lease a new bus model using FTA grant funds unless the bus model is tested at the Altoona test facility and receives a passing test score as required by and in accordance with 49 CFR 665 as in effect at any given time.


CapMetro must complete a pre-award audit in compliance with 49 CFR Part 663, as in effect at any given time, prior to contracting for the purchase of revenue service rolling stock with FTA funds. CapMetro must also complete a post-delivery audit prior to final acceptance in accordance with 49 CFR Part 663.

The Contract term limit for rolling stock purchases is five (5) years, inclusive of options. This term limit does not apply to delivery of the vehicles.

The Contract term limit for rail vehicles is seven (7) years, inclusive of options. This term limit does not apply to the delivery of the vehicles.

II-6 BUY AMERICA CERTIFICATION REQUIREMENT FOR STEEL AND MANUFACTURED PRODUCTS AND BUY AMERICA BUILD AMERICA ACT FOR CONSTRUCTION MATERIALS

If steel or manufactured products (as defined in 49 CFR 661.3 and 661.5, as in effect at any given time) are being procured, or if construction materials under the Build America,

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Buy America Act, Public Law 117-58, div. G, tit. IX, sections 70911-70927 (2021), as implemented by the U.S. Office of Management and Budget, including, as applicable, 2 CFR Part 184 are being procured, the appropriate certificate as set forth in 49 CFR 661.6 shall be completed and submitted by each offeror in accordance with the requirement contained in 49 CFR 661.13(b). The threshold for Buy America Compliance is \$150,000. See 49 USC 5323 (j)(13).

II-7 BUY AMERICAN CERTIFICATION REQUIREMENT FOR STEEL, IRON AND MANUFACTURED PRODUCTS AND BUY AMERICA BUILD AMERICA ACT FOR CONSTRUCTION MATERIALS (If applicable)

If steel, iron, and manufactured products as defined in 41 USC 8302 and 48 C.F.R. § 25.001 are procured using certain federal funds, or if construction materials under the Build America, Buy America Act, Public Law 117-58, div. G, tit. IX, sections 70911-70927 (2021), as implemented by the U.S. Office of Management and Budget, including, as applicable, 2 CFR Part 184 are being procured, the appropriate certificate of compliance shall be completed and submitted by each offeror.


II-8 EMERGENCY PURCHASES

Except under emergency situations, only authorized members of the Procurement Department may obligate CapMetro to incur costs for the purchase of goods and services. Any other commitments are informal and expose whoever makes such a commitment to personal liability for costs thereby incurred. Genuine emergencies may arise at times when established purchasing procedures cannot be followed and non-Procurement Department personnel may be required to obligate CapMetro to incur costs. To avoid unauthorized procurement actions, contact the Procurement Department for specific details.

During normal business hours, the Procurement Department **MUST** be contacted before taking emergency action which obligates CapMetro.

After normal business hours, the person making the emergency purchase should attempt to obtain quotes to the extent practicable within the time available to resolve the emergency. A PR should be submitted to the Procurement Department within five (5) business days following the emergency procurement. The requisition must include an Emergency Purchase Justification Form containing an explanation of the emergency, why it could not have been anticipated, rationale for the selection of the awarded vendor, and a statement that the price is fair and reasonable, to include how the price fair and reasonable determination was made.

Emergency Purchase Justifications of \$100,000 or more require the signature and approval of the department’s assigned Executive Vice President and the President &

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CEO on the Emergency Purchase Justification Form when it is submitted to the Procurement Department. If an emergency purchase meets or exceeds the Board Threshold, it must be taken before the board at the earliest possible opportunity.

II-9 TECHNICAL SPECIFICATIONS AND STATEMENTS OF WORK

Technical Specifications and Statements of Work for either sealed bid or competitive proposal procurements shall describe accurately and in clear, concise language the technical requirements to be met by a contractor in satisfying CapMetro’s needs (2 CFR 200.319(d)(1)). These documents shall be in a format that describes, in logical steps, the complete service or item to be delivered for each milestone of the total requirement from inception to 100% completion.

Specifications/requirements shall not be slanted toward any particular prospective contractor. Descriptive literature from one prospective contractor shall not be used as the sole basis for writing specifications/requirements. Descriptions shall not contain features that unduly restrict competition.

Solicitations of offers for professional services shall clearly and accurately set forth all requirements which the offerors must fulfill, including the factors to be used in evaluating the bids or proposals.


Work to be done on or to CapMetro property requires contractor insurance. Risk Management will provide insurance requirements based on specific contractor tasking.

II-10 CONTRACT TYPES AND OPTIONS

10.1 Contract Types

There are two basic contract types: the fixed-price type and the cost-reimbursement type. The fixed-price type is the only type of pricing arrangement that can be used in sealed bid procurements. In negotiated procurements (RFPs), either the fixed-price or the cost-reimbursement type contract can be used. The primary difference between the two contract types is risk.

A fixed-price contract provides for a price that is not subject to any adjustment on the basis of the contractor’s cost experience in performing the contract. This contract type places upon the contractor maximum risk and full responsibility for all costs and resulting profit or loss. It provides maximum incentive for the contractor to control costs and perform effectively and imposes a minimum administrative burden upon the contracting parties.

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Cost-reimbursement types of contracts provide for payment of allowable incurred costs, to the extent prescribed in the contract. These contracts establish an estimate of total cost for the purpose of obligating funds and establishing a ceiling that the contractor may not exceed (except at its own risk) without the approval of the contracting officer.

CapMetro shall not use a cost-plus-a-percentage-of-cost-contract. Such contracts are prohibited by law (2 CFR 200.324(c)).

Percentage of construction cost contracts are prohibited. 2 CFR 200 prohibits the use of the percentage of construction cost method of contracting (2 CFR 200.324(c)).

Time and Materials contracts are restricted. 2 CFR 200.318(j) permits the use of time and materials type contracts only after a determination that no other contract type is suitable. If used, the contract must specify a ceiling price that the contractor may not exceed except at its own risk.

The Procurement Department will determine which contract type is most appropriate for each specific procurement.


10.2 Federal Restrictions on Contract Term

Except for procurements of rolling stock and replacement part contracts, which are limited by law to five (5) years, and seven (7) for rail vehicles, the other third party contracts (such as property, services, leases, construction, revenue, and so forth) are not encumbered by Federal requirements restricting the maximum periods of performance. Nevertheless, the duration of the other contracts must be reasonable.

10.3 Contract Options

A contract option is a unilateral right in a contract by which, for a specified time, CapMetro may elect to purchase additional equipment, supplies, goods or services called for by the contract, or may elect to extend the term of the contract. The option quantities or periods contained in the contractor’s bid or offer must be evaluated in order to determine contract award. When options have not been evaluated as part of the award, the exercise of the options will be considered a sole source procurement. CapMetro must ensure that the exercise of an option is in accordance with the terms and conditions of the option stated in the initial contract award.

In recognition of CapMetro’s needs in certain service contracts for continuity of operations and the potential cost of disrupted support, options may be included in service contracts if there is an anticipated need for continued service beyond the first contract period and competition is infeasible.

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CapMetro may exercise an option only after making a written determination, signed by the Project Manager, the department’s assigned Vice President and/or Executive Vice President, and the Chief Contracting Officer and placed in the contract file, that the exercise of the option is the most advantageous method of fulfilling CapMetro’s needs, considering price and other factors.

II-11 PERSONAL SERVICES CONTRACTS

A Personal Services Contract is a contract that, by its express terms and as administered, makes the Contractor personnel appear to be, in effect, CapMetro employees. A Personal Services Contract is characterized by:

- (a) The employer-employee relationship it creates between CapMetro and the Contractor's personnel;
- (b) Relatively continuous supervision and control by a CapMetro Manager;
- (c) Contract performance may be virtual or accomplished at a CapMetro facility;
- (d) Principal tools, equipment, goods, supplies, and administrative support may be provided by CapMetro;
- (e) The services are applied directly to the integral effort of CapMetro in furtherance of an assigned function or mission;
- (f) The inherent nature of the service, or the manner in which it is provided, reasonably requires, directly or indirectly, CapMetro direction and supervision of contractor employees in order to:
 - Adequately protect CapMetro’s interest;
 - Retain control of the function involved; or,
 - Retain full personal responsibility for the function supported by a duly authorized CapMetro officer or employee.
- (g) Personal Services Contractors shall be selected on a competitive basis except when competition is not required or is waived pursuant to non-competitive procurement guidelines.

11.1 President & CEO Approval

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The President & CEO must approve the use of a Personal Services Contract prior to solicitation. The President & CEO must also approve any modifications to a Personal Services Contract.

11.2 Reason for Use of Personal Services Contracts

Personal Services Contracts may be considered when one or more of the following factors apply:

- Requirement of special expertise or unusual qualifications.
- Nature, magnitude, or complexity of services required.
- CapMetro lacks the resources, support staff, specialized facilities, or equipment.
- Lower cost.
- Short-term need for the services.
- Infrequent need for the services.
- Emergency requirements.


II-12 METHODS OF PROCUREMENT

12.1 Multiple Award Indefinite-Delivery A&E Contracts. CapMetro is not precluded from making multiple award indefinite-delivery contracts for A&E services, provided the selection of A&E firms and placement of orders is consistent with the requirement for qualifications-based selection.

12.2 Mixed A&E-Construction Contracts.

(a) Alternative Contracting Methods. In a traditional design-bid-build delivery method, design services and construction services are procured through separate procurements. Alternative contracting methods (ACM) can combine these services in different ways. Design-build, construction manager/general contractor, and progressive design-build are three examples.

(b) Procurement Method. Generally, an ACM contract that combines design and construction services should be procured using the method that aligns with the predominant costs of the contract (Circular 4220.1G, Chapter VI, Section 3).

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II-13 OTHER CONTRACT TYPES

13.1 Revenue Contracts

A revenue contract is a contract in which the recipient or subrecipient provides access to public transportation assets for the primary purpose of either producing revenues in connection with an activity related to public transportation, or creating business opportunities with the use of FTA assisted property. CapMetro has broad latitude in determining the extent and type of competition appropriate for a particular revenue contract. To ensure fair and equal access to FTA assisted property and to maximize revenue derived from such property, CapMetro should conduct its revenue contracting as follows:


(a) **Limited Contract Opportunities:** If there are several potential competitors for a limited opportunity then CapMetro must use a competitive process to permit interested parties an equal chance to obtain that limited opportunity.

(b) **Open Contract Opportunities:** If, however, one party seeks access to a public transportation asset, and CapMetro is willing and able to provide contracts or licenses to other parties similarly situated, then competition would not be necessary because the opportunity to obtain contracts or licenses is open to all similar parties.

(c) **Joint Development:** Joint Development is when a public transportation agency forms a partnership with the private sector in order to promote real estate development in and around transit facilities, which is often referred to as “joint development.” Although FTA joint development projects are primarily a means to provide private capital to transit projects, joint development projects combine aspects of federally assisted construction and revenue contracting. If a contract between CapMetro and a third party involving a joint development project is not a construction contract or a revenue contract as defined in FTA Circular 4220.1G, then that contract is not covered by FTA’s third-party contracting provisions. Nevertheless, even in situations not covered by the third-party contracting provisions, FTA generally favors full and open competition. Joint Development is a function of CapMetro’s Real Estate Department.

13.2 Design/Bid/Build

It has been traditional in the construction industry to employ an architect/engineer (A/E) to complete a detailed design of the entire project before soliciting bids from construction contractors. This traditional approach is known as sequential design and construction. This sequential design/construction approach requires that a detailed design package of the entire project be 100% complete and signed and sealed by the registered or licensed individual of record before bids are solicited from construction contractors. Following award of the construction contract, the A/E is often retained by the owner for the construction phase, and acts as the owner’s agent, to inspect the construction work to ensure that the structures are built according to the designs and specifications.

