



**Agenda - Final**  
**Capital Metropolitan**  
**Transportation Authority**  
**Board of Directors**

2910 East 5th Street  
Austin, TX 78702

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**Monday, September 22, 2025**

**12:00 PM**

**Rosa Parks Boardroom**

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This meeting will be livestreamed at [capmetrotx.legistar.com](http://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 August 25, 2025 board meeting.
2. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with The Arcanum Group for Hexagon EAM Licensing and Support Renewal, with a base term of one (1) year and four (4) option years including optional ad-hoc service hours, for a total amount not to exceed amount of \$3,762,152.
3. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with GTS Technologies Solutions for Cervello licenses, for a term of three (3) years, in a total amount not to exceed \$757,896.

4. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute an Interlocal Agreement with the City of Round Rock for the provision of transit services for an amount not to exceed \$1,555,551.
5. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a one-year Interlocal Agreement (ILA) with Travis County for transit services in urbanized unincorporated areas of the county and for continued implementation of the Travis County Transit Development Plan in an amount not to exceed \$351,057 in FTA Section 5307 Funds and \$1,430,055 in local funds from Travis County in FY2026.
6. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute an Interlocal Agreement with the City of Georgetown for the operation of limited paratransit and senior service in Fiscal Year 2026 for an amount not to exceed \$172,570 in Federal Transit Administration Section 5307 Funds and \$258,854 in local funds from the City of Georgetown.
7. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute an amendment to Supplement No. 9 of the interlocal agreement with Capital Area Rural Transportation System (CARTS) for the provision of Limited Paratransit and Senior Service to the City of Georgetown for a period of one (1) year in an amount not to exceed \$410,886.
8. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute Amendment No. 8 to CARTS Supplement No. 8 to the Master Regional Mobility Agreement with Capital Area Rural Transportation Services (CARTS) for the provision of transit services to the Manor area in an amount not to exceed \$1,506,390.
9. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute Amendment No. 7 to the Contracted Service Supplement No. 2 with Capital Area Rural Transportation System (CARTS) for the operation of Route 214 Northwest Feeder for fiscal year 2025 in an amount not to exceed \$766,780.
10. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute Amendment No. 7 to Contracted Services Supplement No. 5 to the Master Regional Mobility Agreement with Capital Area Rural Transportation Services (CARTS) for the provision of Route 990 - Manor Express for fiscal year 2026 in an amount not to exceed \$191,398.

## **VII. Action Items:**

1. Approval of a resolution adopting the Fiscal Year 2026 Operating and Capital Budget and Five-Year Capital Improvement Plan.
2. Approval of a resolution adopting the CapMetro Investment Policy.

3. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute an amendment to the Interlocal Agreement with Austin Transit Partnership for capital reimbursement of the Expo Center and Pleasant Valley MetroRapid Projects for the Project Connect System Plan.
4. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute an Interlocal Agreement with the Austin Transit Partnership to provide reimbursement of capital costs for certain CapMetro Components of Project Connect through Fiscal Year 2031, in a total amount not to exceed \$148,600,000.
5. Approval of a resolution authorizing the President & CEO, or her designee, to implement the January 2026 Service Changes.

Memo: Updates on the Proposed January 2026 Service Changes (September 15, 2025)

Memo: Proposed January 2026 Service Changes (August 5, 2025)

**VIII. Discussion Item:**

1. CapMetro Transit Plan 2035 Staff Recommendation

**IX. Report:**

1. President and CEO Monthly Update - September 2025

**X. Memo:**

Note: Memo is for information only. Will not be discussed at meeting.

1. Memo: 89th Texas Legislative Session Recap (September 4, 2025)

**XI. Items for Future Discussion:**

**XII. Adjournment**

**ADA Compliance**

*Reasonable modifications and equal access to communications are provided upon request. Please call (512) 369-6040 or email [ed.easton@capmetro.org](mailto: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

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Board of Directors

**Item #:** AI-2021-189

**Agenda Date:** 3/28/2022

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Customer Satisfaction Advisory Committee (CSAC)

**Capital Metropolitan Transportation Authority**  
**Customer Satisfaction Advisory Committee (CSAC)**  
**Wednesday, September 10, 2025**  
**6:00 PM**  
***Virtual Presentation***

**CapMetro Employees:** Brian Alejandro, Peter Breton, Licelda Briones, Kelsey Lammy, Jordan McGee, Marcella Wood.

**Committee Members:** Arlo Brandt, Dominic DeNiro, David Foster, Betsy Greenberg, Nelson Lin, Fangda Lu, Diana Wheeler.

**Guests:** Ruven Brooks, Pedro Hernandez Jr.

***Meeting called to order at 6:04 PM***

**Welcome / Introductions / Call to Order**  
*Chair Foster*

**Approval of the August 2025 Minutes** - Dominic DeNiro / 2<sup>nd</sup> by David Foster – passes unanimously.

**Public Communications**

Peter Breton, Ruven Brooks, Dominic DeNiro, Betsy Greenberg, Jordan McGee, and Marcella Wood provided public communications.

**Proposed January 2026 Service Change**  
*Jordan McGee, Sr. Planner*

**Participated in Discussion / Q&A:**

Peter Breton, Dominic DeNiro, Betsy Greenberg, David Foster, Kelsey Lammy, Fangda Lu, Marcella Wood.

***Meeting adjourned at 6:53 PM***



# Capital Metropolitan Transportation Authority

2910 East 5th Street  
Austin, TX 78702

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Board of Directors

**Item #:** AI-2021-190

**Agenda Date:** 3/28/2022

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Access Advisory Committee

**Capital Metropolitan Transportation Authority**

**Access Advisory Committee**

**Wednesday, September 3, 2025**

**5:30 PM**

**Virtual Presentation**

**CapMetro Employees:** Peter Breton, Licelda Briones, Linda English, Art Jackson, Martin Kareithi, Kelsey Lammy, Julie Lampkin, Jordan McGee, Sara Sanford, Randy Slaughter, Kris Turner, Roberto Velasquez

**Committee Members:** Glenda Born, Mike Gorse, Paul Hunt, Ricardo Leon, Steven Salas

**Guests:** Katherine Wheeler

**Meeting called to order at 5:32 PM**

**Welcome / Introductions / Call to Order**

*Chair Hunt*

**Approval of the August minutes** – Glenda Born / 2<sup>nd</sup> by Steven Salas – passes unanimously.

**Public Communications**

**Glenda Born, Paul Hunt, and Julie Lampkin** provided public communication.

**Staff Updates**

*Demand Response – Sara Sanford & Emma Fricker*

**Participated in Discussion / Q&A:**

Paul Hunt, Kris Turner, Glenda Born, Steven Salas, Julie Lampkin

**Accessible Wayfinding**

*Martin Kareithi, Director of Systemwide Accessibility*

**Participated in Discussion / Q&A:**

Glenda Born, Mike Gorse, Paul Hunt

**Proposed January 2026 Service Change**

*Jordan McGee, Sr. Planner*

**Participated in Discussion / Q&A:**

Glenda Born, Paul Hunt, Katherine Wheeler

**Meeting adjourned at 7:08 PM**



# Capital Metropolitan Transportation Authority

2910 East 5th Street  
Austin, TX 78702

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Board of Directors

**Item #:** AI-2022-329

**Agenda Date:** 1/24/2022

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Public Safety Advisory Committee (PSAC)

**Capital Metropolitan Transportation Authority**

**Public Safety Advisory Committee (PSAC)**

**Friday, August 29, 2025**

**11:30 AM**

**Virtual Presentation**

**CapMetro Employees:** Peter Breton, Licelda Briones, Darryl Jamail, Kelsey Lammy, Nina Loehr, Joe Rose, Emmanuel Toutin, Yvonne Wilson

**Committee Members:** Kathryn Kalinowski, Jason Rosson, Monica Sanchez, Christian Shelmire, Lauren Taylor, Christian Tschoepe, Sheena Walter

**Guests:**

**Meeting called to order at 11:40 AM**

**Welcome / Introductions / Call to Order**

*Peter Breton*

**Approval of the June 2025 minutes: Christian Tschoepe / 2<sup>nd</sup> by Kathryn Kalinowski – passes unanimously.**

**Public Communications**

N/A

**FY26 Budget Review**

*Emmanuel Toutin, Director of Budget and Financial Planning*

**Participated in Discussion / Q&A:** Christian Tschoepe

**July 4<sup>th</sup> Flood Response Operations**

*Darryl Jamail, Sr. Director of Public Safety & Emergency Mangement*

*Alex Abdun-Nabi, Emergency Preparedness Program Manager*

**Participated in Discussion / Q&A:** N/A

**Staff Updates**

*Transit Police*

*Community Engagement*

**Participated in Discussion / Q&A:** N/A

**Meeting adjourned at 12:19 PM**



# Capital Metropolitan Transportation Authority

2910 East 5th Street  
Austin, TX 78702

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Board of Directors

**Item #:** AI-2025-1605

**Agenda Date:** 9/22/2025

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Approval of minutes from the August 25, 2025 board meeting.



**Minutes**  
**Capital Metropolitan**  
**Transportation Authority**  
**Board of Directors**

2910 East 5th Street  
Austin, TX 78702

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**Monday, August 25, 2025**

**12:00 PM**

**Rosa Parks Boardroom**

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**I. Call to Order**

12:00 p.m. Meeting Called to Order

<b>Present:</b>	Travillion, Stratton, Ross, Harriss, Bangle, Ellis, and Vela
<b>Absent:</b>	Qadri

**II. Safety Briefing:**

**III. Public Comment:**

Cliff Bodenhafer, Carlos Leon, Barbara Elmore, Robert Allen and Deb Miller provided public comments.

**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. Action Items:**

1. Approval of minutes from the July 28, 2025 board meeting.

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

**Aye:** Travillion, Ross, Harriss, Bangle, and Vela

- Away:** Stratton, and Ellis
2. Approval of a resolution appointing Kevin Conlan, Interim Executive Vice President & Chief Financial Officer, to the CapMetro Investment Committee as an investment officer, with the authorization to withdraw, invest, reinvest, and accept payment with interest, consistent with the investment policy.
- 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, Ross, Harriss, Bangle, and Vela
- Away:** Stratton, and Ellis
3. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with Carahsoft Technology Corporation for ServiceNow software licensing subscription, with a base term of one (1) year and two (2) option years, in a total amount not to exceed \$894,594.
- A motion was made by Board Member Vela, seconded by Board Member Bangle, that this Resolution be adopted. The motion carried by the following vote:
- Aye:** Travillion, Ross, Harriss, Bangle, and Vela
- Away:** Stratton, and Ellis
4. 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), to renew Salesforce Marketing and Data Cloud Licensing for a term of one (1) year, in a total amount not to exceed \$344,236.
- A motion was made by Board Member Bangle, seconded by Board Member Vela, that this Resolution be adopted. The motion carried by the following vote:
- Aye:** Travillion, Stratton, Ross, Harriss, Bangle, and Vela
- Away:** Ellis
5. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with Hartford Life and Accident Insurance Company for basic life and AD&D insurance, long-term and short-term disability insurance; and FMLA administration paid by CapMetro, and voluntary life, long term disability buy-up, accident, and critical illness paid by employees in an amount not to exceed \$3,363,839, including a 12% contingency.
- A motion was made by Secretary of the Board Ross, seconded by Board Member Vela, that this Resolution be adopted. The motion carried by the following vote:
- Aye:** Travillion, Stratton, Ross, Harriss, Bangle, and Vela
- Away:** Ellis
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- 6. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute an interlocal agreement with the City of Austin for CapMetro to design a pedestrian and bicycle crossing located at the intersection of Solaris Street and the Red Line, in a total amount not to exceed \$671,000 in reimbursement to CapMetro.