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13.3 Design-Build


The design-build procurement method consists of contracting for design and construction simultaneously with contract award to a single contractor, consortium, joint venture, team, or partnership that will be responsible for both the project’s design and construction. The Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) expressly authorizes the use of FTA capital assistance to support design-build projects “after the recipient complies with Government requirements,” 49 U.S.C. Section 5325(d)(2). CapMetro must follow Chapter 2269 of Texas Government Code for all Design-Build projects.

(a) **Construction Predominant:** The construction costs of a design-build project are usually predominant so that the recipient would be expected to use competitive negotiations or sealed bids for the entire procurement rather than the qualification-based Brooks Act procurement procedures or Texas Professional Services Procurement Act.

(b) **Design Services Predominant:** When cost of most work to be performed will consist of costs for architectural and engineering, program management, construction management, feasibility studies, preliminary engineering, design, architectural engineering, surveying, mapping, or related A&E services, CapMetro must use qualifications-based procurement procedures based on the Brooks Act or Texas Professional Services Procurement Act.

(c) **Public-Private Partnerships:** A Public-Private Partnership (PPP) is a formal contractual arrangement between CapMetro and one or more private partners establishing a mechanism for procuring property and services under which the private sector assumes some of the public sector’s customary role in planning, financing, design, construction, operation, and maintenance. PPPs may use the following types of contracting delivery arrangements or project delivery systems including, but not limited to:

- Design-Build;
- Design-Build with a Warranty;
- Construction Manager at Risk;
- Design-Build-Operate-Maintain;
- Design-Build-Finance-Operate;
- Build-Operate-Transfer;
- Build-Own-Operate; and

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- Full Delivery or Program Management.

For a description of these types of PPPs, see FTA “Notice of establishment of Public-Private Partnership Pilot Program; solicitation of applications,” 72 FR 2583, esp. 2584, 2585-2591, January 19, 2007.

(d) Value Engineering: Value Engineering is a procedure designed to incentivize contractors to submit change proposals which reduce the cost of contract performance by promising the contractor a share of the savings. Contractors can often find less expensive ways to perform their contracts than the methods prescribed in their contract specifications. They will be reluctant, however, to propose changes which will reduce their contract price and have the effect of reducing their profit on the contract. Value engineering is a technique designed to overcome this disincentive by offering them a share of the savings resulting from their change proposals. See Part 48 of the FAR for additional details on value engineering.

II-14 COST OR PRICE ANALYSIS

If the procurement will exceed the micro purchase threshold, CapMetro must perform a cost or price analysis consistent with 2 CFR 200.324. Profit must be negotiated as a separate element of the price for each contract in which there is no price competition and in all cases where a cost analysis is performed.


II-15 IMPERMISSIBLE ACTIONS

13.1 Improper Contract Extension

A contract has been improperly expanded when it includes a larger scope, greater quantities, or options beyond the reasonably anticipated needs. A contract has also been improperly expanded when excess capacity has been added primarily to permit assignment of those contract rights to another entity.

13.2 Cardinal Changes

A significant change in contract work (property or services) that causes a major deviation from the original purpose of the work or the intended method of achievement, or causes a revision of contract work so extensive, significant, or cumulative that, in effect, the contractor is required to perform very different work from that described in the original contract, is a cardinal change. Such practices are sometimes informally referred to as “tag-ons.” A change within the scope of the contract (sometimes referred to as an “in-scope” change) is not a “tag-on” or cardinal change. Cardinal changes are prohibited.

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II-16 ACQUISITION THROUGH ASSIGNED CONTRACT RIGHTS (PIGGYBACKING)

Although FTA does not encourage the practice, CapMetro may find it useful to acquire contract rights through assignment by another recipient. A recipient that obtains contractual rights through assignment may use them after first determining the contract price remains fair and reasonable, and the contract provisions are adequate for compliance with all Federal requirements. CapMetro does not need to perform a second price analysis if a price analysis was performed for the original contract. CapMetro must determine whether the contract price or prices originally established are still fair and reasonable before using those rights. CapMetro will be responsible for ensuring the contractor’s compliance with FTA’s Buy America review certifications. Before proceeding with the assignment, Procurement must review the contract to be sure that the quantities do not exceed the amounts available under the contract. When piggybacking, the FTA’s piggybacking checklist must be completed prior to making an award.

II-17 STATE CONTRACTS


Section 3019 of the FAST Act allows CapMetro to purchase from:

- Another State’s cooperative procurement contract; and
- Cooperative procurement contracts which are essentially purchasing schedules between a state or eligible nonprofit with one or more vendors for rolling stock.

State contracts (DIR, TXMAS, Buy Board, etc.) awarded competitively for the benefit of all State agencies are not considered "piggybacking/IDIQ" actions and do not require minimum and maximum quantities or assignability clauses. When using these contracts with federal funding, it must include all FTA required clauses and certifications. If buying a product that is other than the lowest offered price for that product under all State contracts, it must document the file as to why the higher priced product must be purchased. It must also be determined that the State contracts were awarded with full and open competition and were not subject to geographical preferences (e.g., giving in-state vendors a bidding preference - as some states have such practices that are prohibited by FTA).

II-18 PROTESTS AND DISPUTES

A PROTEST MUST BE SUBMITTED TO THE CHIEF CONTRACTING OFFICER USING PROCEDURES SET FORTH IN EACH SOLICITATION.

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Any interested party aggrieved or adversely affected in connection with the solicitation, evaluation, or award of a contract may file a protest with the Chief Contracting Officer of CapMetro and appeal any adverse decision to the President & CEO of CapMetro. Such protest must be in writing and received in the office addressed as follows: CapMetro, Attn: Chief Contracting Officer, Procurement Department, 2910 East Fifth Street, Austin, Texas, 78702.

Any “interested party” is defined with respect to the following:

- (a) With respect to complaints concerning the terms, conditions or form of a proposed procurement action, any prospective bidder or offeror whose direct economic interest would be affected by the award, or failure to award a contract.
- (b) With respect to complaints concerning award decisions, only those actual bidders or offerors who have submitted a bid or offer in response to a CapMetro solicitation and who, if their complaint is deemed by CapMetro to be meritorious, would be eligible for selection as the successful vendor for award of the contract.


Protests directed to the terms, conditions or proposed form of procurement action must be received by the Chief Contracting Officer at least five (5) working days prior to the date established for the opening of bids or receipt of proposals. Protests concerning award decisions, including bid evaluations, must be received by the Chief Contracting Officer within five (5) working days after such aggrieved person knows, or should have known, of the grounds of the protest. The Chief Contracting Officer will always respond to issues raised by protests involving fraud, gross abuse of the procurement process, or otherwise indicating substantial prejudice to the integrity of the procurement system.

Reporting: As part of the annual or quarterly Milestone Progress Report process, CapMetro will provide FTA with a list of all bid protests and appeals for solicitations and contracts in excess of \$500,000 where federal funds are utilized. Additionally, the FTA Chief Counsel or FTA Regional Counsel for Region VI will be promptly notified of all disputes.

AFTER CONTRACT AWARD A DISPUTE MUST BE SUBMITTED TO THE CHIEF CONTRACTING OFFICER USING PROCEDURES SET FORTH IN THE CONTRACT.

All questions concerning interpretation or clarification of the Contract, or the acceptable fulfillment of the Contract by the Contractor shall be immediately submitted in writing to the Authority’s Contracting Officer in accordance with the Contract for determination.

All determinations, instructions, and clarifications of the Contracting Officer shall be final and conclusive unless the Contractor files with the CapMetro President/CEO within two (2) weeks after the Authority notifies the Contractor of any such determination, instruction or clarification, a written protest, stating in detail the basis of the dispute.

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II-19 CONTRACT AUDIT POLICY

Internal Audit, Procurement, and Finance will annually conduct a joint review and risk assessment of existing and planned contract actions. A proposed risk-based list of planned contract-related audits and/or audit services will be developed. Internal Audit will request operating budget funds annually to address jointly-identified contract risk areas.

Risk considerations include, but are not limited to:

- Contract type / solicitation requirements
- Contract and/or change order (modification) amount
- Use of grant funding
- Management requests / urgency

Internal Audit will allocate internal and/or external audit resources to address identified high risk areas based upon availability of budget/staffing resources.


Scope

Internal and/or external audit resources can be used to perform or assist with the following contract-related activities:

- Evaluating cost proposals / pre-award audit
- Performing cost / price analyses
- Performing interim and/or contract close-out audits
- Other contract areas as deemed necessary (e.g., evaluating overhead rates)

II-20 CONTRACT BONDING POLICY

CapMetro Procurement, Risk and user departments will jointly review construction, vehicle manufacturing, information technology, transportation operation and maintenance service solicitations and future contract modifications to determine if bonding requirements are appropriate, and if so, assess and determine at what levels. Each purchase will be evaluated on an individual basis as to risk and financial loss potential. This will include an assessment of a requirement for bonding to the contingency level as approved by the CapMetro Board of Directors.

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For construction or facility improvement contracts or sub-contracts, CapMetro will adhere to Federal and State statutory bonding requirements. If Federal and State bonding requirements begin to diverge, CapMetro bonding requirements policy will always mirror the most conservative statutory compliance requirement.

Non-construction contracts shall be reviewed on a case-by-case basis, depending on risk factors.

For all identified contracts, if the value of the undelivered work exceeds the bond amount by a material amount because of contract modifications, Procurement will seek to raise the value of the bond, or if federally funded, may request a waiver from FTA. Procurement will consider cost associated with a larger bond, whether the prime has required bonds from its subcontractors, and the performance record and financial resources of the prime.

When essential to the best interests of the Authority, or as required by law, the President & CEO may waive or require bonding, or may increase bonding amounts on any contract or purchase in weighing the effect on cost, competition and DBE participation.

For all contract-related bonds, CapMetro will require that any and all bond dividends, rebates, and refunds be returned to CapMetro.

Exceptions to this policy require the written authorization of the President & CEO.


II-21 COST PRINCIPLES

CapMetro shall require contractors to comply with 48 CFR, Part 31 (FAR) as in effect at any given time.

II-22 GSA SCHEDULES

CapMetro is authorized specifically by Federal law to use a GSA Federal Supply Schedule. These uses are limited, but include:

- Information Technology (IT) – Section 211 of the E-Government Act of 2002, 40 U.S.C. Section 502(c)(1), authorizes State and local governments, within limits established by law, to acquire IT of various types through GSA’s Cooperative Purchasing Program, Federal Supply Schedule 70.
- Major Disaster or Emergency Recovery – Section 502(d) of title 40 U.S.C. authorizes State and local government entities to use any GSA Federal Supply Schedule to acquire property and services in advance of a major disaster declared by the President of the United States, as well as in the aftermath of an emergency event. The State or local

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government is then responsible for ensuring that the property or services acquired will be used for recovery.

- Local Preparedness Acquisition – Section 502(c)(2) of title 40 U.S.C. authorizes State and local governments, within limits established by law, to acquire law enforcement, security and certain related items of various types through GSA’s Cooperative Purchasing Program Federal Supply Schedule 84, or any amended or later version of that Federal supply classification group.

In addition to the above, CapMetro is also eligible to use any GSA vendor provided they have been identified as a participant in GSA’s Cooperative Purchasing Program. These contracts are marked with a “COOP PURCH” icon on the GSA website.


When using GSA schedules to acquire property or services in this manner, CapMetro must ensure all Federal requirements, required clauses, and certifications (including FTA’s Buy America requirements) are properly followed. Note that GSA schedules are not subject to FTA’s Buy America regulations and may include manufactured products that are not eligible for FTA funds. In these cases, CapMetro must ensure that all Buy America certifications or waivers are received before awarding a contract or purchase order.

Also, when using GSA schedules to acquire property or services, CapMetro can fulfill the requirement for full and open competition by seeking offers from multiple sources. Any purchases from GSA schedules must be certified fair and reasonable.

II-23 SUB-RECIPIENT OVERSIGHT

When CapMetro passes through funding to a subrecipient, competitive procurement requirements may apply to the subrecipient. This requirement would usually apply to any subrecipient which performs primary project activities normally performed by CapMetro directly. In such circumstances, the procurement process of the subrecipient shall meet Federal requirements contained in the FTA Master Agreement, including Buy America, debarment and suspension, and lobbying requirements.