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

**Aye:** Travillion, Stratton, Ross, Harriss, Bangle, and Vela

**Away:** Ellis

- 7. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute an interlocal agreement with the City of Austin for implementation of the City’s Transit Signal Priority Program.

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

**Aye:** Travillion, Stratton, Ross, Harriss, Bangle, and Vela

**Away:** Ellis

- 8. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a first amendment to an Encroachment Agreement with the City of Austin for the relocation of the Red Line Downtown Station right-of-way and improvements for the Austin Convention Center expansion project, generally located within Fourth Street between Trinity Street and Interstate Highway 35, Austin, Travis County, TX 78701.

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

**Aye:** Travillion, Stratton, Ross, Harriss, Bangle, and Vela

**Away:** Ellis

- 9. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a Soil Transfer Agreement with Waste Management of Texas, Inc., to allow CapMetro to transfer soil excavated from its property located at 10805 Cameron Road, Austin, Texas 78754, and deposit the soils, at no charge, at Waste Management’s landfill facility located at 9900 Giles Lane, Austin, Texas 78754.

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, Bangle, and Vela

**Away:** Ellis

- 10. Approval of a resolution authorizing the President & CEO, or her designee, to amend the CapMetro Procurement Acquisition Policy to raise the small purchasing threshold from \$50,000 to \$100,000 to align with state law, and make other minor clarifications.

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

**Aye:** Travillion, Stratton, Ross, Harriss, Bangle, and Vela

**Away:** Ellis

Memo: Revision to CapMetro Acquisition Policy - Increase in Small Purchasing Threshold (August 15, 2025)

- 11. Approval of the Transit-Oriented Development Implementation Policy, with no associated financial obligations.

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

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

Memo: Transit-Oriented Development (TOD) Next Steps for FY25-FY26 (August 5, 2025)

**VII. Discussion Items:**

- 1. Update on CapMetro Fare Programs and HMIS Pass Program

Memo: CapMetro Fare System and HMIS Pass, August 2025 Update (August 21, 2025)

- 2. Q3 Fiscal Year 2025 Performance Update

Memo: Q3 Fiscal Year 2025 Performance Update (August 18, 2025)

**VIII. Report:**

- 1. President and CEO Monthly Update - August 2025

**IX. Items for Future Discussion:**

**X. Adjournment**

2:10 p.m. Meeting Adjourned

**ADA Compliance**

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*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.*

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Board of Directors

Item #: AI-2025-1527

Agenda Date: 9/22/2025

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**SUBJECT:**

Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with The Arcanum Group for Hexagon EAM Licensing and Support Renewal, with a base term of one (1) year and four (4) option years including optional ad-hoc service hours, for a total amount not to exceed amount of \$3,762,152.

**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

**EXPLANATION OF STRATEGIC ALIGNMENT:** As part of our strategic commitment to fiscal responsibility and operational transparency, leveraging Hexagon EAM ensures clear visibility into asset performance and improves governance over maintenance operations and expenditures. This move supports our long-term objective to optimize asset investments, enhance operational oversight, and deliver reliable, high-quality services that meet the evolving needs of the organization.

**BUSINESS CASE:** To ensure ongoing operational efficiency, maximize asset lifespan, and provide proactive maintenance, the organization is committed to leveraging Hexagon EAM's comprehensive capabilities. This strategic utilization aims to streamline maintenance workflows, enhance data-driven decision-making, and improve the long-term reliability and performance of our critical assets.

**COMMITTEE RECOMMENDATION:** The item was presented and recommended for approval by the Operations, Planning and Safety Committee on September 10, 2025.

**EXECUTIVE SUMMARY:** The CapMetro implementation of Hexagon EAM modernized asset management, to enhance tracking, maintenance, and overall operational efficiency of our extensive fleet and facilities. This strategic move, now undergoing continuous refinement through data remediation and program enhancements, aims to ensure fiscal responsibility, improve transparency, and deliver reliable, high-quality transit services.

DBE/SBE PARTICIPATION: A 0% SBE goal was assigned to this procurement, which did not include subcontract opportunities.

PROCUREMENT: CapMetro will utilize the Texas Department of Information Resources (DIR), Contract Number DIR-CPO-4491, held by The Arcanum Group, Inc., for Software Products, Software as a Service (SaaS), and Enterprise Resource Planning (ERP) Software Modules Products and Services, to provide Hexagon EAM Licensing and Support Renewal.

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.

Pricing for Hexagon EAM Licensing and Support Renewal was determined to be fair & reasonable by the DIR organization during its solicitation and award process. The following is The Arcanum Group's pricing one (1) base and four (4) option years, including optional ad-hoc services hours:

Item	Description	Pricing	
1	Base Year - Hexagon EAM License and Support Renewal	\$669,853.	
2	Option Year 1 - Hexagon EAM License and Support Renewal	\$669,853	
3	Option Year 2 - Hexagon EAM License and Support Renewal	\$703,364.	
4	Option Year 3 - Hexagon EAM License and Support Renewal	\$738,572.	
5	Option Year 4 - Hexagon EAM License and Support Renewal	\$775,478.	
6	Optional Add-Hoc Service Hours	\$205,032.	
Grand Total - Items 1 Through 6:		\$3,762,152.	

The contract is a fixed price contract.

RESPONSIBLE DEPARTMENT: Information Technology

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

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**AI-2025-1527**

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors (and/or CapMetro Management) wish to provide clear visibility into the need to optimize asset investments, enhance operational oversight, and deliver reliable, high-quality services that meet the evolving needs of the organization; and

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors (and/or CapMetro Management) recognize the need to leverage Hexagon EAM as part of our strategic commitment to fiscal responsibility and operational transparency.

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 Arcanum Group for Hexagon EAM Licensing and Support Renewal, with a base term of one (1) year and four (4) option years including optional ad-hoc service hours, for a total amount not to exceed amount of \$3,762,152.

**Date:** \_\_\_\_\_

\_\_\_\_\_  
**Secretary of the Board  
Becki Ross**

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Board of Directors

Item #: AI-2025-1572

Agenda Date: 9/22/2025

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**SUBJECT:**

Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with GTS Technologies Solutions for Cervello licenses, for a term of three (3) years, in a total amount not to exceed \$757,896.

**FISCAL IMPACT:**

Refer to executive summary for clarification.

**STRATEGIC PLAN:**

**Strategic Goal Alignment:**

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

**EXPLANATION OF STRATEGIC ALIGNMENT:** Our investment in Cervello allows us visibility into our vital & non-vital network for the following:

- Network Visibility
- Vulnerability Management
- Security misconfiguration and Threat detection
- Compliance monitoring as required by FTA
- Risk management & Reporting

**BUSINESS CASE:** CapMetro currently owns licenses for the Cervello application. We would like to renew the license and support of this system as this is one of the critical systems for monitoring our vital and non-vital networks from cybersecurity threats.

**COMMITTEE RECOMMENDATION:** The item was presented and recommended for approval by the Operations, Planning and Safety Committee on September 10, 2025.

**EXECUTIVE SUMMARY:** The continued use of Cervello software allows CapMetro system and networks to be more secure and efficient by improving our visibility into our networks and providing preemptive threat detection. Funding for a one-year renewal is available in the FY26 Operating budget but there are significant cost savings for a three-year base term.

DBE/SBE PARTICIPATION: A 0% SBE goal was assigned to this procurement, which did not include subcontract opportunities.

PROCUREMENT: CapMetro will utilize The Interlocal Purchasing System (TIPS) cooperative, Contract No. 230105, held by GTS Technology Solutions, Inc. for Technology Solutions Products and Services, to renew Cervello licensing for a term of three (3) years.

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

Purchases made using TIPS contracts satisfy otherwise applicable competitive bidding requirements. Pricing for Cervello licensing was determined to be fair and reasonable by the TIPS organization during its solicitation and award process.

The following is TIPS pricing provided by GTS Technology Solutions, Inc. for renewal of Cervello licensing for a term of three (3), from October 1, 2025, through September 30, 2028:

Description	Pricing
Cervello Licensing Renewal 3-Year Renewal	\$757,896.

RESPONSIBLE DEPARTMENT: Information Technology

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

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**AI-2025-1572**

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors (and/or CapMetro Management) recognizes the need for visibility into our vital & non-vital networks for vulnerability management, security misconfiguration and threat detection, compliance monitoring as required by FTA, and risk management and reporting.

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 GTS Technologies Solutions for Cervello licenses, for a term of three (3) years, in a total amount not to exceed \$757,896.

Date: \_\_\_\_\_

\_\_\_\_\_  
**Secretary of the Board  
Becki Ross**

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Board of Directors

Item #: AI-2025-1538

Agenda Date: 9/22/2025

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**SUBJECT:**

Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute an Interlocal Agreement with the City of Round Rock for the provision of transit services for an amount not to exceed \$1,555,551.

**FISCAL IMPACT:**

This action reimburses CapMetro for expenses incurred.

**STRATEGIC PLAN:**

Strategic Goal Alignment:

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

**EXPLANATION OF STRATEGIC ALIGNMENT:** Through this ILA, CapMetro demonstrates regional leadership and implements service expansion opportunities through the operation of Round Rock’s transit services. This ILA also supports implementation of the CapMetro Service Expansion Policy.

**BUSINESS CASE:** As part of CapMetro’s Service Expansion Program, this ILA will reimburse CapMetro for operation of Round Rock’s transit services.

**COMMITTEE RECOMMENDATION:** The item was presented and recommended for approval by the Operations, Planning and Safety Committee on September 10, 2025.

**EXECUTIVE SUMMARY:** CapMetro operates Routes 50, 152 and 980 in the City of Round Rock. The City of Round Rock is outside the CapMetro service area and is a direct recipient of Federal Transit Administration Section 5307 grant funds. Provision of service shall be in accordance with the one-year ILA between CapMetro and the City of Round Rock, which reimburses CapMetro for all services provided.

**DBE/SBE PARTICIPATION:** Does not apply.

**PROCUREMENT:** Does not apply

**RESPONSIBLE DEPARTMENT:** Strategic Planning and Development

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

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**AI-2025-1538**

WHEREAS, the Capital Metropolitan Transportation Authority (“CapMetro”) Board of Directors and CapMetro management endeavor to be a valued community partner; and

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and Capital Metropolitan Transportation Authority management recognize the need to partner with local jurisdictions seeking transit services.

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 with the City of Round Rock for the provision of transit services for an amount not to exceed \$1,555,551.

**Date:** \_\_\_\_\_

\_\_\_\_\_  
**Secretary of the Board  
Becki Ross**

**THIRD AMENDMENT  
TO THE  
INTERLOCAL AGREEMENT  
FOR  
TRANSIT SERVICES  
BY AND BETWEEN  
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY AND  
THE CITY OF ROUND ROCK**

This Third Amendment (this "Amendment") to the Interlocal Agreement is made by and between the City of Round Rock, a home rule city and municipal corporation, organized under Chapter 9 of the Local Government Code (the "City") and Capital Metropolitan Transportation Authority ("CapMetro"), a political subdivision of the State of Texas organized under Chapter 451 of the Texas Transportation Code. The City and CapMetro are referred to in this Amendment individually as a "Party" and collectively as the "Parties."

**RECITALS**

- a. CapMetro and the City entered into that certain interlocal agreement for contracted transit services effective as of October 4, 2022, as amended by that certain First Amendment to the Interlocal Agreement for Transit Services dated effective October 1, 2023, pursuant to which CapMetro provides local fixed route service within the City, commuter service to Austin and reverse commuter service to the City (the "Agreement").
- b. The Parties desire to amend the Agreement as more particularly described herein to extend the term of the Agreement, add funds for the extended term, update the bus routes, vehicle hours and vehicle requirements for the extended term, and modify certain terms only as set forth herein.