Monitoring of compliance with FTA third-party contracting requirements will require a review of procurement procedures, either through site visits or a periodic review of written procurement manuals. CapMetro is not required to review each subrecipient’s procurement to ensure compliance with Federal requirements. CapMetro may review selected procurements on a periodic basis in conjunction with a site visit or other general review of compliance with Federal requirements. CapMetro’s Grants team is responsible for sub-recipient oversight, including procurement activities of those sub-recipients.

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CHAPTER III – MICRO AND SMALL PURCHASE PROCUREMENTS
POLICY

All micro and small purchases shall be made from sources known to provide the types of goods or services required. Disadvantaged Business Enterprise and Small Business Enterprise firms are encouraged to participate in these procurements. Micro and small purchase procurements may not be modified to increase the dollar value of the purchase order in excess of the procurement method used, i.e. a purchase order based on the micro purchase method may not be modified beyond the Federal Micro Purchase Threshold or an order for \$49,500 may not be increased beyond \$50,000.00. Micro and small purchases are exempt from Buy America requirements.

III-1 MICRO PURCHASE


Micro purchases, including delivery charges, may be accomplished without securing competitive quotations if CapMetro considers the price reasonable based on research, experience, purchase history, or other information, and maintains documents to support its conclusion. The threshold for Federal Micro Purchases is established in 2 CFR 200.1; 48 CFR 2.101.. The Procurement Department is not obligated to purchase from the department’s suggested source if the price is not considered fair and reasonable. Micro purchases made under the Purchasing Card (PCard) Program are not excluded from the need for rotation.

Dividing a purchase requirement with the intent of avoiding exceeding the Federal Micro Purchase threshold, competition requirement, or other dollar thresholds is considered bid-splitting and is therefore prohibited.

NOTE: Micro Purchase Procedures must not be used for construction contracts with a value of \$2,000.00 or more. Any construction purchase over \$2,000.00 must include Davis Bacon wage rates.

III-2 SMALL PURCHASE

Small purchases (from the Federal Micro Purchase Threshold to \$50,000.00) shall be made by soliciting competitive written quotations, encouraging participation by Disadvantaged Business Enterprise/Small Business Enterprise firms if possible. “Competitive” means that the Buyer obtained price or rate quotations from an adequate number of qualified sources. The Buyer may exercise judgment in determining what number is adequate. Written records of solicitations must be recorded. In the absence of adequate price competition, a determination that the price is fair and reasonable must be made. Dividing or reducing the size of the purchase to avoid procurement requirements applicable to larger acquisitions is prohibited. CapMetro must maintain records to support its decision to use the small purchase, the selection of contract type, the sources solicited, and the reasons for contractor selection or rejection.

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CHAPTER IV – SEALED BID PROCUREMENTS (INVITATION FOR BID (IFB))
POLICY

In accordance with 2 CFR Part 200.319, all goods and services estimated to cost \$50,000.00 or more should be purchased using full and open competition procedures. Procurement Department personnel may use Texas Centralized Master Bidder’s List (CMBL), the requestor’s source list, the internet, and other methods to assist them in identifying sources.

A sealed bid or Invitation for bid (IFB) procurement method is a method in which bids are publicly solicited, and a firm fixed price contract (lump sum or unit price) is awarded to the lowest responsive and responsible bidder whose bid, conforming to all the material terms and conditions of the invitation for bids. This method is appropriate where discussions are expected to be unnecessary as award of the contract will be principally based on price.

IV-1 DESCRIPTIVE LITERATURE/WRITTEN DATA

Bidders are normally not required to furnish descriptive literature or written data as a part of their bid. CapMetro may deem that such literature or written data is needed before award to determine whether the products offered meet the specification requirements of the Invitation for Bids and/or to establish exactly what the bidder proposes to furnish.

IV-2 BID SAMPLES


Bidders should not be required to furnish a bid sample of a product they propose to furnish unless there are certain characteristics of the product which cannot be described, adequately in the applicable specification or purchase description, thus necessitating the submission of a sample with the bid to assure procurement of an acceptable product.

IV-3 BIDDING TIME

Consistent with the need for obtaining goods, services or construction contracts, all Invitations for Bids must allow sufficient bidding time (i.e., the period of time between the date of distribution of an Invitation for Bids and the date set for opening of bids) to permit prospective bidders to prepare and submit bids.

IV-4 ADVERTISING AND SOLICITATION OF SEALED BIDS

4.1 Advertising

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Every IFB shall be advertised in a local newspaper, and, as appropriate, on the internet, trade journals, etc. In accordance with Texas Transportation Code Section 451.110, the notice must be published in a newspaper of general circulation at least once each week for two consecutive weeks before the date set for the bid opening. The first notice must be published at least 15 days before the date set for the bid opening.

4.2 Delivery to Prospective Bidders

Notice of IFBs should be delivered to the maximum number of prospective bidders deemed practicable and necessary to assure adequate competition.

4.3 Records of Invitation for Bids and Records of Bids

The Procurement Department must retain a record of every Invitation for Bids issued and of each abstract or record of bids, known as the Bid Tabulation, subject to records management guidelines. This record should be reviewed at the time of each subsequent procurement request for the same and/or similar items to ensure that historical data is analyzed for all pertinent purposes.

4.4 Amendment to Invitation for Bids

If, after issuance of Invitation for Bids, but before the time set for opening of bids, it becomes necessary to make changes in quantities, specifications, delivery schedules, opening dates, etc., or to correct a defective or ambiguous IFB, such changes will be accomplished by issuance of an amendment to the IFB. The amendment will be posted on the internet at CapMetro’s customary solicitation posting site.

Any information given to a prospective bidder concerning an Invitation for Bid must be furnished promptly by amendment to all other prospective bidders. No award will be made on the IFB unless such amendment has been issued in sufficient time to permit all prospective bidders to consider such information in submitting or modifying their bids.


4.5 Responsiveness of Bids

To be considered for award, a bid must comply in all material respects with the Invitation for Bids, both to the method and timeliness of submission and to the substance of any resulting contract, so that all bidders are treated equally and the integrity of the formal solicitation process is maintained.

4.6 Time of Bid Submission

Bids must be received by the due date and time specified in the IFB document.

4.7 Late Bids

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Bids are "late bids" when they are received by the Procurement Department (as directed in the IFB) after the exact time specified. Late bids will not be accepted by CapMetro, unless it can be proven that the bid was received timely and mishandled by CapMetro employees, or as otherwise set forth in the solicitation.

4.8 Modification or Withdrawal of Bids

Bids may be modified or withdrawn not later than the exact time set for opening of bids.

4.9 Late Modifications and Withdrawals

Modifications of bids and requests for withdrawal of bids which are received after the exact due date and time are "late modifications" and "late withdrawals," respectively. A late modification of an otherwise successful bid will not be considered. A late withdrawal may be considered, provided that the request is fully documented.

IV-5 BID RECEIPT AND OPENING

5.1 Receipt of Bids

Bids are received electronically through an online bid portal and time/date stamped by that system.


5.2 Opening of Bids

The official designated as the bid opening officer should announce when the time set for bid opening has arrived and will so declare to those present. All bids received prior to the exact time set for bid opening will then be publicly opened, recorded, and, when practicable, read aloud to the persons present. If it is impracticable to read the entire bid, as when many items are involved, the total amount of each bid will be read, if feasible.

5.3 Recording of Bids

The assigned Buyer/Contract Administrator and one other department employee should be present at each bid opening to facilitate bid opening and recording of the bids. When the items are too numerous to warrant the recording of all bids completely, an entry should be made of the IFB number, opening date, general description of the procurement items, and the total bid price where definite quantities are involved.

5.4 Cancellation of Invitation for Bid After Opening

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Preservation of the integrity of the sealed bid system dictates that, after bids have been opened, award must be made to that responsible bidder who submitted the lowest responsive bid, unless there is a compelling reason to reject all bids and cancel the IFB.

When an IFB must be canceled, it should be because (1) all bids were at unreasonable prices, (2) there is evidence of collusion or bad faith, (3) competition was not adequate to assure a reasonable price, or (4) it is in the best interest of CapMetro. In such instances, thorough documentation to support the action taken must be included in the files.

Invitation for Bids may be canceled after opening, but prior to award, and all bids rejected, where the Chief Contracting Officer determines that circumstances justify such action. Complete written documentation of these cases must be placed in the contract files.

5.5 Rejection of Individual Bids

Any bid which fails to conform to the essential requirements of the Invitation for Bids, such as specifications, delivery schedule, or to any alternatives or other requirements which may be specifically provided for in the IFB, shall be rejected as non-responsive.

Ordinarily, a bid will be rejected when the bidder imposes conditions which would modify requirements of the Invitation for Bids or limit their liability to CapMetro so as to give them an advantage over other bidders.

Any bid may be rejected if the Chief Contracting Officer determines in writing that it is unreasonable as to price. The determination must be supported by review and analysis of the action. Where a bid guarantee is required and a bidder fails to furnish it in accordance with the requirements of the Invitation for Bids, the bid must be rejected.


All rejected bids, and any written findings with respect to such rejections, will be preserved with the documents relating to the procurement.

After submitting a bid, if a bidder transfers all of its assets or that part of its assets related to the bid during the period between bid opening and the award, accordingly, the bid may be rejected.

Low bids received from firms determined not to be responsible or ineligible for any reason by CapMetro will be rejected.

5.6 Notice to Bidders of Rejection of All Bids

When a determination is made to reject all bids, the Buyer/Contract Administrator should issue a notification through the online bid portal that the solicitation has been canceled.

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5.7 Restrictions on Disclosure of Descriptive Literature/Written Data

When a bid is accompanied by descriptive literature or written data and the bidder imposes a restriction that such literature may not be publicly disclosed, such restriction may render the bid non-responsive if it prohibits the disclosure of sufficient information to permit competing bidders to know the essential nature and type of the products offered or those elements of the bid which relate to quantity, price, and delivery terms.

Descriptive literature restricted by a bidder against public disclosure will only be disclosed in accordance with the Texas Public Information Act.

5.8 All or None Qualifications

Unless the Invitation for Bids so provides, a bid is non-responsive by the fact that the bidder specifies that award will be accepted only on all, or a specified group, of the items included in the Invitation for Bids. However, bidders will not be permitted to modify "all or none" qualifications after bid opening since such qualifications are substantive and affect the rights of other bidders.

5.9 Mistakes in Bids


Mistakes are usually discovered after bids are opened and before the contract is awarded. Four generally accepted categories of bid mistakes, and remedies to be exercised at CapMetro's option are as follows:

(a) Minor informalities or irregularities in bids prior to award of the contract

These may be a matter of form and not substance, or an immaterial defect in a bid that can be corrected or waived without being prejudicial to other bidders. The defect is immaterial when the effect on price, quality, or delivery is negligible when contrasted with the total cost or scope of the requirement being procured.

Examples of minor informalities or irregularities include the failure of a bidder to:

- (1) sign the bid, but only if the unsigned bid is accompanied by other material clearly indicating the bidder's intent to be bound; or
- (2) acknowledge receipt of an amendment to the IFB, but only if:
 - it is clear from the bid that the bidder received the amendment and intended to be bound by its terms; or

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- the amendment involved had a negligible effect on price, quantity or delivery.

(b) Obvious or apparent clerical mistakes discovered prior to award

These mistakes are obvious or apparent on the face of the bid, such as misplacement of a decimal point, mistake in designation of unit, transposition errors, arithmetical errors, and typographical errors. Verification and correction must be made prior to award.

(c) Mistakes other than minor informalities or irregularities in bids, or obvious or apparent clerical mistakes that are discovered prior to award

These mistakes are generally raised by the bidder along with a request to withdraw its bid, such as a subcontractor’s price element was omitted from the bid. Generally, the bidder will be allowed to withdraw its bid without prejudice.