**NOW, THEREFORE**, in consideration of the foregoing and the mutual promises herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to amend the Agreement as follows:

1. Additional Term. Section 4 of the Agreement is hereby amended to extend the Term of the Agreement for an additional twelve-month period beginning on October 1, 2025, through September 30, 2026 ("FY2026").
2. Fees for Transit Services. The amount of funding for the Transit Services for FY2026 shall not exceed \$1,555,551.00 as shown in **SFP-2 Schedule of Fees and Payments**, as amended below.
3. Fare Recovery. During FY2026, CapMetro will deduct the following amounts from each monthly invoice for fare recovery:

- a. For Bus Routes 50 (Round Rock), 152 (Round Rock Tech Ridge Limited) and 980 (North Mopac Express), CapMetro will deduct an amount equal to the product of: (i) the total cost of Transit Services provided by CapMetro under this Agreement for the invoiced month and (ii) CapMetro’s actual fare recovery percentage for the invoiced month.
  - b. The monthly CapMetro fare recovery percentage will be calculated by dividing the total amount of actual fares collected for all Transit Services provided by CapMetro in the invoiced month, by the total amount of CapMetro’s operation costs for the invoiced month.
4. Vehicle Hours. Section 2 of **SOS-1-Scope of Services** is revised to reflect that the Transit Services shall include three (3) bus routes: Bus Routes 50 (Round Rock), 152 (Round Rock Tech Ridge Limited) and 980 (North Mopac Express).

Vehicle hours for Route 980 (North MoPac Express) will be shared with CapMetro service from the Howard Station Park & Ride. The City is responsible only for the vehicle hours from Round Rock to Howard Station Park & Ride. CapMetro is responsible for vehicle hours from Howard Station Park & Ride to downtown Austin.

5. Vehicle Requirements. Pursuant to Section 3.1 of SOS-1-Scope of Services, the requirement for Bus Route 50 remains unchanged, with only one (1) peak vehicle designated as necessary for service operations.
6. Schedule of Fees and Payments. Attachment **SFP-2 Schedule of Fees and Payments** is amended by adding the following schedule of fees and payments for FY2026.

FY2026	Route 50/152	Route 980	Total
<b>Annual Hours</b>	7,565	778	
<b>Hourly Operating Rate</b>	\$175.31	\$159.53	
<b>Total Annual Hourly Operating Cost</b>	\$1,326,220	\$124,114	
<b>Annual TAM</b>	\$80,578	\$24,639	
<b>Total Fixed Route Cost</b>	\$1,406,798	\$148,753	\$1,555,551

\*The estimated annual hours are subject to change.

7. Insurance. Attachment **INS-I Insurance** is deleted in its entirety and replaced with **INS-2 Insurance** which is attached hereto and incorporated herein for all purposes.
8. Effect of Amendment. Except as expressly provided herein, all other provisions of the Agreement are incorporated into this Amendment, remain unchanged, are in

full force and effect, and are ratified and affirmed by the Parties. By their execution and delivery of this Amendment neither Party waives or releases any default hereunder.

9. Capitalized Terms. Capitalized terms used in this Amendment and not otherwise defined have the meanings assigned to them in the Agreement.
10. Entire Agreement. This Amendment represents the entire agreement between the Parties concerning the subject matter of this Amendment and supersedes any and all prior or contemporaneous oral or written statements, agreements, correspondence, quotations and negotiations.
11. Effective Date. This Amendment will be effective on the date of the last Party to sign.
12. Current Funds. The party or parties paying for the performance of governmental functions or services shall make payments therefore from current revenues available to the paying party.
13. Incorporation. The recitals set forth above and the attached exhibits are incorporated herein.
14. Counterparts; Electronic Signatures. This Amendment may be executed in any number of duplicate originals and each duplicate original will be deemed to be an original. This Amendment may be executed in any number of counterparts, each of which constitutes an original, and all the counterparts together constitute one and the same Amendment. Electronic copies of this Amendment and signatures thereon will have the same force, effect, and legal status as originals.

**IN WITNESS WHEREOF**, this Amendment is hereby accepted and agreed to by the following representatives of each Party who are duly authorized to bind the Parties:

**Capital Metropolitan Transportation Authority**

**City of Round Rock**

By: \_\_\_\_\_

By: \_\_\_\_\_

Dottie Watkins

Craig Morgan

President & CEO

Mayor

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to form:

Approved as to form:

By: \_\_\_\_\_

By: \_\_\_\_\_

Deputy Counsel

City Attorney

## INS-2 INSURANCE

### **CAPMETRO MINIMUM COVERAGE REQUIREMENTS FOR CONTRACTORS**

1. Commercial General Liability Insurance Coverage with limits of not less than One Million Dollars and No/100 Dollars (\$1,000,000) with combined single limit of \$2,000,000 with coverage that includes:

- Premises/operations
- Independent contractors
- Personal Injury
- Contractual Liability pertaining to the liabilities assumed in the agreement
- Underground (when ground surface is disturbed)

Such insurance shall include a contractual endorsement pertaining to the liabilities assumed in the Agreement.

**All Coverages shall be listed on front of the certificate, and listing the**

**Contractor as the certificate holder and CapMetro and the City of Round Rock as additional insured.**

2. Comprehensive Automobile insurance coverage with minimum limits of not less than One Million Dollars and No/100 Dollars (\$1,000,000) with combined single limit of \$2,000,000.

3. Workers' Compensation with Statutory limits.

4. Employer Liability Insurance with minimum limits of \$1,000,000. Such insurance shall include a contractual endorsement which acknowledges all indemnification requirements under the Permit.

5. Railroad Protection in the minimum amount of \$5,000,000 when construction activities (*e.g. excavation, demolition, utility installations, operation of cranes and other construction equipment that have the potential to enter the right-of-way...*) are within 50-feet of the nearest railroad track.

Note: Such policies of insurance and certificates shall provide (i) that CapMetro and the City of Round Rock is named as an additional insured, (ii) that the named insured's insurance is primary and non-contributory with any insurance maintained by CapMetro or the City of Round Rock, (iii) a contractual waiver of subrogation where required by

written contract or agreement, and (iv) that CapMetro and the City of Round Rock shall receive notice of any cancellation of the policy.

All insurance policies shall be written by reputable insurance company or companies acceptable to Licensor with a current Best's Insurance Guide Rating of A+ and Class XIII or better. All insurance companies shall be authorized to transact business in the State of Texas.

CapMetro

# Regional Transportation Agreements

September 10, 2025

# Resolutions for Approval

- Regional ILA Agreements
  - City of Round Rock ILA
  - Travis County ILA
  - City of Georgetown ILA
- CARTS Supplements
  - Georgetown Supplement No. 9 Amendment 8
  - Pickup Manor Supplement No. 8 Amendment 8
  - Route 214 Supplement No. 2 Amendment 7
  - Route 990 Supplement No. 4 Amendment 7

# Service Expansion Program

- The Service Expansion Policy adopted in June 2008 and revised in April 2014, reaffirmed in November 2022 defines five approaches for service to jurisdictions within the urbanized area that are not currently served by CapMetro.
- The Policy provides a process for distributing federal transit funding in the region (Section 5307 Funds) and implementing transit service.
- Jurisdictions within the urbanized area, but outside the CapMetro service area can participate.
- The program requires cities to first complete a Transit Development Plan (TDP) to identify transit service needs and assist in developing transit alternatives and financing.

## City of Round Rock ILA

- Round Rock is a direct recipient of Section 5307 Funds
- This agreement is for an amount not to exceed \$1,555,551
- Routes include:
  - Route 50 – Round Rock
  - Route 152 – Round Rock Tech Ridge Limited
  - Route 980 – Round Rock – North MoPac Express

# Travis County ILA

- The Interlocal Agreement funds:
  - Portions of Routes 233, 237, 271 and 318
  - Portions of Pickup Manor (Operated by CARTS)
  - Portions of Pickup Decker
  - This was approved by Commissioners Court on August 26

Local Funding Travis County	Section 5307 Funds	Estimated Fully Allocated Cost of Service FY26
\$1,430,055	\$351,057	\$1,781,112

# City of Georgetown ILA

- The Interlocal Agreement funds:
  - Existing service includes Limited Paratransit and Senior Service
- CARTS operates service via contract with CapMetro

Local Funding – The City of Georgetown	Section 5307 Funds	Estimated Fully Allocated Cost of Service FY26
\$258,854	\$172,570	\$431,424

# CARTS - Master Regional Mobility Agreement

- The Master Regional Mobility Agreement is between CapMetro and CARTS.
- CapMetro and CARTS collaborate to increase and enhance regional mobility in the region and the CARTS district. This addresses gaps in service that exist in the region and in the CARTS district.
- In each instance with respect to specific contracted services to be provide by CARTS for CapMetro the parties will enter into a supplement agreement.

# CARTS Supplements

- CARTS operates the following services through supplements:

## Regional Partners

- City of Georgetown service - \$410,886
- Pickup Manor (Partnership between CapMetro and Travis County) - \$1,506,390

## CapMetro routes operated by CARTS

- Route 214 Northwest Feeder - \$766,780
- Route 990 Manor/Elgin Express - \$191,398

# Resolutions for Approval

- Regional Agreements
  - City of Round Rock ILA
  - Travis County ILA
  - City of Georgetown ILA
- CARTS Supplements
  - Georgetown Supplement No. 9 Amendment 8
  - Manor Pickup Supplement No. 8 Amendment 8
  - Route 214 Supplement No. 2 Amendment 7
  - Route 990 Supplement No. 4 Amendment 7

CapMetro

Thank you!

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Board of Directors

Item #: AI-2025-1537

Agenda Date: 9/22/2025

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**SUBJECT:**

Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a one-year Interlocal Agreement (ILA) with Travis County for transit services in urbanized unincorporated areas of the county and for continued implementation of the Travis County Transit Development Plan in an amount not to exceed \$351,057 in FTA Section 5307 Funds and \$1,430,055 in local funds from Travis County in FY2026.

**FISCAL IMPACT:**

This action reimburses CapMetro for expenses incurred.

**STRATEGIC PLAN:**

Strategic Goal Alignment:

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

**EXPLANATION OF STRATEGIC ALIGNMENT:** This project will help CapMetro lead public transportation and development by sharing FTA Section 5307 grant funds with Travis County for the implementation of the Travis County Transit Development Plan which will expand transit service into the urbanized unincorporated areas of the county.

**BUSINESS CASE:** Travis County is participating in the CapMetro Service Expansion Program, which provides Travis County in FY26 with up to \$351,057 in FTA Section 5307 Funds for transit projects. This ILA defines the parameters for the use of federal funds.

**COMMITTEE RECOMMENDATION:** The item was presented and recommended for approval by the Operations, Planning and Safety Committee on September 10, 2025.

**EXECUTIVE SUMMARY:** Travis County is participating in the CapMetro Service Expansion Program. This program provides a portion of FTA Section 5307 funding to areas that are urbanized but are outside the CapMetro service area. Based on the unincorporated urbanized area population, Travis County has \$351,057 in federal transit funding available in FY26 to apply to transit planning or service-related costs through this program. To access the federal funds, Travis County completed and updated a Transit Development Plan, or TDP, per the guidelines of the Service Expansion Policy. Current projects include, but not limited to, continued funding of the urbanized unincorporated portions of Route 233, Route 237, Route 271, Route 318, Pickup

Manor, and Pickup Decker service.

DBE/SBE PARTICIPATION: Does not apply

PROCUREMENT: Does not apply

RESPONSIBLE DEPARTMENT: Strategic Planning and Development

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

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**AI-2025-1537**

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

WHEREAS, the CapMetro Board of Directors and CapMetro management recognize the need to build ridership and increase market share of alternate transit use.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the President & CEO, or her designee, is authorized to finalize and execute a one-year Interlocal Agreement with Travis County for transit services in urbanized unincorporated areas of the county and for continued implementation of the Travis County Transit Development Plan in an amount not to exceed \$351,057 in FTA Section 5307 Funds and \$1,430,055 in local funds from Travis County in FY2026.

**Date:** \_\_\_\_\_

\_\_\_\_\_  
**Secretary of the Board  
Becki Ross**

**INTERLOCAL AGREEMENT  
BETWEEN  
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY  
AND  
TRAVIS COUNTY  
FOR  
TRANSIT SERVICES IN URBANIZED UNINCORPORATED AREAS OF THE  
COUNTY  
AND  
FOR IMPLEMENTATION OF THE  
TRAVIS COUNTY TRANSIT DEVELOPMENT PLAN**

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

**I. Contracting Parties:**

The Receiving Agency: Travis County (“Travis County”)  
P.O. Box 1748  
Austin, TX 78767

The Performing Agency: Capital Metropolitan Transportation Authority  
 (“CapMetro”)  
3100 E. 5<sup>th</sup> Street  
Austin, TX 78702

**II. Recitals:**

- a. CapMetro is a political subdivision of the State of Texas responsible for providing mass transit service within the City of Austin, and the surrounding communities of Leander, Lago Vista, Jonestown, Manor, San Leanna, and Point Venture, as well as the unincorporated area of Travis County within Commissioner Precinct 2 (boundaries as of date of agreement joining CapMetro) and the Anderson Mill area of Williamson County.
- b. Texas Transportation Code, Section 451.056, grants CapMetro the authority to contract with a municipality, county, or other political subdivision to provide public transportation services outside of its service area.
- c. A Service Expansion Policy, approved by CapMetro’s Board of Directors in June 2008, amended in April 2014, reaffirmed in November 2022, and endorsed by the Capital Area Metropolitan Planning Organization

(CAMPO) in June 2014, defines the approaches for CapMetro to partner with cities and counties that are not currently a part of CapMetro's service area.

- d. One such approach is a contract for service whereby CapMetro provides service through an interlocal agreement with the jurisdiction. The jurisdiction pays the cost of service, with a credit given to the jurisdiction for Section 5307 eligible expenses.
- e. Since July 2015, CapMetro and Travis County have entered into annual interlocal agreements for CapMetro to provide transit services to areas of Travis County that are outside of CapMetro's service area in accordance with CapMetro's Service Expansion Program and utilizing Travis County's allocation of Section 5307 grant funds.
- f. On October 24, 2023, Travis County, updated its Transit Development Plan which was adopted by the Travis County Commissioners Court on July 10, 2018 ("TDP").
- g. The TDP recommends implementation of additional transit service in urbanized unincorporated portions of Travis County that are eligible for Section 5307 Funds.
- h. The Parties agree that continuing to provide transit services in the unincorporated urbanized areas of Travis County facilitates the movement of people, goods, and services in Travis County, and benefits the residents of Travis County, including residents who have low to moderate income and are dependent on transit in order to access basic goods and services.

**III. Services:** The Parties will work together to perform the following services (collectively, the "**Services**"):

- a. CapMetro agrees to provide and operate bus services ("**Bus Services**") for the following bus routes to serve portions of Travis County that are outside of CapMetro's service area (collectively, the "**Bus Routes**"):
  - 1. Route 233 (Decker/Daffan Ln., also known as Far Northeast Feeder Route);
  - 2. Route 237 (Northeast Feeder Route);
  - 3. Route 271 (Del Valle Feeder);
  - 4. Route 318 (Westgate/Slaughter);
  - 5. Pickup Manor
  - 6. Pickup Decker
- b. CapMetro will provide written notification to Travis County of any planned Bus Route and/or Pickup service addition, extension, discontinuation, or change, including the reasons for the change and the effective date of the change.

- c. The balance of Section 5307 Funds not used for paying the cost of the Services described in Section III.a. above, if any, will be used for paying the costs of the implementation of the Travis County TDP that are eligible for FTA Section 5307 Funds for Fiscal Year (FY) 2026 (October 1, 2025 – September 30, 2026) (“**TDP Services**”):
  - 1. Capital costs, including planning studies, bus stop amenities, bus stop relocations, public engagement, and other eligible costs for TDP implementation.
  - 2. Additional bus stops, additional bus routes, increased frequency of bus services, route extensions, and other services or programs identified by Travis County in the TDP.
- d. As with all CapMetro services, passengers accessing the Services will be allowed access to all other fixed routes and rail services, provided that they pay the appropriate fares charged by CapMetro.
- e. CapMetro may provide the Services through a third-party service provider.
- f. All public relations related to the Services will be coordinated through the CapMetro Public Information Office.
- g. CapMetro will monitor ridership on the Services and email ridership reports for each bus route to Travis County Transportation and Natural Resources staff on a monthly basis.
- h. CapMetro and Travis County staff will meet at least quarterly to review performance and coordinate on any modification to the bus routes.

**IV. Financial Terms:**

- a. Federal Urbanized Area Formula Funding program funds for Services eligible under Section 5307 (“Section 5307 Funds”). Total Section 5307 Funds allocated for the Services shall not exceed \$351,057.00 for FY 2026.
- b. Local Funds. For FY 2026, Travis County will provide local funds, in an amount that shall not exceed \$1,430,055.00 unless the Travis County Commissioners Court specifically authorizes additional funding for this Agreement. Subject to the County’s total not-to-exceed contribution limit of \$1,430,055.00 for this Agreement:
  - 1. Travis County will provide a match of 60 percent of the cost of the Bus Services and the operational costs described in Section III.c.2. above.
  - 2. Travis County will provide a match of 20 percent of the cost of the capital costs described in Section III.c.1. above.

3. Travis County will be responsible for 100 percent of the costs for Services after the Section 5307 Funds expenditure balance is exhausted.
- c. Fare Recovery. CapMetro will deduct the following amounts from each monthly invoice:
1. For Bus Routes 233 (Decker/Daffan Ln also known as Far Northeast Feeder), 237 (Northeast Feeder), 271 (Del Valle Feeder) and 318 (Westgate/Slaughter), CapMetro will deduct an amount equal to the product of (i) the total cost of Services for Bus Routes 233 (Decker/Daffan Ln also known as Far Northeast Feeder), 237 (Northeast Feeder), 271 (Del Valle Feeder) and 318 (Westgate/Slaughter) provided by CapMetro under this Agreement for the invoiced month and (ii) CapMetro's actual fare recovery percentage for the invoiced month. The monthly CapMetro fare recovery percentage will be calculated by dividing the total amount of actual fares collected for all transit services provided by CapMetro in the invoiced month, by the total amount of CapMetro's operation costs for the invoiced month.
  2. For Pickup Manor and Pickup Decker service for this Agreement (the "**Pickup Services**"), CapMetro will deduct from each monthly invoice an amount equal to the product of: (i) 25 percent of the total numbers of customers utilizing the Pickup Manor Services for the invoiced month and 26.9 percent of the total numbers of customers utilizing the Pickup Decker Services for the invoiced month; and (ii) the revenue collected by CapMetro for each such customer. As of the Effective Date of the Agreement, CapMetro collects \$0.50 in revenue per customer, but such amount is subject to change based on various factors, including fare adjustments.
  3. Fare recovery is subject to change based on various factors including fare adjustments and service adjustments, including service area adjustments. CapMetro will provide written notification to Travis County of any such change, including the reasons for the change and the effective date of the change.
- d. CapMetro will submit a "correct and complete" monthly invoice as described in Section IV.e. to Travis County for the Services performed in the previous month in an amount equal to any costs incurred by CapMetro for the Services performed that exceed the eligible Section 5307 Funds available for those Services, less the fare recovery amounts set forth in Section IV.c above. Travis

County will make payments under this Agreement in accordance with the Texas Prompt Payment Act (Chapter 2251 of the Texas Government Code).

- e. In order to be considered “correct and complete,” an invoice must include at least the following information:
  - 1. Name, address, and telephone number of CapMetro and similar information in the event payment is to be made to a different address,
  - 2. The name of this Agreement,
  - 3. Identification of items or Services as outlined in the Agreement, and
  - 4. Any additional payment information which may be called for by this Agreement or that is required by the Travis County Auditor’s Office.
  
- f. Each invoice must be submitted to the following address:

Travis County Transportation and Natural Resources Department  
Attention: Financial Services  
P.O. Box 1748  
Austin, TX 78767
  
- g. No other charges, expenses, contributions, recoupments, or charge backs shall be due from or paid by Travis County in the performance of this Agreement. Notwithstanding any provision to the contrary, Travis County will not pay for any Services until after the Services have been satisfactorily provided and Travis County has received a correct and complete invoice.
  
- h. Travis County is responsible for tracking invoices and the Section 5307 Funds expenditure balance. Travis County and CapMetro will meet quarterly to review invoices and the Section 5307 Funds expenditure balance.

**V. Insurance.** CapMetro shall have standard insurance sufficient to cover the needs of CapMetro and/or its third-party service providers (“Subcontractor”) pursuant to applicable generally accepted business standards. Prior to commencing work under this Agreement, the required insurance shall be in force as evidenced by a Certificate of Insurance issued by the writing agent or carrier. CapMetro shall forward a copy of the Certificate of Insurance to the County immediately upon execution of this Contract. CapMetro shall require each of its third-party service providers to maintain at least the minimum amounts of insurance and coverages set forth in **Exhibit “A”** attached to this Agreement.

**VI. Term of the Agreement:**

This Agreement shall take effect on October 1, 2025 (“**Effective Date**”) and terminates September 30, 2026.

**VII. Default:**

A Party shall be in default under this Agreement if that Party fails to fully, timely and faithfully perform any of its material obligations under the Agreement.

**VIII. Miscellaneous:**

a. Cooperation

The Parties will reasonably cooperate with the other in furtherance of the objectives of this Agreement.

b. Force Majeure

In the event that the performance by a Party of any of its obligations or undertakings hereunder shall be interrupted or delayed by any occurrence not occasioned by its own conduct, whether such occurrence be an act of God, or the common enemy, or the result of war, riot, civil commotion, sovereign conduct, pandemic, or the act or conduct of any person or persons not a party or privy hereto, then the Party shall be excused from such performance for such period of time as is reasonably necessary after such occurrence to remedy the effects hereto.

c. Notice

Any notice given hereunder by either Party to the other shall be in writing and may be effected by personal delivery in writing or by registered or certified mail, return receipt requested when mailed to the proper party, at the following addresses:

RECEIVING PARTY: The Honorable Andy Brown (or his successor)  
Travis County Judge  
P.O. Box 1748  
Austin, TX 78767  
Attn: Travis County Judge

WITH A COPY TO: Cynthia McDonald (or her successor)  
Transportation and Natural Resources County  
Executive  
P.O. Box 1748  
Austin, TX 78767

Delia Garza (or her successor)  
Travis County Attorney  
P.O. Box 1748  
Austin, TX 78767  
Attention: File Number 356.693

AND TO: C.W. Bruner, PMP, CPPB (or his successor)  
Travis County Purchasing Agent  
P.O. Box 1748  
Austin, TX 78767

PERFORMING PARTY: Dottie Watkins  
President & CEO  
CapMetro  
3100 E. 5<sup>th</sup> Street  
Austin, TX 78702

WITH A COPY TO: Chief Counsel  
CapMetro  
3100 E. 5<sup>th</sup> Street  
Austin, TX 78702

d. Entire Agreement

The recitals set forth above are incorporated herein. This Agreement contains the complete and entire agreement between the Parties respecting the matters addressed herein, and supersedes all prior negotiations, agreements, representations, and understanding, if any, between the parties respecting the subject of this Agreement. The recitals set forth above are incorporated herein.

e. Modification

This Agreement may not be modified, discharged, or changed in any respect whatsoever except by a further agreement in writing duly executed by authorized representatives of the Parties. No official, representative, agent, or employee of CapMetro, has any authority to modify this Agreement, except pursuant to such express authority as may be granted by CapMetro's Board of Directors or as otherwise provided in this Agreement. No official, representative, agent, or employee of Travis County, Texas has any authority to modify this Agreement, except pursuant to such express authority as may be granted by the Commissioners Court of Travis County, Texas.