(d) Mistakes discovered after award

CapMetro may allow mistakes discovered after award to be corrected if the correction would be favorable to CapMetro and not change the essential requirements of the specification.


IV-6 EVALUATION OF BIDS

The Procurement Department shall conduct a public bid opening for all sealed bids. Contracts shall be awarded to the lowest responsive and responsible bidder considering price and other price-related factors set forth in the IFB.

6.1 Responsible Bidder

The term “responsible” refers to a bidder’s financial resources, judgment, skill, integrity, and ability to fulfill successfully the requirements of the contract. The principal criteria used to determine a bidder’s responsibility are the following:

- Technical status as a manufacturer, supplier or construction contractor
- Financial resources and status
- Skill, experience, and staffing levels
- Prior conduct and performance of a contract

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- Debarment and suspension.
- Contractor integrity, business ethics, and compliance with public policy.

Before awarding any contract, the Authority will verify, using the Federal System for Award Management and the Texas Comptroller’s Debarred Vendor List, that the offeror recommended for contract award has no unsatisfactory performance history that would prohibit awarding them a contract.

The Procurement Department will make the determination as to whether or not a bidder is considered responsible.

6.2 Responsive Bidder

The responsiveness of the bid itself is determined by its conformance to the technical and legal requirements of the bid solicitation. Generally, a bid is not responsive and may not be considered for award when it contains a deficiency as to any material factor, defined as circumstance which affects price, quality, or quantity of the articles or services furnished.

6.3 Two-Step Sealed Bidding

For Two-Step Sealed Bidding, CapMetro will follow the process stated in FAR Part 14.5 and applicable State law.


IV-7 AWARD PROCESS

7.1 Award

Award must be made by CapMetro by written notice within the time for acceptance specified in the bid or extension thereof to the responsive, responsible bidder. Award will **not** be made until Board authorization has been obtained, if required, and contract is fully executed.

7.2 Delay of Award

If administrative difficulties cause unavoidable delays in awarding of contracts, and such delays threaten to delay award beyond the bidders’ acceptance period, the Buyer/Contract Administrator will request that all bidders extend their bid acceptance period in writing for an additional specific number of days with the consent of sureties, if any. The Buyer/Contract Administrator processes this written request prior to the expiration of the bids in an attempt to avoid the need for re-advertising.


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7.3 Award to a Single Bidder

In the event a single bid is received in a sealed bid procurement, CapMetro must conduct a price or cost analysis of the bid. A single bid can be converted to a negotiated procurement if deemed necessary.

7.4 Award Criteria

In all sealed bid procurements, the award of contracts shall be to the lowest responsive, responsible bidder.

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CHAPTER V – COMPETITIVE PROPOSAL PROCUREMENTS
POLICY

V-1 INTRODUCTION


In accordance with 2 CFR Part 200.320(b)(2) and applicable State law, this chapter outlines the CapMetro policies for the competitive proposal and qualifications-based procurement methods. The use of Expressions of Interest (EOI) or a Request for Information (RFI) are for informational purposes only and by themselves cannot result in negotiated procurement.

Competitive proposals should be used when circumstances are such that there is a need for discussions or it is important to base the contract award on factors other than price alone due to the nature of the procurement. The less definitive the requirements, the more development work required, or the greater the performance risk, the more technical or past performance considerations may play a dominant role in source selection and supersede low price. On the other hand, the design or fabrication of message signs, signals, movable barriers, and similar property that will become off-the-shelf items or will be fabricated and delivered as final end products for installation in the construction project are not services for which qualifications-based procurement procedures may be used.

RFP: A Request for Proposals (RFP) leading to a negotiated procurement shall be solicited from an adequate number of potentially qualified proposers in order to obtain the greatest possible competition. Contract award under the competitive proposal method is dependent upon the negotiation of a mutually acceptable agreement between CapMetro and the successful proposer(s). CapMetro reserves the right to reject all proposals and re-solicit or cancel the procurement if deemed by CapMetro to be in its best interest. CapMetro reserves the right to enter into a contract with any offeror based upon the initial proposal or on the basis of a final proposal revision (FPR) without conducting written or oral discussions.

SOQ: The qualifications-based procurement of statutory professional services, subject to the Texas Professional Services Procurement Act, Title 10, Chapter 2254 of the Texas Government Code, shall be accomplished utilizing the Federal Transit Administration best practices “Statement of Qualifications” (SOQ) method. After technical evaluations have been completed, discussions will be held with all firms determined to be in the technically competitive range. Price is never an evaluation factor for qualifications-based statutory professional services.

The selection of the technically “most qualified firm” shall be made at the conclusion of discussions and based upon the evaluation of a revised SOQ unless the determination has been made to award on the basis of the initial SOQ without conducting discussions with any of the competing firms. Where multiple awards are proposed, more than one firm

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can be considered as most qualified. Negotiations are conducted only after the most qualified firm or firms has been identified. If an agreement cannot be reached on price, the firm’s submittal is rejected and negotiations are conducted with the next most qualified firm.

This SOQ method will be used for procurement of statutory professional services, such as preliminary engineering, design, architectural, engineering, surveying, mapping, and related services which require performance by a registered or licensed architect or engineer.

When using the SOQ method for procurement of statutory professional services, as stated in Texas Government Code chapter 2254, geographic location may be a selection criteria provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

Late Proposals: Proposals are “late proposals” when they are received by the Procurement Department (as directed in the solicitation) after the exact time and date for the proposal closing. Late proposals will not be accepted by the online bid portal and, if submitted in another fashion, will be returned to the offeror unopened.

NOTE: After receipt of proposals, none of the information contained in the proposals or concerning the number or identity of offerors shall be made available to the public or to anyone in CapMetro not having a legitimate interest or need to know prior to the approval of execution of the contract, unless explicitly stated in statute.


V-2 PREPARATION OF SOLICITATION DOCUMENTS FOR NEGOTIATION

1.1 Competitive proposals are generally utilized to obtain, among other things, the following goods and services:

- Architect/Engineer or related services contracts;
- Professional Services and Consulting Contracts;
- Rolling Stock Contracts;
- Construction Services Contracts

1.2 All RFPs/SOQs shall be based on a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such requirements shall not contain features that unduly restrict competition.

1.3 The user department is responsible for providing the in-house independent cost estimate (ICE), technical specifications, scope of work, plans, drawings, evaluation criteria

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and their corresponding weights, and other documents deemed necessary for the procurement.

1.4 In addition to the technical requirements/statement of work, additional and special terms and conditions may be prepared to cover such items as required or desired delivery schedule, and progress reporting requirements. Requestors are responsible for providing this information, together with the Purchase Requisition, to the Procurement Department.

1.5 The Procurement Department is responsible for the solicitation package. A solicitation package includes instructions to offerors, technical specifications, the special terms and conditions recommended by the Department Project Manager, the contractual provisions required by the Federal government (if needed), the proposed contract terms and conditions, and the evaluation criteria that will be utilized to determine contractor selection.

1.6 When all reviews have been completed and approvals obtained, the Procurement Department will issue the final solicitation.

1.7 Solicitations will be posted on the internet at CapMetro’s online bid portal. Notice of the solicitation will be emailed to all vendors whose registration criteria match any of the commodity codes assigned to the solicitation.


1.8 Every RFP/SOQ may be advertised, as appropriate, on the internet, in local newspapers, media trade journals, national media trade journals, etc. The notice must be published in a newspaper of general circulation at least once each week for two consecutive weeks before the date set for the submittal of proposal. The first notice must be published at least 15 days before the date set for receipt of offers. In the case of contracted transit services, the solicitation must be advertised once per week for eight (8) consecutive weeks as required by Texas Transportation Code Section 451.137.

V-3 CONFIDENTIALITY OF PROPOSALS

All cost and pricing data received by CapMetro in competitive proposal procurements is to be treated as confidential during the solicitation process.

All technical data received in response to a competitive proposal is confidential except for data contained in the awarded contract.

Requests for these items shall be referred immediately to the office of the Chief Counsel for handling under the Texas Public Information Act.

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V-4 GUIDELINES FOR THE EVALUATION OF PROPOSALS

Proposals shall be evaluated and ranked on the basis of criteria and the corresponding adjectival rating prepared by the department and contained in the solicitation. Numerical ratings will only be used if required by statute. The criteria will specify the overall technical ranking as well as the analysis of cost. Generally, emphasis will be placed on the best value, technical expertise of the firm and, while price is a consideration, it is not normally the only determining factor. The objective is to select the firm or individual that can best provide the goods or services, when technical ability, price (if applicable), and other factors have been considered.

Several steps are normally completed prior to the selection of a successful proposer:

3.1 Evaluation Committee

Only technically qualified, independent and impartial members are selected for the evaluation of all requests for proposals.


3.2 Evaluation Criteria

Included in the RFP is a list of evaluation criteria, which will be used by the evaluation committee in reviewing the proposals. Typically, the evaluation criteria or factors will relate to the areas of technical expertise, project approach, and cost and price information.

(a) Technical Expertise

The solicitation will identify for the proposer the types of technical expertise required for the particular job. The proposers will then be evaluated on their competence in those areas. For example, a solicitation for A/E services might require expertise in the following areas:

- architectural
- structural
- mechanical
- electrical
- landscape
- civil engineering
- soils

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- graphics
- acoustics
- traffic engineering
- environmental assessment

All areas may not be given equal value in the evaluation process but may be weighted to reflect their relative contribution to the project. The technical criteria must be listed in the solicitation so that the proposer is aware of the items and their relative emphasis.

(b) Project Approach


The proposer will be evaluated on its understanding of the nature and scope of the work to be performed. The evaluation committee will consider both organization and experience with attention to factors such as:

- Experience and make-up of the firm
- Experience of key personnel assigned to the project
- Experience with government agencies
- Experience with transit projects
- Past achievements
- Commitment of key personnel to the project
- Costs
- Innovative management techniques

(c) Cost and Price Information

The following criteria (not listed in order of relative importance) will be used in the evaluation of cost proposals:

- Clarity and visibility of proposed cost breakdown for the proposer and its subcontractors and subconsultants.

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- Credibility of labor hours and dollar cost estimates when related to the proposed project approach.
- Profit negotiated as a separate element of price.
- Total price, including base and all option years.

CapMetro may require proposers to submit information which would indicate the proposer's financial capability to perform the effort required by the solicitation.

3.3 Evaluation Forms

The Procurement Department prepares an evaluation form for each proposer to be used by committee members in evaluating the proposals. The form must be based on the evaluation criteria listed in the solicitation.

3.4 Competitive Range

The CapMetro evaluation committee shall make the determination of which proposals are in the competitive range. The competitive range shall be determined on the basis of the evaluation criteria stated in the solicitation, and should include all proposals which meet the requirements or have a reasonable chance of being made acceptable. The initial number of proposals considered as being within the competitive range may be reduced when, as a result of the written communication or oral discussions, individual proposals are determined to be unacceptable.


Proposals submitted by responsible offerors that meet the technical requirements of what is being procured should be included in the competitive range unless the proposal includes pricing that renders it infeasible.

In the two-step sealed bid process, when unpriced technical proposals are solicited, they should be evaluated in the same manner as an RFP, holding discussions if needed and establishing a competitive range. In phase two, sealed bids are solicited from offerors whose proposals are determined to be acceptable to CapMetro. Award is made to the lowest responsive and responsible bidder.

3.5 Oral Interviews/Written Communication

The committee members prepare lists of questions that they may ask the proposers during the oral interviews. These questions generally address items that are not sufficiently covered by the proposers in the proposals. The proposer may be required to update the proposal in writing if clarification or additional information is provided in the oral interview.

The format of the oral interviews is varied. Proposers are either asked to make formal presentations or to be prepared for a question and answer session. The preferable method


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is for the proposer to be prepared for a question and answer session since CapMetro will obtain more valuable information as it relates to the specific proposal. Oral interviews should not be an opportunity for a sales presentation.

- (a) Written or oral discussions shall be conducted with all responsible offerors who submit proposals which are determined to be within the competitive range, price and other factors considered (including technical quality where technical proposals are requested) **except** that this requirement need not necessarily be applied to the following procurements:
- less than \$50,000.00;
 - in which prices or rates are fixed by law or regulation;
 - in which date of delivery will not permit discussion;
 - the solicitation stipulated that award might be made on the basis of initial proposals received.
- (b) For the sole purpose of eliminating minor uncertainties or irregularities, an inquiry may be made to an offeror concerning their proposal. Such inquiries and resulting clarification furnished by the offeror shall not constitute discussions. If the clarification prejudices the interest of other offerors, award may not be made without discussion with all offerors in the competitive range.

3.6 Discussions with Offerors

- (a) Any offeror determined to be in the competitive range and selected for oral discussions should be provided written notification of the deficiencies in their proposal that will require clarification. A deficiency is defined as that part of a proposal that does not completely satisfy a CapMetro requirement.
- (b) Discussions shall not disclose the strengths or weaknesses of competing offerors or disclose any information about other proposals.
- (c) Auction techniques are strictly prohibited. Indicating to an offeror a price which must be met to obtain further consideration, or informing them that their price is not low in relation to another offeror are examples of auctioning. However, it is permissible to inform an offeror that their price may be considered by CapMetro to be unbalanced or too high with respect to the marketplace .
- (d) At the conclusion of discussions, a final, common cutoff date which allows a reasonable opportunity for submission of a Final Proposal Revision shall be established and all remaining participants so notified. If oral notification is given, it shall be confirmed in writing.

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The notification shall include information to the effect that (i) discussion has been concluded, (ii) offerors are being given an opportunity to submit a Final Proposal Revision and, (iii) if any such modification is submitted, it must be received by the date and time specified.

3.7 Final Proposal Revision (FPR)


After all discussions have been completed, the Authority reserves the right to shorten its competitive range based upon the results of the oral discussions. Each of the offerors still in the competitive range will be afforded the opportunity to revise its proposal and submit its FPR. The request for FPR should include:

- (a) Notice that discussions/negotiations are concluded;
- (b) Notice that this is the opportunity for submission of a FPR;
- (c) A common date and time for submission of written FPRs, allowing a reasonable opportunity for preparation of written FPRs;
- (d) Notice that if any modification to a FPR is submitted, it must be received by the date and time specified for the receipt of FPRs and is subject to the late submissions, modifications, and withdrawal of proposals provision of the Request for Proposal;
- (e) Notice that if offerors do not submit a FPR or a notice of withdrawal and another FPR, their immediate previous offer will be construed as their FPR.

NOTE: CapMetro reserves the right to make an award to an offeror whose proposal it judges to be most advantageous without conducting any written or oral discussions with any offerors or solicitation of any FPRs.

3.8 Debriefing of Unsuccessful Offerors

When requested by an unsuccessful offeror, a debriefing will be conducted following contract award, by the Buyer/Contracts Administrator and Department Project Manager utilizing the evaluation matrix, documentation of scoring process, and the narrative appraisal describing the strengths and weaknesses as basis for the debriefing discussion. When a DBE firm requests a debriefing, the DBE Coordinator may be invited to participate in the debriefing.


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3.9 Procurement Summary

The Buyer/CA will prepare written record of procurement history. At a minimum, the following records shall be maintained:

- The rationale for the method of procurement;
- selection of contract type;
- reasons for contractor selection or rejection; and
- the basis for the contract price.

3.10 Before awarding any contract, the Authority will verify, using the Federal System for Award Management and the Texas Comptroller’s Debarred Vendor List, that the offeror recommended for contract award has no unsatisfactory performance history that would prohibit awarding them a contract.

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**CHAPTER VI – NON-COMPETITIVE PROCUREMENTS
POLICY**

VI-1 SOLE SOURCE

A Sole Source procurement is an acquisition where only one source can provide the goods or services. Proprietary does not justify sole source if there is more than one potential supplier available.


Consistent with Federal and State law, purchase requisitions for goods and services valued at the Federal Micro Purchase Threshold or more shall be competitively procured. Sole Source procurements may only be used when the award of a competitive contract is infeasible under Small Purchase, Sealed Bidding or Competitive Proposal procedures. One of the following circumstances must apply for Sole Source to be used:

- The item is one-of-a-kind equipment, goods or services, especially high technology or scientific, and available from only one source of supply;
- The public emergency for the requirement will not permit a delay resulting from competitive solicitation, or where an unusual and compelling urgency means CapMetro would be seriously injured unless it were permitted to limit the solicitation. In such a case, CapMetro should limit its contract only to the quantities or period of performance necessary to see it through the emergency;
- After solicitation of a number of sources, competition is determined inadequate; or
- Non-Competitive Negotiations are authorized by law or regulatory authority.

The Procurement Department shall negotiate the purchase as to price or cost, delivery, terms and, as applicable, service(s), training, warranties, etc. A cost analysis, verifying the proposed cost data, the projections of the data, and the evaluation of the specific elements of costs and profit, is required. Profit must be negotiated as a separate element of price.

CapMetro will avoid Sole Source procurements except in circumstances where it is allowed by law and in the best interest of the agency. Sole Source procurements shall be allowed only on an exceptional and fully documented basis. Sole Source procurements are not justified based on staff's lack of advance planning.

In all situations, CapMetro should solicit offers from as many potential sources as is practicable under the circumstances.

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VI-2 UNSOLICITED PROPOSALS

Unsolicited proposal is defined as a written proposal that is submitted to CapMetro on the initiative of the submitter for the purpose of obtaining a contract with CapMetro and which is not in response to a formal or informal request.


Unsolicited proposals that CapMetro determines to be acceptable based on need, favorable evaluation, and available funding will be processed as Sole Source procurements. The offeror should demonstrate a unique or innovative concept or capability not available from another source. Unique or innovative concept means a new, novel, or changed concept, approach, or method that is the product of original thinking, the details of which are kept confidential or are patented or copyrighted and is available to the recipient only from one source and has not in the past been available to the recipient from another source.

Unsolicited proposals are a valuable means for CapMetro to obtain innovative or unique methods or approaches to accomplishing its mission.

Advertising material, commercial item offers, contributions or technical correspondence are not considered to be unsolicited proposals.

2.1 A valid unsolicited proposal must:

- Be innovative and unique.
- Be independently originated and developed by the offeror.
- Be prepared without CapMetro supervision.
- Include sufficient detail to permit a determination that CapMetro support could be worthwhile and the proposed work could benefit the agency’s mission responsibilities.
- Not be an advance proposal for a known agency requirement that can be acquired by competitive methods.
- Not be in response to a publicized general statement of agency needs that are not considered to be independently originated.

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2.2 Advance Guidance

CapMetro should encourage potential offerors to make preliminary contacts with appropriate agency personnel before expending extensive effort on a detailed unsolicited proposal or submitting proprietary data to CapMetro. These preliminary contacts include:

- Inquiries as to the general need for the type of effort contemplated.
- Contacts with agency technical personnel for the limited purpose of obtaining an understanding of the agency mission and responsibilities relative to the type of effort contemplated.

CapMetro shall make available to potential offerors of unsolicited proposals at least the following information:

- Definition and content of an unsolicited proposal acceptable for evaluation.
- Requirements concerning responsible prospective contractors and organizational conflicts of interest.
- Role of technical correspondence before proposal preparation.
- Agency contact points for information regarding advertising, contributions, solicitation mailing lists and other types of transactions frequently mistaken for unsolicited proposals.
- Procedures for submission and evaluation of unsolicited proposals.
- Information sources on agency objectives and areas of potential interest.
- Instructions for identifying and marking proprietary information.


Agency personnel shall conduct personal contacts without making any agency commitments concerning the acceptance of unsolicited proposals.

2.3 Content of Unsolicited Proposals

Unsolicited proposals should contain the following information to permit consideration in an objective and timely manner:

(a) Basic information including:

- Offeror’s name and address and type of organization; e.g. profit, nonprofit, educational, small business.

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- Names and contact information of technical and business personnel to be contacted for evaluation or negotiation purposes.
- Identity of proprietary data to be used only for evaluation purposes.
- Names of other federal, state, local agencies, transit authorities receiving the proposal or funding the proposed effort.
- Date of submission.
- Signature of person authorized to represent and contractually obligate the offeror.

(b) Technical information including:

- Concise title and abstract of the proposed effort;
- A reasonably complete discussion stating the objectives of the effort or activity, the method of approach and extent of effort to be employed, the nature and extent of the anticipated results, and the manner in which the work will help to support accomplishment of the agency's mission;
- Names and biographical information on the offeror's key personnel who would be involved, including alternates; and
- Type of support needed from the agency; e.g. facilities, equipment, materials, or personnel resources.

(c) Supporting information including:

- Proposed price or total estimated cost for the effort in sufficient detail for meaningful evaluation.
- A six-month period of time for which the proposal is valid.
- Type of contract preferred.
- Proposed duration of effort.
- Brief description of the organization, previous experience in the field and facilities to be used.
- Required statements about organizational conflicts of interest.

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2.4 Award of unsolicited proposals

Receipt of an unsolicited proposal does not, by itself, justify contract award without providing for full and open competition. CapMetro will take the following actions before entering into a contract resulting from an unsolicited proposal:

- Publicize receipt of the unsolicited proposal and include an adequate description of the property or services offered without improperly disclosing proprietary information or disclosing the originality of thought or innovativeness of the property or services sought;
- Publicize CapMetro’s interest in acquiring the property or services described in the proposal and provide an adequate opportunity for interested parties to comment or submit competing proposals; and
- Publicize CapMetro’s intention to award a contract based on the unsolicited proposal or another proposal submitted in response to the publication.


If it is impossible to describe the property or services offered without revealing proprietary information or disclosing the originality of thought or innovativeness of the property or services sought, CapMetro may make a sole source award to the offeror. A sole source award may not be based solely on the unique capability of the offeror to provide the specific property or services proposed.

VI-3 APPROVAL LEVELS FOR NON-COMPETITIVE PROCUREMENTS

Non-competitive procurements are required to have a “Sole Source Justification Form” processed along with the purchase requisition. Approval levels for non-competitive procurements are as follows:

<u>Dollar Value</u>	<u>Signature Authority</u>
Federal Micro Purchase Threshold to \$149,999.99	Department Head
\$150,000 to \$249,999.99	Executive Vice President
\$250,000 and higher	President & CEO

The Chief Contracting Officer shall approve all non-competitive procurements over the Federal Micro Purchase Threshold.

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CHAPTER VII – CONTRACT ADMINISTRATION
POLICY

Contract administration is managing the performance of both parties in all aspects of the contract to ensure successful completion. Contract administration encompasses preparing, executing, and administering assigned contracts in accordance with the warranted authority, including issuing contract modifications, change orders, task orders, and contract closeout or termination. The major players are the Department Project Manager and the Contract Administrator.

VII-1 DEPARTMENT PROJECT MANAGER RESPONSIBILITIES


After contracts are awarded and the Contractor has been issued “Notice to Proceed”, the Project Manager oversees the Contractor through the work process. The Project Manager shall manage and review the progress of the work and initiate review by CapMetro staff, public agencies, and affected utilities as required.

The Project Manager shall review the Contractor's documentation and invoices in relation to the milestones, work completed to date, and is solely responsible for the department budget information. The Project Manager shall also review invoices for accuracy and content and then approve for payment in accordance with Contract Terms and Conditions. The Contract Administrator must approve payment requests before Finance will process payment.

The Project Manager has the primary responsibility for providing technical direction to the Contractor as well as providing performance oversight to ensure the products and services for which the Project Manager is responsible are delivered by the Contractor in accordance with the terms and conditions of the contract, including quality. The Project Manager performs inspection and acceptance of work, as required, and conducts periodic reviews, audits, and surveillances of the Contractor to ensure compliance with the contract, as required.