Notwithstanding the foregoing, CapMetro's President & CEO will have the authority to negotiate and execute amendments to this Agreement on behalf of CapMetro without further action from the CapMetro Board of Directors, but only to the extent necessary to implement and further the clear intent of the CapMetro Board of Directors' approval, and not in such a way as would constitute a substantive modification of the terms and conditions hereof or otherwise violate Chapter 791 of the Texas Government Code.

f. Invalid Provision

Any clause, sentence, provision, paragraph, or article of this Agreement held by a court of competent jurisdiction to be invalid, illegal, or ineffective shall not impair, invalidate, or nullify the remainder of this Agreement, but the effect thereof shall be confined to the clause, sentence, provision, paragraph, or article so held to be invalid, illegal, or ineffective.

g. Inspection of Books and Records

- (1) The Parties agree to maintain all books, documents, papers, accounting records, and other documentation relating to costs incurred under this Agreement and to make such materials available to each other, and their duly authorized representatives, for review, inspection, and reproduction at their respective office during the period that this Agreement is in effect and for four years after the Agreement is terminated or until any impending litigation or claims are resolved, whichever is later.
- (2) CapMetro and Travis County and their duly authorized representatives shall have access to all the governmental records that are directly applicable to this Agreement for the purpose of making audits, examinations, excerpts, and transcriptions except that nothing in this Agreement requires CapMetro or Travis County to waive any applicable exceptions to disclosure under the Texas Public Information Act.

h. Current Funds

The Party or Parties paying for the performance or governmental functions or services shall make payments therefor from current revenues available to the paying party.

i. Venue

TO THE EXTENT ALLOWED BY TEXAS LAW, IT IS AGREED THAT VENUE FOR ALL LAWSUITS CONCERNING THIS AGREEMENT WILL BE IN TRAVIS COUNTY, TEXAS. THIS AGREEMENT IS WHOLLY PERFORMABLE IN TRAVIS COUNTY.

j. Interpretation

In the event of any dispute over its meaning or application, this Agreement will be interpreted fairly and reasonably and neither more strongly for or against either Party.

k. Application of Law

This Agreement is governed by the laws of the State of Texas.

l. Mediation

If mediation is acceptable to both Parties in resolving a dispute arising under this Agreement, the Parties agree to use a mutually agreed upon mediator, or a person appointed by a court of competent jurisdiction, for mediation as described in Section 154.023 of the Texas Civil Practice and Remedies Code. Unless both Parties are satisfied with the result of the mediation, the mediation will not constitute a final and binding resolution of the dispute. All communications within the scope of the mediation are to remain confidential as described in Section 154.073 of the Texas Civil Practice and Remedies Code, unless both Parties agree, in writing, to waive the confidentiality.

m. Third Party Rights Not Created

This Agreement is not intended to and shall not be construed to create any rights or remedies in any person or legal entity that is not a party to it and the Parties are not waiving any defense or immunity to which they are entitled against any person or legal entity that is not a Party to this Agreement.

n. Counterparts

This Agreement may be executed in separate counterparts, each of which is to be deemed an original, and all of such counterparts together shall constitute one and the same instrument. Signatures transmitted electronically by e-mail in a "PDF" format or by DocuSign or similar e-signature service shall have the same force and effect as original signatures in this Agreement.

o. Sovereign Immunity

By execution of this Agreement, neither Party waives or relinquishes any sovereign immunity rights available to it by law except as otherwise stipulated by applicable laws.

p. Contract Authority

This Agreement is entered into between the Parties shown below pursuant to the authority granted and in compliance with the provisions of the Interlocal Cooperation Act, Chapter 791, Texas Government Code.

q. Taxpayer Identification

CapMetro shall provide Travis County with an Internal Revenue Form W-9, Request for Taxpayer Identification Number and Certification, that is completed in compliance with the Internal Code and its rules and regulations before any funds are payable.

r. Survival

Conditions and covenants of this Agreement which by their terms are performable after the termination, expiration, or end of this Agreement shall survive such termination, expiration, or end and remain fully performable.

Each of the signatories to this Agreement represents and warrants that he or she is duly authorized to sign this in the capacity indicated to be effective as of the Effective Date.

*[Signature page follows]*

**PERFORMING AGENCY**  
**Capital Metropolitan Transportation Authority**

By: \_\_\_\_\_  
Dottie Watkins  
President & CEO  
CapMetro

Signature Date: \_\_\_\_\_

Approved as to Form

By: \_\_\_\_\_  
CapMetro Legal Department

**RECEIVING AGENCY**  
**Travis County, Texas**

By: \_\_\_\_\_  
Andy Brown  
County Judge

Signature Date: \_\_\_\_\_

*[FY26 Interlocal agreement between CapMetro and Travis County for transit services in urbanized areas and to implement Travis County Transit Development Plan]*

## Exhibit “A” Insurance Coverage

### CAPMETRO MINIMUM COVERAGE REQUIREMENTS FOR CONTRACTORS

1. Commercial General Liability Insurance Coverage with limits of not less than One Million Dollars and No/100 Dollars (\$1,000,000) with combined single limit of \$2,000,000 with coverage that includes:

- Premises/operations
- Independent contractors
- Personal Injury
- Contractual Liability pertaining to the liabilities assumed in the agreement
- Underground (when ground surface is disturbed)

Such insurance shall include a contractual endorsement pertaining to the liabilities assumed in the Agreement.

**All Coverages shall be listed on front of the certificate, and listing the Contractor as the certificate holder and CapMetro and Travis County, a political subdivision of the State of Texas, as additional insureds.**

2. Comprehensive Automobile insurance coverage with minimum limits of not less than One Million Dollars and No/100 Dollars (\$1,000,000) with combined single limit of \$2,000,000.

3. Workers’ Compensation with Statutory limits.

4. Employer Liability Insurance with minimum limits of \$1,000,000. Such insurance shall include a contractual endorsement which acknowledges all indemnification requirements under the Permit.

5. Railroad Protection in the minimum amount of \$5,000,000 when construction activities (*e.g. excavation, demolition, utility installations, operation of cranes and other construction equipment that have the potential to enter the right-of-way...*) are within 50-feet of the nearest railroad track.

Note: Such policies of insurance and certificates shall provide (i) that CapMetro and Travis County, a political subdivision of the State of Texas, are named as additional insureds, (ii) that the named insured’s insurance is primary and non-contributory with any insurance maintained by CapMetro and Travis County, a political subdivision of the State of Texas, (iii) a contractual waiver of subrogation where required by written contract or agreement, and (iv) that CapMetro and Travis County, a political subdivision of the State of Texas, shall receive notice of any cancellation of the policy.

All insurance policies shall be written by reputable insurance company or companies acceptable to CapMetro and Travis County, a political subdivision of the State of Texas,

with a current Best's Insurance Guide Rating of A+ and Class XIII or better. All insurance companies shall be authorized to transact business in the State of Texas.

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Board of Directors

Item #: AI-2025-1536

Agenda Date: 9/22/2025

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**SUBJECT:**

Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute an Interlocal Agreement with the City of Georgetown for the operation of limited paratransit and senior service in Fiscal Year 2026 for an amount not to exceed \$172,570 in Federal Transit Administration Section 5307 Funds and \$258,854 in local funds from the City of Georgetown.

**FISCAL IMPACT:**

This action reimburses CapMetro for expenses incurred.

**STRATEGIC PLAN:**

Strategic Goal Alignment:

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

**EXPLANATION OF STRATEGIC ALIGNMENT:** This ILA will provide limited paratransit and senior service in the City of Georgetown made possible by sharing FTA Section 5307 funds with the City of Georgetown through the CapMetro Service Expansion Program. The Services were recommended as part of the Georgetown Transit Development Plan, which was developed in accordance with the CapMetro Service Expansion Policy.

**BUSINESS CASE:** As the FTA Designated Recipient for the Urbanized Area Formula Funding program (49 U.S.C. 5307) for the Austin Urbanized Area, CapMetro is responsible for allocating Section 5307 funds within the urbanized area. The 2020 Census designated Georgetown as part of the Austin Urbanized Area, and the City desires to use Section 5307 funds to support limited paratransit and senior service. Georgetown has met all the requirements to participate in the Service Expansion Program.

**COMMITTEE RECOMMENDATION:** The item was presented and recommended for approval by the Operations, Planning and Safety Committee on September 10, 2025.

**EXECUTIVE SUMMARY:** Through the CapMetro Service Expansion Program, the City of Georgetown uses a combination of FTA Section 5307 funds and local funds to pay 100 percent of the cost for transit service operated in the City. To use the FTA Section 5307 Funds, the City completed and adopted a Transit Development Plan (TDP) in 2016 and updated it in 2024 in compliance with the CapMetro Service Expansion Policy. Service is operated by CARTS through the CARTS and CapMetro Regional Mobility Agreement, which is

presented in a separate agenda item. Approval of this ILA will provide for the City of Georgetown Limited Paratransit and Senior Service for Fiscal Year 2026.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply

RESPONSIBLE DEPARTMENT: Strategic Planning and Development

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

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**AI-2025-1536**

WHEREAS, the Capital Metropolitan Transportation Authority (“CapMetro”) Board of Directors and CapMetro management endeavor to be a valued community partner; and

WHEREAS, the CapMetro Board of Directors and CapMetro management recognize the need to partner with local jurisdictions seeking transit services.

NOW, THEREFORE, BE IT RESOLVED by the CapMetro Board of Directors that the President & CEO, or her designee, is authorized to finalize and execute an Interlocal Agreement with the City of Georgetown for operation of Limited Paratransit and Senior Service for Fiscal Year 2026 for an amount not to exceed \$172,570 in FTA Section 5307 funds and \$258,854 in local funds from the City of Georgetown.

**Date:** \_\_\_\_\_

\_\_\_\_\_  
**Secretary of the Board  
Becki Ross**

**INTERLOCAL AGREEMENT**  
**BETWEEN**  
**CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY**  
**AND**  
**THE CITY OF GEORGETOWN**  
(Limited Paratransit and Senior Services)

This Interlocal Agreement (“Agreement”) is between Capital Metropolitan Transportation Authority, a transportation authority and political subdivision of the State of Texas organized under Chapter 451 of the Texas Transportation Code (“CapMetro”), and the City of Georgetown, a home rule city and municipal corporation, organized under Chapter 9 of the Local Government Code (“City”), each individually referred to as “Party” and collectively referred to as “Parties”, pursuant to the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code.

**RECITALS**

**WHEREAS**, City desires to partner with CapMetro to obtain transit services within the area as more particularly described and shown in **Exhibit “D”** (the “Service Area”) for eligible City residents and eligible visitors defined by physical or functional disability and persons age 65 or older (“Limited Paratransit and Senior Service” or “Service”); and

**WHEREAS**, CapMetro desires to provide the Limited Paratransit and Senior Service to the City; and,

**WHEREAS**, the Limited Paratransit and Senior Service will be funded by Federal Transit Administration (“FTA”) funding under the Urbanized Area Formula Funding program, 49 U.S.C. 5307 (“Section 5307”); and,

**NOW THEREFORE**, in consideration of the mutual covenants and agreements herein, CapMetro and the City agree as follows:

**AGREEMENT**

1. **Services**. CapMetro will provide Limited Paratransit and Senior Service within the Service Area as described in the Scope of Services attached as **Exhibit “A”** to this Agreement (the “Services”). CapMetro will contract with the Capital Area Rural Transportation System or other transportation provider mutually agreed upon by the Parties (the “Third Party Service Provider”) to perform the Services. The City grants CapMetro and the Third Party Service Provider the right to use the City’s streets to provide the Services for the term of this Agreement.