VII-2 CONTRACT ADMINISTRATOR RESPONSIBILITIES

Immediately after full execution and award of the contract, and issuance of the “Notice to Proceed” the technical administration and project oversight of the contract becomes the responsibility of the Project Manager with the administrative assistance of the Contract Administrator from the Procurement Department. The Contract Administrator’s role is to prepare, execute, and administer assigned contracts in accordance with the warranted authority. The Contract Administrator and Project Manager establish the methods and procedures to be utilized in the performance of the contract as laid out stated in the Contract Management Plan.

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Prior to the contract completion date, the Contract Administrator should contact the Project Manager to confirm that no contractor effort will be required after the specified contract completion date and that the contract may be closed out. This action should be initiated at least sixty (60) days prior to the specified completion date, whenever possible. This is necessary to determine whether there will be an overrun, to negotiate and extend the period of performance if necessary, and to allow sufficient procurement lead time if there is a follow-on effort. If the contract is to be completed on schedule, the Contract Administrator should proceed with the contract closure; otherwise, appropriate action should be taken to extend the contract.

VII-3 CONTRACT MODIFICATIONS

Contract Modifications shall be used pursuant to the Changes provision in the Contract when it becomes necessary to change the contract cost and/or fee, Statement of Work, Period of Performance, or any other mutually agreeable change to the Contract. The authorized representative of the Contractor and Contract Administrator must execute all Contract Modifications in writing.


The Project Manager shall coordinate the requirement for a contract modification as soon as the need is known and shall provide the necessary documentation to permit the Modification to be processed in the most expeditious manner to prevent delays in the Project Schedule.

VII-4 CHANGE ORDERS

Under certain unforeseeable conditions, it may become necessary to redirect the Contractor's effort to prevent an adverse impact on the project. In such instances, the Contract Administrator may issue directions by a unilateral "Change Order" pursuant to the Changes provision. If such direction causes an increase or decrease in the estimated cost and/or fee, a change in the period of performance, or affects any other provision of the Contract, the Change Order shall be incorporated into the Contract by formal Contract Modification in the most expeditious manner possible.

All change orders issued will have cost justifications supporting each change. Procurement must approve any proposed change order before it is issued.

The cost of the change, modification, change order, or constructive change must be allowable, allocable, within the scope of the contract, and reasonable for the completion of project scope.

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VII-5 ADVANCE PAYMENTS

Advance payments are payments made to a contractor before they incur costs. CapMetro does not make advance payments to contractors before the contractor has incurred costs for which payments would be attributed, except for sound business reasons including but not limited to:

- Software licenses;
- Software subscriptions;
- Software and hardware maintenance agreements; or
- Service maintenance agreements.

Exceptions require review and approval by the Chief Contracting Officer.

Adequate security must be obtained when using advance payments.


The Federal Transit Administration (FTA) allows advance payments to contractors under certain conditions. These conditions include:

- **Business reason:** The recipient must have a sound business reason for the advance payment.
- **Security:** The recipient must obtain adequate security for the advance payment.
- **FTA concurrence:** The recipient must obtain written concurrence from the FTA before making the advance payment.
- **Customarily required:** The advance payment must be customary in the marketplace.

Examples of adequate security Surety bonds, Personal or corporate endorsements, Advance payment bonds, Pledges of collateral, and Taking first priority lien on property.

VII-6 PROGRESS PAYMENTS

CapMetro’s policy is to make progress payments to contractors for costs incurred in the performance of the contract. CapMetro can use FTA assistance to support progress payments provided it obtains adequate security for those payments and has sufficient written documentation to substantiate the work for which payment is requested.


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VII-7 CONTRACT TERMINATION

The performance of work under a contract may be terminated in part or in whole when the Chief Contracting Officer determines that such termination is in the best interests of CapMetro. Contracts may be terminated for convenience, such as a reduced need or in the best interests of CapMetro, or for default, such as the Contractor failing to perform in accordance with the contractual requirements.

VII-8 CONTRACT CLOSEOUT

The Contract Administrator and the Project Manager are responsible for ensuring that contract files are closed in a timely manner and the closeout actions are documented on the closeout checklist, and in such additional details as appropriate.

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CHAPTER VIII – INVESTMENT RECOVERY
POLICY

VIII-1 DISPOSAL OF CAPMETRO SURPLUS OR OBSOLETE PROPERTY

1.1 Purpose:

The intent of this policy is to establish uniform guidelines for the disposal or transfer of surplus, for obsolete CapMetro equipment and supplies. This policy is consistent with CapMetro’s *Environmental and Sustainability Policy (SUS-100)* and *Fixed Assets Capitalization & Disposal Policy (FIN-104)*. This policy shall apply to all tangible personal property, including rolling stock and technology equipment. This policy excludes the transfer, sale or disposal of real property.

1.2 Definitions:

Damaged – property that is not operable and would require excessive repair (cost, manpower) to return the asset to serviceable condition.

Destroyed – property that is not operable due to destruction beyond repair.

Fair Market Value (FMV) – an estimate for the cost of an asset generated from market research for that particular asset.

Hazardous Waste – regulated and listed waste that is dangerous or capable of having a harmful effect on human health or the environment.


Landfill – lowest priority disposal method. Disposal of waste products in a properly regulated landfill.

Member Unit – any governing body, municipality, or county within the CapMetro service area which participates in the appointment of a CapMetro Board member.

Obsolete – property that no longer meets CapMetro’s specifications or requirements but is still serviceable or useable.

Recovered Products - those materials which have been diverted or removed from the solid waste stream for sale, use, reuse or recycling, whether or not requiring subsequent separation processing.

Scrap – property that no longer functions, is unserviceable but may contain some market value for its basic material content.

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Surplus – property that is in excess of CapMetro’s requirements and is no longer needed but may be useable.

Waste – property that is worthless, useless, and has no market value.

Zero Waste – material handling methods that prioritizes reuse, repurposing, composting and recycling over landfilling.

Zero Waste Hierarchy – a method of evaluating the end of use of products that emphasizes conservation, reuse, product take-back, recycling and recapturing material/energy; and avoids disposal methods that cause the release of toxic materials. Properly regulated landfilling is the last choice in the hierarchy.

VIII-2 PURCHASES MADE WITH RECOVERED PRODUCTS

CapMetro will maximize the purchase of products made with recovered materials in accordance with the requirements of Section 6002 of the Resource Conservation and Recovery Act (RCRA), as amended (42 U.S.C. 6962), including but not limited to the regulatory provisions of 40 C.F.R. Part 247, and Executive Order 12873, as they apply to the procurement of the items designated in Subpart B of 40 C.F.R. Part 247.

VIII-3 PROPERTY DISPOSAL FORM


The Property Disposal form authorizes the process for disposing of assets in accordance with the Investment Recovery Policy. A fully authorized Property Disposal Form is required in order to dispose of any CapMetro asset. Further information regarding the Property Disposal Form can be found in the Finance Department’s Fixed Assets Capitalization & Disposal Policy (FIN-104); Disposal of Locally Financed Assets.

VIII-4 DETERMINING THE METHOD OF DISPOSAL

The President & CEO or their designee shall be responsible for the segregation, sale and disposal of surplus, obsolete material and equipment in accordance with all applicable laws and regulations.

The determination for the method of disposal will be made once a fair market value analysis is conducted. If surplus, obsolete material and equipment is found to be more cost effective to dispose of as scrap or landfill, the Authority will label it as scrap and attempt to salvage through recycling vendors and/or landfill.

All surplus property will adhere to the following hierarchy method to determine disposition established for the property:

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- (a) Obsolete, Non-repairable or Surplus Vehicles:
 - (1) Offered to each Member Unit at fair market value
 - (2) Sale through public auction or Request for Offer (RFO)
 - (3) Salvage through recycle vendors

- (b) Obsolete or Surplus Property:
 - (1) Reuse within Cap Metro
 - (2) Offered to each Member Unit at fair market value
 - (3) Sale through public auction or Request for Offer (RFO)
 - (4) Recycle
 - (5) Landfill


- (c) Obsolete or Surplus IT Equipment:
 - (1) Reuse within Cap Metro
 - (2) Trade in as part of new IT procurement
 - (3) Offered to each Member Unit at fair market value
 - (4) Sale through public auction or Request for Offer (RFO)
 - (5) Recycle
 - (6) Landfill

- (d) Obsolete, Non-repairable or Scrap:
 - (1) Sale through public auction or Request for Offer (RFO)
 - (2) Salvage through recycle vendors
 - (3) Landfill

VIII-5 FAIR MARKET VALUE

In estimating the Fair Market Value of such Surplus Property, reference should be made to identifiable active markets for such property and information concerning additional factors may also be considered, which may include one or more of the following:

- (1) Original purchase cost (if available)

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- (2) Depreciation
- (3) Residual Value
- (4) Estimated Replacement Value
- (5) Current condition and or market value of the item
- (6) Independent Appraisal

VIII-6 SALE OF OBSOLETE OR SURPLUS VEHICLES

When obsolete or surplus vehicles become available, they will be disposed of in accordance with this policy and applicable laws and regulations. A list of the vehicles, including the offered price based on fair market value, will be made available to each Member Unit within the CapMetro Service Area. Any vehicle not sold to a Member Unit within five (5) business days after notification of vehicle availability will be sold to the general public.


Methods for disposing of obsolete or surplus vehicles include but are not limited to:

- (1) Request for Offers (RFO), public auction or online auction;
- (2) transfer or sale to other public agencies;
- (3) transfer to non-profit agencies or organizations consistent with established legal parameters;
- (4) trade-in as part of a new procurement; or
- (5) sale to recycling or scrapping vendors for material content.

The sale or transfer of surplus vehicles funded by the Federal Transit Administration (FTA) shall be processed in accordance with 49 CFR 18.32 and FTA Circular 5010.1D, Grant Management Requirements as stated in the *Finance Fixed Asset Policy (FIN104): Removal from Service and Disposal of Grant Purchased Assets.*

VIII-7 SALE OF OBSOLETE OR SURPLUS PROPERTY

When obsolete or surplus assets become available, they will be disposed of in accordance with this policy and applicable laws and regulations. A list of the assets, including the fair market value (FMV), will be offered to any Member Unit within the CapMetro service area. CapMetro may accept an offer of in-kind service equal to FMV

	<p style="text-align: center;">Acquisition Policy Chapter VIII PROC – 100.08</p> <p style="text-align: center;">Chief Contracting Officer</p>	<p>Issued: December 1998 Revised: March 2025</p> <p>Approved by: Board of Directors</p>
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instead of monetary payment. Any asset not acquired by a Member Unit within five (5) business days after notification of availability will be sold to the general public.

6.1 Surplus Property:

Methods for disposing of obsolete or surplus property include but are not limited to:

- (1) Request for Offers (RFO), public auction or online auction;
- (2) transfer or sale to other public agencies;
- (3) transfer to non-profit agencies or organizations consistent with established legal parameters;
- (4) trade-in as part of a new procurement; or
- (5) sale to recycling or scrapping vendors for material content.

The sale or transfer of obsolete or surplus property funded by the Federal Transit Administration (FTA) shall be processed in accordance with 49 CFR 18.32 and FTA Circular 5010.1D, Grant Management Requirements as stated in the *Finance Fixed Asset Policy: Removal from Service and Disposal of Grant Purchased Assets*.

6.2 IT Equipment:


The Information Technology Department will be responsible for the review of the continued usefulness of computer equipment and telecommunications equipment within CapMetro and may identify such equipment as Surplus Property. Surplus IT equipment shall be disposed of using the methods described in section 6.1 above.

VIII-8 SALE OF SCRAP, DAMAGED OR DESTROYED PROPERTY

Scrap, damaged, or destroyed property as determined by the President & CEO or his/her designee shall be sold in accordance with industry best practices through scrap or recycle vendors at the market price for the material content (i.e. steel, metal, plastic, etc.) of the property.

VIII-9 DISPOSAL OF OBSOLETE MATERIAL OR EQUIPMENT, SCRAP, DAMAGED OR DESTROYED PROPERTY WITHOUT MONETARY VALUE

8.1 Surplus Property

	<p style="text-align: center;">Acquisition Policy Chapter VIII PROC – 100.08</p> <p style="text-align: center;">Chief Contracting Officer</p>	<p>Issued: December 1998 Revised: March 2025</p> <p style="text-align: right;">Approved by: Board of Directors</p>
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The President & CEO or his/her designee has the authority to dispose of the property in the most cost-effective means consistent with all relevant laws and regulations through proper waste channels in accordance with industry best practices for the following:

- Scrap without monetary value
- Damaged property
- Destroyed property

These items may be deemed as trash if they have no net monetary value.

8.2 IT Equipment

Disposal of worthless damaged or destroyed IT equipment should be made through a certified electronics recycling and disassembly facility in accordance with all relevant laws, regulations and industry best practices.

VIII-10 ZERO WASTE, SUSTAINABILITY AND DISPOSAL OF HAZARDOUS WASTE MATERIALS

9.1 Zero Waste and Recycling:

To the highest extent possible, the disposition of product that is no longer useful to CapMetro should follow the zero-waste hierarchy. This standard is consistent with sustainability and state of good repair best practices and allows for the highest and best use. Zero waste methods include: reuse, repurposing, vendor take-back, packaging minimization and reuse, recycling, composting, and other methods that conserve natural resources and minimize landfilling.


All electronic waste disposal will follow best practices by using a recycling facility or vendor that follows Sustainable Electronics Recycling International (SERI) R2 (or similar standards) guidelines whenever possible.

9.2 Disposal of Hazardous Materials:

When hazardous waste materials become available all waste disposal activities will be completed in accordance with all applicable local, state and federal waste disposal law, ordinances and rules.

Surplus Property containing any of the Hazardous Waste materials referenced below shall be identified in the Property Disposal Form.

The materials may include (but are not limited to):

	Acquisition Policy Chapter VIII PROC – 100.08 Chief Contracting Officer	Issued: December 1998 Revised: March 2025 Approved by: Board of Directors
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- (1) Paints (Oil, Enamel, Polyurethane, Latex)
- (2) Batteries (All types)
- (3) Chemicals (Acid/Base/Flammables)
- (4) Pesticides
- (5) Petroleum Products
- (6) Tires (new outdated or used)
- (7) Refrigerants (i.e. Freon) - Any surplus equipment that utilizes refrigerants must be certified free of refrigerant before disposal
- (8) Electronic equipment containing hazardous materials

9.2 Vendors and Sustainability Practices:


In accordance with CapMetro’s *Environmental and Sustainability Policy (SUS-100)*, all efforts will be taken to make vendors aware of CapMetro’s Environmental Sustainability Management System (ESMS) Policy for assurance that they will dispose of any surplus materials properly, while adhering to all environmental laws and regulations.

VIII-11 CONFLICT OF INTEREST (COI) RESTRICTIONS

CapMetro Procurement personnel, the requesting employee, the requesting department’s manager and/or supervisor and their immediate family members are restricted from purchasing all surplus items due to conflict of interest concerns. Generally, CapMetro employees may make an offer and/or purchase CapMetro surplus property under the same rules as the general public, unless they are a party listed above. Violations by parties that are restricted from purchasing CapMetro surplus property can result in disciplinary action up to and including termination.

VIII-12 DONATION RESTRICTIONS

Donations by a governmental entity to a public, non-profit or any other organization are prohibited under Sec. 51 of the Texas Constitution. It is considered granting of public funds without receipt of value. Donations of CapMetro surplus property are restricted under this policy.

	<p style="text-align: center;"> Acquisition Policy Chapter VIII PROC – 100.08 </p> <p style="text-align: center;"> Chief Contracting Officer </p>	<p> Issued: December 1998 Revised: March 2025 </p> <p style="text-align: right;"> Approved by: Board of Directors </p>
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VIII-13 ANTI-SCAVENGING RESTRICTION

CapMetro property that has been identified as surplus and turned in for disposal, including items that cannot be sold, falls under the anti-scavenging restriction, meaning that unauthorized removal, disposal, or expropriation of CapMetro Property or Surplus Property is considered theft and could subject individuals to disciplinary action up to and including termination or criminal prosecution.

Board of Directors

Item #: AI-2025-1410

Agenda Date: 3/24/2025

SUBJECT:

Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with Trapeze Software Group, Inc., dba Vontas for replacement of the CapMetro computer aided dispatch / automatic vehicle location (CAD/AVL) system, for a two (2) year base period and three (3) one-year option periods for a grand total not to exceed amount of \$9,190,649 which includes 10% contingency.

FISCAL IMPACT:

Funding for this action is available in the FY2025 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 Computer Aided Dispatch / Automatic Vehicle Location (CAD/AVL) Intelligent Transportation System (ITS) system are dispatch and vehicle systems critical to CapMetro's ability to deliver service on a daily basis. The system is used by Dispatch and Operations to manage dispatch activities, operator and vehicle assignments, vehicle location, on-time performance, incident management, and ridership tracking.

BUSINESS CASE: CapMetro current OrbCAD system and hardware has reached the end of life requiring a replacement of the entire CAD/AVL system functions. After creating a vision of the future CAD/AVL system for CapMetro and evaluating the market through a RFP process, it was determined that Vontas provides the system functionality required in CapMetro's vehicle fleet and the options to support CapMetro's vision of the

CAD/AVL system.

COMMITTEE RECOMMENDATION: The item was presented and recommended for approval by the Operations, Planning and Safety Committee on March 12, 2025.

EXECUTIVE SUMMARY: Capital Metro contracted with Conduent in September 2006 for the installation of their OrbCAD Intelligent Transportation System to provide real-time data, geolocation, computer-aided dispatching and expansive reporting tools for Rail, Rapid and Fixed Route services operated by CapMetro. After refreshes of the hardware and software over the span of having the OrbCAD system it has reached the end of life and needs to be replaced. CapMetro created a vision of the future CAD/AVL system and evaluated the market through a RFP process. Following the process it was determined the Vontas system provides the functionality required in CapMetro's vehicle fleet and the options to support CapMetro's vision of the CAD/AVL system.

DBE/SBE PARTICIPATION: A 0% SBE goal was assigned to this procurement, which did not include subcontract opportunities.

PROCUREMENT: On June 14, 2024, a Request for Proposals (RFP) was issued and formally advertised. By the closing date of September 23, 2024, five (5) proposals were received. The proposal from Trapeze Software Group, Inc., dba Vontas was determined to be the best value to the Authority, price and other factors considered. The resulting contract will be a fixed price contract. The term of the Contract shall be two (2) years from the Contract Notice to Proceed with up to three (3) option periods for a twelve (12) month duration each in a total amount not to exceed \$8,355,135, plus a 10% contingency \$835,514, for a grand total amount not to exceed \$9,190,649.

RESPONSIBLE DEPARTMENT: Information Technology

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

**STATE OF TEXAS
COUNTY OF TRAVIS**

AI-2025-1410

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and CapMetro Management recognize the need to replace the current CAD/AVL system with a new system meeting the operational and technology requirements of today and in the future.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the President & CEO, or her designee, is authorized to finalize and execute a contract with Trapeze Software Group, Inc., dba Vontas for replacement of the CapMetro computer aided dispatch / automatic vehicle location (CAD/AVL) system, for a two (2) year base period and three (3) one-year option periods for a grand total not to exceed amount of \$9,190,649 which includes 10% contingency.

Date: _____

**Secretary of the Board
Becki Ross**

Board of Directors

Item #: AI-2025-1437

Agenda Date: 3/24/2025

SUBJECT:

Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract modification with Simply Klean LLC for janitorial services to add \$1,200,000 to the contract, for a new total not to exceed amount of \$6,030,001.

FISCAL IMPACT:

Funding for this action is available in the FY2025 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: Reliable janitorial services contribute to a healthy, attractive and accessible transit and working environment.

BUSINESS CASE: All CapMetro’s facilities, including Administrative buildings, Park and Rides, Transit Centers and Rail Stations require regular cleaning services to ensure healthy and environmentally sound facilities.

COMMITTEE RECOMMENDATION: This item will be presented to the full board on March 24, 2025.

EXECUTIVE SUMMARY: The services provided under the contract include the day-to-day janitorial services and recycling services as needed for all CapMetro properties. CapMetro properties include administration buildings, bus maintenance buildings, park and rides, transit centers, transfer stations, rail stations, BRT

stations and rail maintenance buildings.

Simply Klean LLC is the current provider of janitorial services at CapMetro facilities. CapMetro has been satisfied with their services, particularly with their additional efforts during the pandemic, but due in part to the growth in the number of facilities added since this contract was awarded needs this additional funding in order to fund the final Option Year of the contract which begins April 1, 2025.

DBE/SBE PARTICIPATION: The prime contractor is a certified SBE and exceeds the SBE participation goal of 12%.

PROCUREMENT: On March 17, 2021 , the CapMetro Board of Directors approved a resolution for the award of a contract to Simply Klean LLC for Janitorial Services in an amount not to exceed \$4,830,001. Multiple properties have been added to the contract since it was awarded. Therefore, Board of Directors' approval is requested to execute a contract modification to add funding to the contract. The contract's final option period is April 1, 2025 through March 31, 2026. The new total not to exceed amount is \$6,030,001.

RESPONSIBLE DEPARTMENT: Facilities Management

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

**STATE OF TEXAS
COUNTY OF TRAVIS**

AI-2025-1437

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and Capital Metro management recognize the need to provide healthy, clean and positive environments for both internal and external customers; and

WHEREAS, Simply Klean, LLC is performing these services and CapMetro has been satisfied with their services; and

WHEREAS, the growth in the number of facilities covered by these janitorial services over the life of the contract has grown.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the President & CEO, or her designee, is authorized to finalize and execute a contract modification with Simply Klean, LLC., for janitorial services to add \$1,200,000 to the contract, for a new total not to exceed amount of \$6,030,001.

Date: _____

**Secretary of the Board
Becki Ross**



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2024-1348

Agenda Date: 3/24/2025

Update on CapMetro's Long Range Vision

CapMetro

Five-Year Strategic Plan

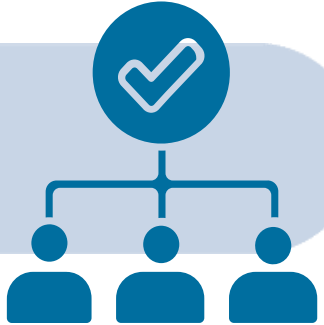
Update on Draft Plan

March 24, 2025

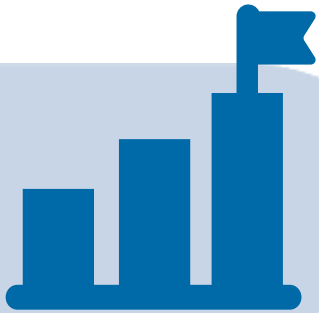


About the Plan

Refresher: What is the Five-Year Strategic Plan?



Provides CapMetro organizational **strategic direction** over the next five years.



Identifies and aligns actions, plans, programs, and services to carry out **the agency's mission**.



Effectively communicates the agency's vision and goals for the future both internally and externally.

Will include recommendations for tracking progress and reporting on performance.

Timeline and Progress



Plan Components & Terminology

STRATEGIC FRAMEWORK

CapMetro's Mission, Vision, Core Values, Strategic Goals, and Strategic Objectives

Fundamental to the organization; can be refreshed from time to time but does not change frequently.

CRITICAL RESULTS

Results that must be CapMetro's priority to achieve over the next five years.

Tailored to the immediate needs of CapMetro's customers and the region today.

ACTIONS

Actions CapMetro must take over the next five years to achieve the Critical Results.

Specific enough to be assigned and operationalized.

FOCUS OF TODAY'S PRESENTATION

Critical Results to Guide CapMetro for the Next 5+ Years



Enhance service quality through security and reliability improvements.

New!



Increase ridership per capita in the region.