2. **Term.** This Agreement shall be effective upon signature of the last party to sign this Agreement (“Effective Date”) and shall terminate on September 30, 2026, unless terminated for cause or convenience prior to the expiration date (“Term”).
3. **Fees.** During the Term, the fees for Services (collectively, the “Fees”) shall not exceed the following amounts:
  - a) \$172,570 in FTA Section 5307 funds and \$258,854 in corresponding local match funds from the City, which shall be based on the vehicle weekday hours and hourly rates set forth in **Exhibit “B”**.
  - b) The City will be responsible for 100 percent of the costs for any Services provided after the FTA Section 5307 funds expenditure balance is exhausted. The City is responsible for tracking invoices and FTA Section 5307 funds expenditure balance. The City and CapMetro will meet quarterly to review invoices and the FTA Section 5307 funds expenditure balance.
4. **Invoicing and Payment.**
  - a) The City shall pay CapMetro for Services provided pursuant to this Agreement in accordance with rates set forth in **Exhibit “B”** of this Agreement.
  - b) Invoices may be submitted once per month and submitted to the attention of:

City of Georgetown  
Finance Department  
P.O. Box 409  
Georgetown, TX 78627
  - c) Upon CapMetro’s submission of proper invoices, payments will be processed in accordance with the Texas Prompt Payment Act, Texas Government Code, Subtitle F, Chapter 2251.
5. **Insurance.** CapMetro shall require its Third Party Service Provider to maintain at least the minimum amounts of insurance and coverages set forth in **Exhibit “C”** attached to this Agreement.
6. **Independent Contractor.** CapMetro’s relationship to the City in the performance of this Agreement is that of an independent contractor. The personnel performing Services under this Agreement shall at all times be under CapMetro’s exclusive direction and control and shall be employees or subcontractors of CapMetro and not employees of the City. There shall be no contractual relationship between any subcontractor or supplier of CapMetro and the City by virtue of this Agreement. CapMetro shall pay wages, salaries, and other amounts due its employees in connection with this Agreement and shall be responsible for all reports and obligations

respecting them, such as Social Security, income tax withholding, unemployment compensation, workers' compensation, and similar matters.

7. **Standards of Performance.** CapMetro shall perform Services hereunder in compliance with all applicable federal, state, and local laws and regulations. CapMetro shall use only licensed personnel to perform work required by law to be performed by such personnel.
8. **Licenses and Permits.** CapMetro shall, without additional expense to the City, be responsible for obtaining any necessary licenses, permits, and approvals for complying with any federal, state, county, municipal, and other laws, codes, and regulations applicable to the performance of Services to be provided under this Agreement including, but not limited to, any laws or regulations requiring the use of licensed subcontractors to perform parts of the work.
9. **Notice of Labor Disputes.** If CapMetro has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of the Services, CapMetro immediately shall give notice, including all relevant information, to the City.
10. **Excusable Delays.** Except for defaults of subcontractors, CapMetro shall not be in default because of any failure to perform this Agreement under its terms if the failure arises from causes beyond the control and without the fault or negligence of CapMetro. Examples of these causes are: acts of God or of the public enemy, acts of the City in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather. In each instance, the failure to perform must be beyond the control and without the fault or negligence of CapMetro.
11. **Termination for Convenience.** A party may, whenever the interests of that Party so require, terminate this Agreement, in whole or in part, for the convenience of that Party. Such Party shall give ninety (90) days' prior written notice of the termination to the other Party specifying the part of the Agreement terminated and when such termination becomes effective shall incur no further obligations in connection with the Services so terminated, and, on the date set forth in the notice of termination, CapMetro will stop the Services to the extent specified; provided, any such termination must align with CapMetro's three (3) yearly service changes, which occur in January, June, and August. Notwithstanding the foregoing, either Party may terminate at any time in the event federal funds are withdrawn, terminated, or canceled by the FTA or a successor agency. In the event of such a termination, the terminating Party shall give the other Party written notice of the termination specifying the part of the Agreement terminated and when such termination becomes effective. On the date set forth in the notice of termination, CapMetro will stop the Services to the extent specified.
12. **Equal Employment Opportunity.** In connection with the execution of this Agreement, CapMetro shall not discriminate against any employee or applicant for employment

because of race, religion, color, sexual orientation, sex, age, national origin, or disability. CapMetro shall take affirmative action to ensure that applicants and employees are treated fairly without regard to their race, religion, color, sexual orientation, sex, age national origin, or ability. Such actions shall include, but not be limited to, the following: employment, upgrading, promotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

**13. Federal Funding.**

- a) The Parties intend to use federal funds to meet a portion of the financial obligations under this Agreement. In recognition of this fact, the Parties agree to conduct all procurements, maintain all records, and otherwise conduct their activities under this Agreement to ensure compliance with all applicable federal statutes, regulations, policies, and Agreement requirements necessary to obtain and expend anticipated federal funds and reimbursements, including but not limited to the requirements of 49 C.F.R. section 18.36.
- b) The Parties will specifically comply with the federal contracting requirements as set forth in the 2025 Federal Transit Administration Master Agreement (“**Master Agreement**”), which may be accessed at the following link: <https://www.transit.dot.gov/sites/fta.dot.gov/files/2025-04/FTA-Master-Agreement-v33-04-25-2025.pdf>. In doing so, the Parties will require compliance with the applicable federal contracting provisions in all of their contracts and subcontracts related to the Services. In their contracting processes, the Parties will solicit proposals or bids for all of the contracts in accordance with applicable federal, state and local laws, rules, regulations, and funding requirements.

**14. Use of Information.** It shall be the responsibility of each Party to comply with the provisions of the Texas Public Information Act, Chapter 552 of the Texas Government Code (“TPIA”). Neither Party is authorized to receive requests or take any other action under the TPIA on behalf of the other Party.

**15. Examination and Retention of Records.** The City and its representatives shall have audit and inspection rights described below:

- a) The City and its representatives shall have the right to examine, all books, records, documents, and other evidence and accounting procedures and practices sufficient to reflect properly all direct and indirect costs of whatever nature claimed to have been incurred and anticipated to be incurred for the performance of this Agreement. Such right of examination shall include inspection at all reasonable times at CapMetro offices, or such parts thereof, as may be engaged in or maintain records in connection with the performance of this Agreement.

- b) All records shall be made available at the office of CapMetro at all reasonable times for inspection, audit, or reproduction until the expiration of three (3) years from the date of final payment under this Agreement or for the amount of time required under applicable records retention laws, whichever is longer except that if this contract is completely or partially terminated, the records relating to the work terminated shall be made available for a period of three (3) years from the date of any final settlement or for the amount of time required under applicable records retention laws, whichever is longer.

**16. Liability and Limitation of Liability.**

- a) To the extent allowed by Texas law, the Parties agree that each Party is responsible, to the exclusion of any such responsibility of the other Party, for its own proportionate share of liability for its and its employees', subcontractors', and agents' negligent acts and omissions for claims, suits, and causes of action, including claims for property damage, personal injury and death, arising out of or connected to this Agreement and as determined by a court of competent jurisdiction, provided that the execution of this Agreement will not be deemed a negligent act.
- b) In no event shall either Party, their respective officers, directors, agents, or employees be liable in contract or tort, to the other party (or its subcontractors) for special, indirect, incidental, or consequential damages, resulting from the performance, nonperformance, or delay in performance of their obligations under this Agreement. This limitation of liability shall not apply to intentional tort or fraud.

**17. Assignment.** This Agreement shall be binding upon the parties, their successors, and assignees; provided, however, that neither Party shall assign its obligations or delegate its duties hereunder without the prior written consent of the other. Any attempted assignment or delegation without written consent shall be void and ineffective.

**18. Governing Law.** The rights, obligations, and remedies of the Parties shall be governed by the laws of the State of Texas. Whenever there is no applicable state statute or decisional precedent governing the interpretation of, or disputes arising under or related to, this Agreement, then federal common law, including the law developed by federal boards of contract appeals, the United States Claims Court (formerly the Court of Claims), and the Comptroller General of the United States, shall govern.

**19. Venue.** Venue for any action shall lie exclusively in Travis County, Texas.

**20. Incorporation by Reference.** Incorporated by reference the same, as if specifically written herein are the rules, regulations, and all other requirements imposed by the law, including but not limited to compliance with those applicable rules and

regulations of the State of Texas and federal government, all of which shall apply to the performance of the Services under this Agreement.

21. **Severance**. Should any one or more provisions of this Agreement be deemed invalid, illegal or unenforceable for any reason, such as invalidity, illegality or unenforceability shall not affect any other provision held to be void, voidable, or for any reason whatsoever of no force and effect, such provision(s) shall be constructed as severable from the remainder of this Agreement and shall not affect the validity of all other provisions of this Agreement, which shall remain of full force and effect.
22. **Headings**. The headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.
23. **Notices**. Any notice required or permitted to be delivered under this Agreement shall be deemed delivered in person or when deposited in the United States mail, postage prepaid, certified mail, return receipt requested, addressed to the City or CapMetro, as the case may be, at the addresses set forth below. Notice given by any other manner shall be deemed effective only if and when received by the Party to be notified. A Party may change its address for notice by written notice to the other Party as herein provided.

If to City:

David Morgan, City Manager  
City of Georgetown  
P.O. Box 409  
Georgetown, TX 78627

With copy to:

Skye Masson, City Attorney  
City of Georgetown  
P.O. Box 409  
Georgetown, TX 78627

If to CapMetro:

Sharmila Mukherjee, EVP Planning and Development  
Capital Metropolitan Transportation Authority  
3100 E. 5<sup>th</sup> Street  
Austin, TX 78702

With copy to:

Capital Metropolitan Transportation Authority  
3100 E. 5<sup>th</sup> Street  
Austin, TX 78702  
ATTN: Chief Counsel

These writings are intended as the final expressions of the Agreement of the Parties and as a complete and exclusive statement of the terms of the Agreement.

24. **Performance**. The failure of a Party at any time to require performance by the other Party of any provision of this Agreement shall in no way affect the right of such Party to require such performance at any time thereafter nor shall the waiver by either Party of a breach of any provision be taken or held to be a waiver of any succeeding breach of such provision or as a waiver of the provision itself.
25. **No Waiver**. The Parties to this Agreement are governmental entities under state law and nothing in this Agreement waives or relinquishes the right of the Parties to claim any exemptions, privileges and immunities as may be provided by law.
26. **Amendment**. Except as provided in subsection a, this Agreement may be amended only in writing by an instrument signed by an authorized representative of CapMetro and the City. The City Manager and the CapMetro President & CEO will have the authority to negotiate and execute amendments to this Agreement without further action of the Georgetown City Council and CapMetro's Board of Directors' approval, but only to the extent necessary to implement and further the clear intent of the respective governing boards approval, and not in such a way as would constitute a substantive modification of the terms and conditions hereof or otherwise violate Chapter 791 of the Texas Government Code. Any amendments that would constitute a substantive modification to the Agreement must be approved by the governing bodies of the Parties.
  - a) Amendments to Service Area: The City Manager and the CapMetro President & CEO, or their designees, may agree in a signed writing to amend the Service Area as long as the cost of the Services do not increase. The Parties recognize that changes to the Service Area constitute a service change. The City's decision to effectuate a service change must be based on a review of ridership and an overall cost benefit analysis of the Agreement. The City must also undertake outreach efforts to the public regarding the proposed service change, including gathering public comments, of which may potentially include expressed concern and objection to the elimination of any services provided in the impacted Service Area. The City must consider the comments and potential impact to the affected segments of the population and ultimately determine if the service change is in the best interest of the City and the general public at the time. Documentation of these efforts and reviews must be provided to CapMetro prior to executing any amendment under this

subsection. The City must provide written notice of the proposed service change to CapMetro and CARTS, and, at a minimum, a written or verbal notice by phone to the impacted customers 30 days before the date service changes are implemented.

27. **Entire Agreement.** This Agreement represents the complete and entire Agreement between the Parties respecting the matters addressed herein, and supersedes all prior negotiations, agreements, representations, and understanding, if any, between the Parties pertaining to the subject matter herein.
28. **Current Revenues.** All monies paid by the Parties under this Agreement will be paid from current revenues available to the paying Party.
29. **Appropriation of Funds.** The obligations of the City under this Agreement to make payments to CapMetro are subject to appropriation by the City of funds that are lawfully available to be applied for such purpose. If City fails to make such an appropriation prior to a fiscal period of City for the payments scheduled in such a fiscal period, this Agreement shall terminate at the end of the last fiscal period immediately preceding the fiscal period for which funds have not been appropriated. If feasible, the City shall deliver notice to CapMetro of such termination at least forty-five (45) days prior to such termination, but failure to give such notice shall not prevent the termination of this Agreement.
30. **Survivability.** The provisions of Sections 14 through 16 shall survive the termination, expiration, or non-renewal of this Agreement.
31. **Exhibits.** The following exhibits are incorporated herein by reference:
  - A. Scope of Services
  - B. Fees
  - C. Insurance
  - D. Service Area

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed by their respective undersigned duly authorized effective as of the Effective Date.

**Capital Metropolitan Transportation Authority**

**City of Georgetown**

By: \_\_\_\_\_  
Dottie Watkins  
President & CEO

By: \_\_\_\_\_  
Josh Schroeder:  
Mayor, City of Georgetown

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to Form:

By: \_\_\_\_\_  
Ayeola Williams  
Deputy Counsel

Attest:  
By: \_\_\_\_\_  
Robyn Densmore  
City Secretary

Approved as to Form:

By: \_\_\_\_\_  
Skye Masson  
City Attorney

## Exhibit A – Scope of Services

### 1. GENERAL PURPOSE

This Scope of Services documents the requirements related to the operation of Limited Paratransit and Senior Service operated by a Third Party Service Provider through a contract with CapMetro for the City:

- 1.1. CapMetro through its Third Party Service Provider shall provide an operationally dependable vehicle service for passenger use, equipped for passenger comfort in a cost-effective manner, and continually maintained and operated in a safe condition as described herein.
- 1.2. CapMetro through its Third Party Service Provider shall furnish all supervision, personnel, passenger vehicles, fuel, materials, supplies, storage and maintenance facilities, tools, equipment, insurance, and incidentals as required to perform an operationally dependable public transportation service.
- 1.3. Third Party Service Provider shall provide reservation and dispatch services in response to reservations made by customers or their agents through the Third Party Service Provider's reservation system.

### 2. DESCRIPTION OF SERVICE

- 2.1 The Services consist of transit services within the Service Area for eligible City residents and eligible visitors defined by physical or functional disability and persons age 65 or older (the "Limited Paratransit and Senior Service").
- 2.2 Limited Paratransit and Senior Service eligibility and scheduling shall be completed by Third Party Service Provider through written or verbal communication with the customer. The Limited Paratransit Service eligibility is based on the application attached hereto as **Attachment 1**. The Senior Service eligibility shall be completed through an intake form by verifying customer eligibility through written or verbal communication with the customer. The Limited Paratransit Service eligibility application and Senior Service intake form may be revised from time to time subject to written approval from the City.
- 2.3 Eligible customers are required to follow the Code of Conduct and policies listed within the Georgetown Limited Paratransit and Senior Service Rider's Manual.

### **3. SERVICE PERIOD**

The Limited Paratransit and Senior Service will operate weekdays from approximately 7:00 a.m. to 7:00 p.m. The Third Party Service Provider will not provide service on Third Party Service Provider's holidays.

### **4. VEHICLE REQUIREMENTS**

Up to two (2) vehicles are required for Limited Paratransit and Senior Service. Vehicle hours may be adjusted by mutual agreement of the Parties based on customer demand.

The vehicles shall be accessible and capable of transporting at least twelve (12) seated persons.

### **5. VEHICLE HOURS**

Vehicle hours are:

- Estimated Total Daily Weekday Hours = 17.9
- Estimated Total Annual Weekday Hours = 4,494
- Total Annual Weekday Hours to be utilized as necessary to meet customer demand is 4,494

### **6. VEHICLES**

- 6.1. The vehicles shall have adequate heating and air conditioning; two-way radios, not on citizen band frequency; fare box; adequate interior lighting; interior and exterior signage; bicycle racks; and padded, comfortable seating for passengers. All vehicles shall be wheelchair accessible and capable of handling two (2) wheelchair positions.
- 6.2. Vehicles shall have illuminated destination signs that are highly visible and in compliance with ADA regulations.
- 6.3. Vehicles shall be equipped with passenger notice holders, and passenger discharge bells.
- 6.4. Vehicle bodies, frames, and components shall be in sound condition, and free of all damage. Vehicles shall comply with safety and mechanical standards of all state, federal and local governments. All mechanical, electrical, and hydraulic securement systems shall be maintained in proper working condition at all times.
- 6.5. All vehicles shall be equipped to permit inward and outward wheelchair boarding. Ramps and lifts will comply with ADA standards. Securement for mobility devices

shall consist of four (4) securement belts. Additionally, a lap belt will be provided, if desired by the customer.

- 6.6. The vehicles' air conditioning system shall be of sufficient size and capacity to maintain an inside constant temperature of 75 degrees Fahrenheit throughout the vehicle, regardless of outside temperature and relative humidity. The heating system shall have proportional controls and be of sufficient capacity to maintain an inside constant temperature of 70 degrees Fahrenheit throughout the vehicle regardless of outside temperatures.
- 6.7. All vehicles operated by the Third Party Service Provider shall be painted in accordance with the CapMetro's graphic program.
- 6.8. Vehicles may support graphic content that identifies the Service when operating within Georgetown. Additional vehicle hour cost for graphic installation incurred by the Third Party Service Provider shall be reimbursed by City to the Third Party Service Provider.

## **7. EQUIPMENT CONDITION**

- 7.1. The Third Party Service Provider shall maintain each bus in a clean condition throughout, both interior and exterior, at all times that the bus is in service for the City. All buses must be swept, mopped, interiors wiped down (i.e., dashboards, stanchions, bars, etc.).
- 7.2. All vehicles placed into revenue service shall have all safety items fully operational (i.e., lights, brakes, horn, tires, etc.).
- 7.3. Spare vehicles shall be available to replace any vehicle that may become disabled or otherwise unavailable for operations.
- 7.4. The Third Party Service Provider shall ensure regular and frequent maintenance checks of bus lifts and ramps and will keep all lifts and ramps are in good running condition.

## **8. REPORTING**

- 8.1. CapMetro shall submit system information to the National Transit Database ("NTD") and FTA, as required by FTA Section 5307.
- 8.2. CapMetro shall submit ridership, on-time performance and number of applications received/approved/denied to the City on a monthly basis in a format mutually agreed to by both Parties.

## **9. TRAINING**

- 9.1. All bus operators performing the service of the City will be properly trained to provide a high-quality public transportation service. Training will include, at a minimum, the following elements:
  - 9.1.1. Defensive Driving
  - 9.1.2. Customer service, including providing service to persons with disabilities and proper customer communication practices required for polite customer assistance
  - 9.1.3. Route specific training
  - 9.1.4. Ongoing refresher training

## **10. PERSONNEL**

- 10.1. CapMetro's Third Party Service Provider shall furnish all operators, mechanics, dispatchers, supervisors, administrative personnel and other personnel services necessary for providing the Services.
- 10.2. CapMetro's Third Party Service Provider shall employ a supervisor to monitor the Services. Such supervision shall also include responses to and investigation of all accidents.
- 10.3. CapMetro's Third Party Service Provider shall provide dispatch and radio monitoring personnel during hours of Service. CapMetro's Third Party Service Provider shall be able to effectively dispatch assignments and provide prompt responses to driver and/or vehicle problems which could impact service.

## **11. FARE COLLECTION**

- 11.1. CapMetro or CapMetro's Third Party Service Provider shall collect all fare revenue.
- 11.2. The amount of fares collected will be documented on the City's monthly invoice and deducted from the cost of service.
- 11.3. CapMetro's Third Party Service Provider shall provide the City with fare media for the Service.

## 12. MARKETING AND PUBLIC RELATIONS

12.1 Third Party Service Provider will coordinate on all applicable schedules, maps and other printed materials required for marketing the Service. The Third Party Service Provider shall distribute CapMetro customer notices. The City shall also coordinate to distribute appropriate materials for services that benefit customers of each service, cooperate and participate in marketing, promotion, advertising, public relations, and public education programs and projects. The City and CapMetro shall be the exclusive public media spokespeople in connection with the Contracted Service. The City is responsible for updating and maintaining the GoGeo webpages.

12.2 Except as provided in Section 12.1, marketing material for the Service shall be the responsibility of the City.

*Remainder of page intentionally left blank.*

## Attachment 1 to Scope of Services

### Eligibility Application

**GoGeo**

## Limited Paratransit Eligibility Application



GoGeo provides Limited Paratransit Service to eligible residents and visitors in the City of Georgetown. This service provides rides to points within the Service Area. GoGeo Limited Paratransit Service is operated by the Capital Area Rural Transportation System (CARTS) through a contract with CapMetro.

Transportation services are accessed by completing this application and being certified through CARTS, or if you are visiting from another area, by providing documentation of ADA certification from a transportation service in another area of the country.

### Who Should Apply for Limited Paratransit Services?

People with mobility impairments due to visual limitations, arthritis, spinal cord injury, or other physical and/or cognitive limitations.

### How to Apply for Services:

Complete this application and ***sign the Applicant Agreement/Release of Information*** section. Then have your doctor, rehabilitation specialist, or other qualified health care provider complete and sign the professional verification section. Send the completed application to:

GoGeo c/o CARTS  
338 S. Guadalupe St.  
San Marcos, TX 78666  
Fax: 512-805-0001

*If you need an alternative format of this application or additional information, please contact us at 512-478-RIDE (7433) or email [GoGeo@RIDEARTS.COM](mailto:GoGeo@RIDEARTS.COM).*

**If you have a disability you may be eligible for GoGeo Limited Paratransit Service.** The information obtained in this certification process will be used to determine your eligibility.

**This application must be filled out completely,** including the verification of eligibility by a qualified professional. Incomplete applications will be returned to applicants.

### Step 1: Complete the General Information Section

Last name

First name

MI

Street Address

City

State

Zip Code

Home Phone

Cell Phone

Work Phone

Date of Birth

#### Emergency Contact

Full Name

Street Address

Phone

## Step 2: Information About Your Disability

If you answer "NO" or "SOMETIMES" to any of these questions, you must explain your answer in the space provided.

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**1** Can you board the bus by yourself?

YES  NO  SOMETIMES

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**2** Can you climb three 12-inch steps on your own?

YES  NO  SOMETIMES

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**3** If you have a cognitive disability, can you give your name, address and number?

YES  NO  SOMETIMES

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**4** Are you able to recognize destinations and/or landmarks?

YES  NO  SOMETIMES

---

---

**5** Can you handle unexpected events or changes to your routine?

YES  NO  SOMETIMES

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## Step 2: Continued...

If you answer "NO" or "SOMETIMES" to any of these questions, you must explain your answer in the space provided.