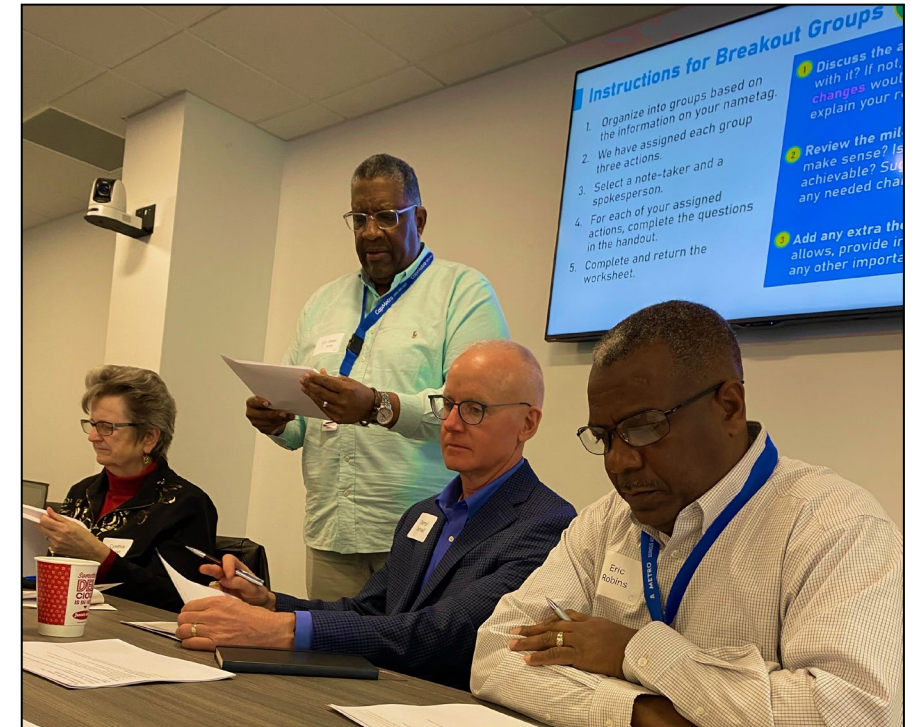
Ensure fiscal responsibility guides all the organization's activities.



Work to make CapMetro a recognized and integral component of transportation in the region.

Second Workshop with CapMetro Leadership

- Held in Mid-February
- Results:
 - Shared and discussed proposed Critical Results that are essential to the agency's success.
 - Refined key actions to be included in the plan.
 - Assigned ownership for each action, as well as supporting roles and departments.
 - Confirmed milestones and timelines under each action.



Draft Actions

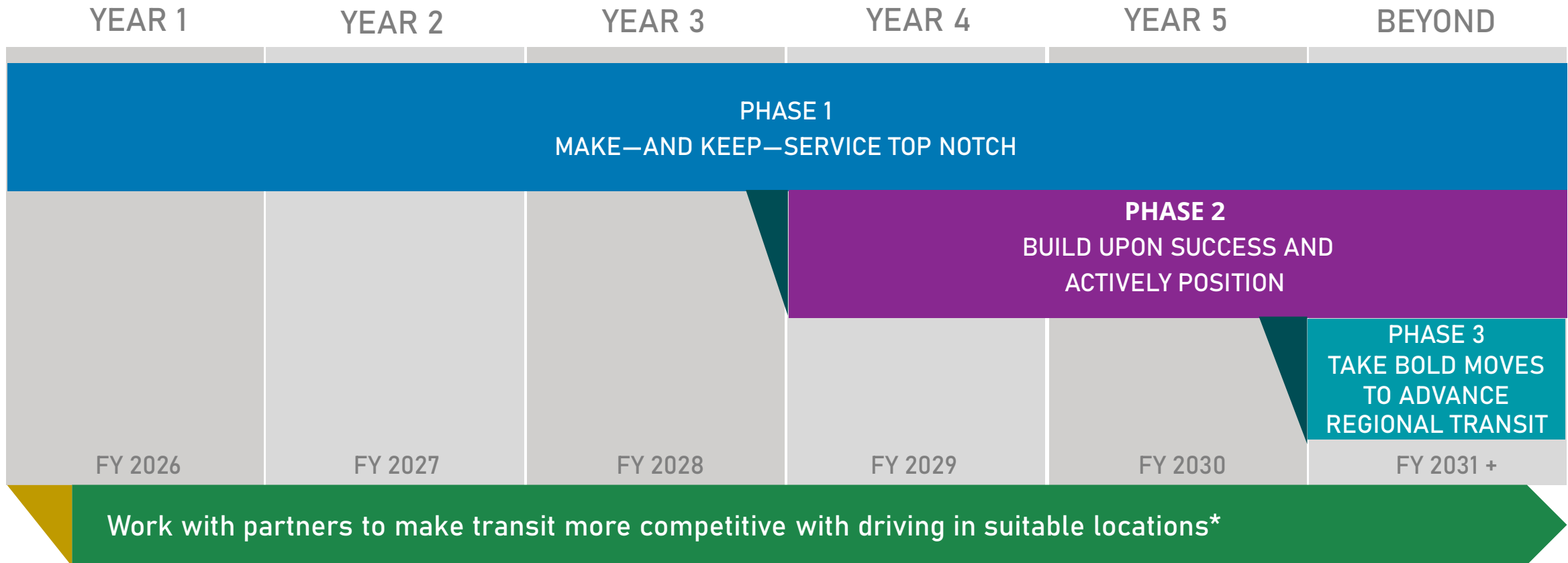
CRITICAL RESULTS

1. Enhance service quality through security and reliability improvements.
2. Increase ridership per capita in the region.
3. Ensure fiscal responsibility guides all the organization's activities.
4. Work to make CapMetro a recognized and integral component of transportation in the region.

Action A	Action B	Action C	Action D	Action E
Action F	Action G	Action H	Action I	Action J
Action K	Action L	Action M	Action N	Action O
	Action P	Action Q	Action R	

Each Action is assigned to one lead department and has milestones, each with their own timeline, throughout the five-year period.

Preparing CapMetro for the Region's Growing Transit Needs



** Through a combination of transit-oriented development and service and infrastructure enhancements enabled by new funding sources and greater incentives to use transit.*

Draft Actions

Goal Focus Area

Customer

Action

- | | |
|-----|---|
| 1.1 | Create a safe and welcoming experience for customers and team members by implementing immediate and five-year security strategies. |
| 1.2 | Increase CapMetro's service reliability by implementing a comprehensive reliability strategy. |
| 1.3 | Implement a comprehensive organizational digital transformation strategy and business process updates for both internal and customer-facing technology. |
| 1.4 | Optimize and enhance service by completing and implementing Transit Plan 2035. |
| 1.5 | Employ a proactive communications strategy that includes customer-focused performance reporting. |
| 1.6 | Continue to implement accessibility, wayfinding, sidewalk, and amenity improvements to improve the user experience for all CapMetro customers. |

Draft Actions

Goal Focus Area

Community

Action

- | | |
|-----|--|
| 2.1 | Lead local partners in modernizing the approach to transit provision and governance in the region. |
| 2.2 | Prepare CapMetro to operate expanded transit services throughout the region. |
| 2.3 | Ensure responsiveness to customer and community feedback. |
| 2.4 | Continue to implement the Sustainability Vision Plan while exploring different paths and technologies of choice to achieve sustainability goals. |
| 2.5 | Continue CapMetro's efforts to support transit-oriented development in the region. |

Draft Actions

Goal Focus Area

Action

Workforce

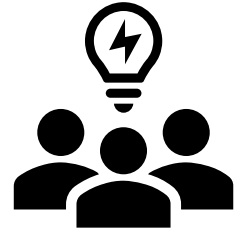
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|-----|--|
| 3.1 | Attract and retain top talent through a strategy that is informed by industry-leading practices. |
| 3.2 | Ensure CapMetro has the talent and structure needed to achieve its Critical Results through an organizational assessment and strategic workforce planning. |

Organizational Effectiveness

- | | |
|-----|---|
| 4.1 | Develop and implement a prioritization methodology for state of good repair (SOGR) to inform investments and safety enhancements. |
| 4.2 | Streamline and automate finance and accounting processes. |
| 4.3 | Reduce safety incidents through continuous improvement of the safety program. |
| 4.4 | Refine CapMetro's fare policy through a comprehensive fare study. |
| 4.5 | Identify and pursue additional funding sources for increased transit services, including potential funding partnerships. |

Discussion

- Do you have questions or feedback regarding the Critical Results and draft Actions?
- Is there anything you want to be sure we incorporate?

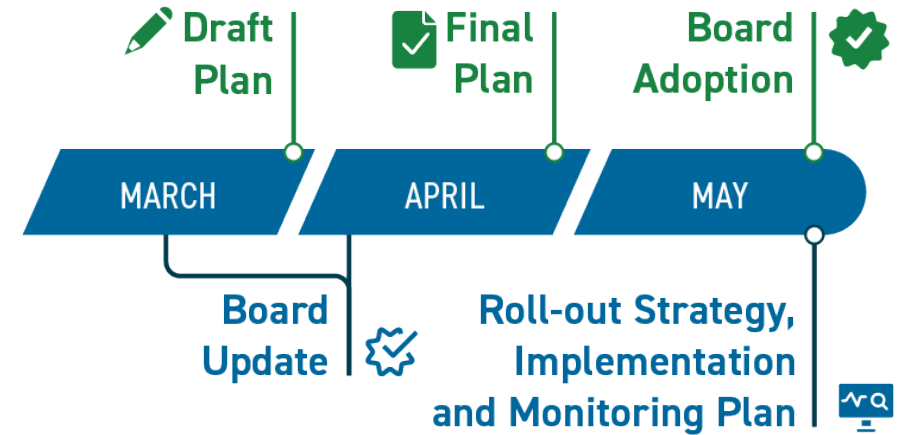




Next Steps

Next Steps

- Finalize Plan by end of April.
- Implementation and Roll-Out Strategy – to ensure communication throughout the organization – by end of May.





Appendix: CapMetro's Strategic Framework

Mission and Vision

Mission

To empower, enhance and serve the region and its communities through the responsible delivery of high-quality public transportation.

Vision

CapMetro is integral to the region and its communities, providing connectivity, fostering economic activity and ensuring safe, environmentally sustainable and equitable access to opportunity.

Core Values



Equity



Innovation



Safety



Sustainability



Transparency

Strategic Goals (1 & 2) and Strategic Objectives

Strategic Goals	Strategic Objectives
<p>Customer</p> <p>Provide a convenient, desirable, and accessible option for mobility in the region and its communities.</p>	<ul style="list-style-type: none">A. Provide a reliable and safe transit service.B. Continue to improve the customer experience.C. Ensure the system is accessible for everyone in the region.
<p>Community</p> <p>Demonstrate our value to a growing region by collaborating with partners and communities.</p>	<ul style="list-style-type: none">D. Support sustainable growth through improved access to jobs, services and opportunities.E. Continue to improve the environment by transforming into a fully carbon-neutral transit agency by 2040.F. Engage the community, customers and stakeholders in a constant process to reflect their input in the transit system and respond to immediate needs.G. Foster community conversations to improve regional mobility.

Strategic Goals (3 & 4) and Strategic Objectives

Strategic Goals	Strategic Objectives
<p>Workforce</p> <p>Invest in a productive and valued workforce.</p>	<ul style="list-style-type: none">H. Recruit, hire and develop an engaged workforce from a diverse talent community.I. Foster an inclusive, collaborative culture that develops a diverse and engaged workforce.J. Expand and develop a highly skilled workforce to meet the changing needs of the agency and community.
<p>Organizational Effectiveness</p> <p>Deliver responsibly and sustainably on the mission.</p>	<ul style="list-style-type: none">K. Be a fiscally responsible and transparent steward of public funds.L. Advance the culture of safety throughout the organization.M. Balance investments while prioritizing a state of good repair.



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2025-1432

Agenda Date: 3/24/2025

President and CEO Monthly Update - March 2025