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- 6** Are you able to ask for, understand and follow directions? YES  NO  SOMETIMES

---

---

- 7** Are you able to navigate crowds and/or complex facilities? YES  NO  SOMETIMES

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- 8** If you are visually impaired, have you received mobility training from another organization such as Texas Department of Assistance and Rehabilitative Services? YES  NO

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- 9** Do you use any of the following assistive devices? (Check all that apply)

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> <b>Manual Wheelchair</b><br><input type="checkbox"/> Assistance Needed<br><input type="checkbox"/> No Assistance | <input type="checkbox"/> <b>Walker</b><br><input type="checkbox"/> Foldable<br><input type="checkbox"/> Not Foldable | <input type="checkbox"/> <b>Electric Wheelchair</b><br><input type="checkbox"/> <b>Crutches</b> |
| <input type="checkbox"/> <b>High Wheelchair</b>   | <input type="checkbox"/> <b>Long Wheelchair</b>  | <input type="checkbox"/> <b>Cane</b>  |
| <input type="checkbox"/> <b>Power Scooter</b>   | <input type="checkbox"/> <b>Guide Dog</b>  | <input type="checkbox"/> <b>Oxygen</b>  |

- 10** Are you able to travel 3 blocks (1/4 mile) without assistance over different terrains? YES  NO  SOMETIMES

---

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## Applicant Agreement and Release

I agree that, if I am certified for **GoGeo Limited Paratransit Service**, I will pay the exact fare, if required, for each trip. I agree to notify the office of any changes in my status which may affect my eligibility to use the service.

I understand that any failure to adhere to the policies and procedures will be grounds for revoking my application as well as the right to participate in the program.

I also understand and agree to hold **GoGeo** harmless against all claims or liability for damages to any person, property, or personal injury occurring as a result of my failure to equip or maintain the safety of the adaptive equipment or certified guide/service animal that I require for mobility.

I have read and fully understand the conditions for service outlined in the *Rider's Manual* and agree to abide by them. I authorize the release of verification of information and any additional information to **GoGeo** for the purpose of evaluating my eligibility to participate in the Program. I certify that the information provided in this application is true and correct.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**If someone assisted you in completing this application,  
please provide their information and signature below**

*An Eligibility specialist will review your application and may ask additional questions. You may also be required to participate in an assessment in the community so we can further evaluate your functional abilities.*

\_\_\_\_\_  
Full Name

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip Code

\_\_\_\_\_  
Phone

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

# Health Care Professional Verification of Eligibility

All information for verification of eligibility must be filled in by a qualified health care professional

\_\_\_\_\_  
Person Completing Verification Professional Title

\_\_\_\_\_  
Agency Affiliation

\_\_\_\_\_  
State of Texas Certification ID Number

\_\_\_\_\_  
Business Address

\_\_\_\_\_  
City State Zip Code

\_\_\_\_\_  
Business Phone

- What is the medical diagnosis that causes this disability?

\_\_\_\_\_

- This condition is... PERMANENT  TEMPORARY

- If temporary, what is the expected duration?

\_\_\_\_\_

I verify that the information provided above for verification is true and correct to the best of my knowledge.

\_\_\_\_\_  
Signature of Qualified Professional Date

**Exhibit B – Rates**

FY26 Service

Limited Paratransit and Senior Service Hours – Estimated Annual Totals

<b>Description</b>	<b>Estimated Annual Hours</b>	<b>Hourly Operating Rate</b>	<b>Total Estimated Cost of Service</b>	<b>Section 5307 Funds</b>	<b>Local Funding from Georgetown</b>
Total FY26 Service	4,494	\$96.00	\$431,424	\$172,570	\$258,854

## Exhibit C - Insurance

### CAPMETRO MINIMUM COVERAGE REQUIREMENTS FOR CONTRACTORS

1. Commercial General Liability Insurance Coverage with limits of not less than One Million Dollars and No/100 Dollars (\$1,000,000) with combined single limit of \$2,000,000 with coverage that includes:
  - Premises/operations
  - Independent contractors
  - Personal Injury
  - Contractual Liability pertaining to the liabilities assumed in the agreement
  - Underground (when ground surface is disturbed)

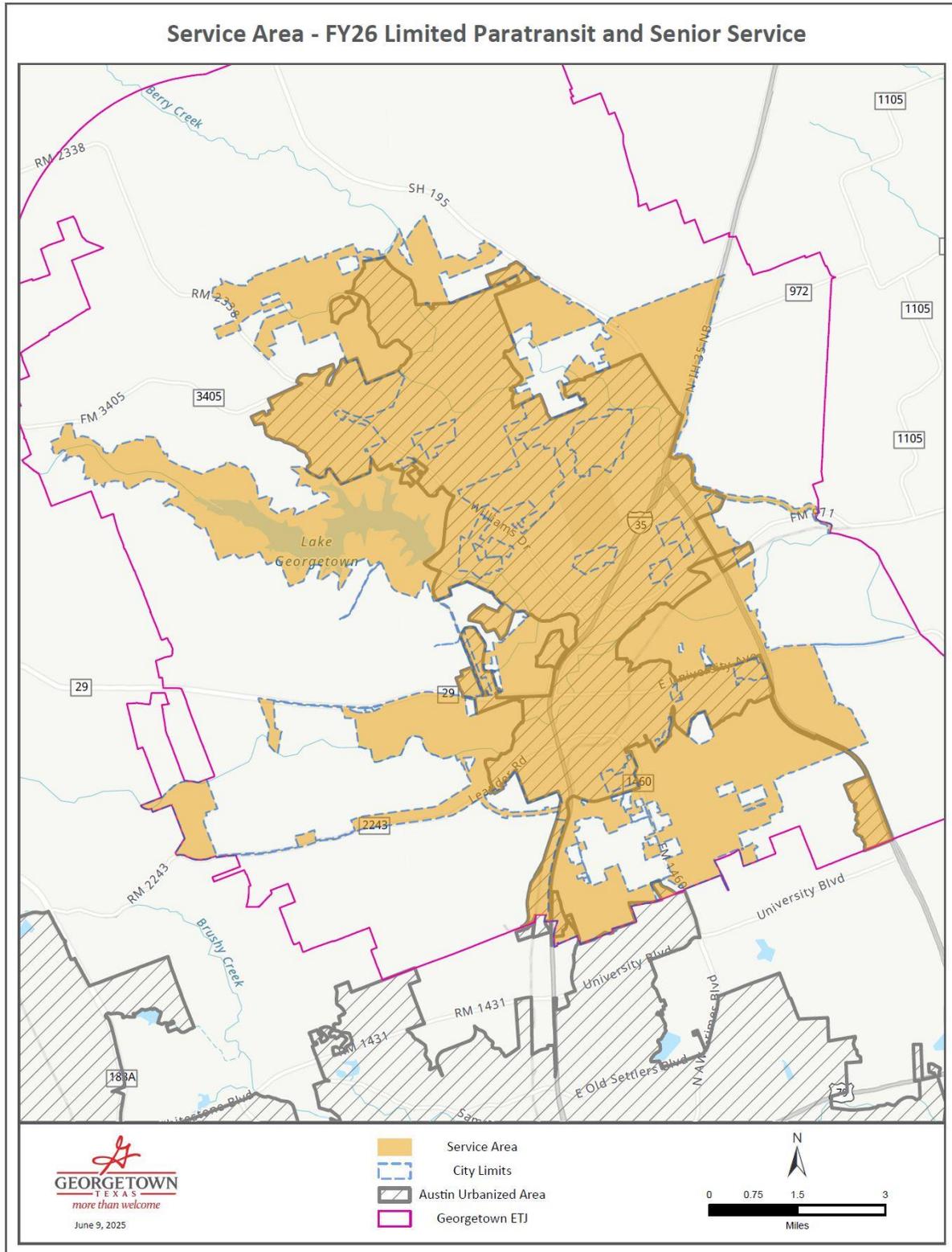
Such insurance shall include a contractual endorsement pertaining to the liabilities assumed in the Agreement. **All Coverages shall be listed on front of the certificate, and listing the Contractor as the certificate holder and CapMetro as an additional insured.**

2. Comprehensive Automobile insurance coverage with minimum limits of not less than One Million Dollars and No/100 Dollars (\$1,000,000) with combined single limit of \$2,000,000.
3. Workers' Compensation with Statutory limits.
4. Employer Liability Insurance with minimum limits of \$1,000,000. Such insurance shall include a contractual endorsement which acknowledges all indemnification requirements under the Permit.
5. Railroad Protection in the minimum amount of \$5,000,000 when construction activities (e.g. excavation, demolition, utility installations, operation of cranes and other construction equipment that have the potential to enter the right-of-way...) are within 50-feet of the nearest railroad track.

Note: Such policies of insurance and certificates shall provide (i) that CapMetro is named as additional insureds, (ii) that the named insured's insurance is primary and non-contributory with any insurance maintained by CapMetro (iii) a contractual waiver of subrogation where required by written contract or agreement, and (iv) that CapMetro shall receive notice of any cancellation of the policy.

All insurance policies shall be written by reputable insurance company or companies acceptable to Licensor with a current Best's Insurance Guide Rating of A+ and Class XIII or better. All insurance companies shall be authorized to transact business in the State of Texas.

## Exhibit D - GoGeo Service Area



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Board of Directors

Item #: AI-2025-1539

Agenda Date: 9/22/2025

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**SUBJECT:**

Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute an amendment to Supplement No. 9 of the interlocal agreement with Capital Area Rural Transportation System (CARTS) for the provision of Limited Paratransit and Senior Service to the City of Georgetown for a period of one (1) year in an amount not to exceed \$410,886.

**FISCAL IMPACT:**

This action reimburses CapMetro for expenses incurred.

**STRATEGIC PLAN:**

Strategic Goal Alignment:

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

**EXPLANATION OF STRATEGIC ALIGNMENT:** The CapMetro/CARTS partnership enables the provision of services that serve the larger region, including areas not currently in the CapMetro service area or on the border of the CapMetro service area.

**BUSINESS CASE:** CapMetro receives transit services at a reasonable price under this agreement. CARTS already operates services in the rural areas surrounding CapMetro's service area, making them a logical partner for providing services that extend beyond the CapMetro service area.

**COMMITTEE RECOMMENDATION:** This item was presented and recommended for approval by the Operations, Planning and Safety Committee on September 10, 2025.

**EXECUTIVE SUMMARY:** CapMetro and CARTS partner to operate transit services within the region. The Parties utilize a master interlocal agreement (ILA) for the purpose of outlining terms and conditions which apply to all services. Addenda to the agreement, referred to as Supplements, outline each of the services provided and the fees paid for that service.

**DBE/SBE PARTICIPATION:** Does not apply.

**PROCUREMENT:** Does not apply

RESPONSIBLE DEPARTMENT: Strategic Planning and Development

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

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**AI-2025-1539**

WHEREAS, the Capital Metropolitan Transportation Authority (“CapMetro”) Board of Directors and Capital Metropolitan Transportation Authority management endeavor to be a valued community partner; and

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and Capital Metropolitan Transportation Authority Management recognize the need to partner with local jurisdictions to provide transit services.

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 amendment to Supplement No. 9 of the interlocal agreement with Capital Area Rural Transportation System (CARTS) for the provision of Limited Paratransit and Senior Service to the City of Georgetown for a period of one (1) year in an amount not to exceed \$410,886.

**Date:** \_\_\_\_\_

\_\_\_\_\_  
**Secretary of the Board  
Becki Ross**

**AMENDMENT NO. 8 TO CONTRACTED SERVICES SUPPLEMENT NO. 9  
TO MASTER REGIONAL MOBILITY AGREEMENT**

**(Services to the City of Georgetown)**

**This Amendment No. 8 to Contracted Services Supplement No. 9 to Master Regional Mobility Agreement** (“Amendment”) is made and entered into by and between **Capital Metropolitan Transportation Authority** (“CapMetro”), a transportation authority and political subdivision for the state of Texas organized under Chapter 451 of the Texas Transportation Code, and **Capital Area Rural Transportation System**, a rural/urban transit district and political subdivision of the State of Texas organized under Chapter 458 of the Texas Transportation Code (“CARTS”), collectively referred to as the “Parties”, upon the premises and for the consideration stated herein.

**RECITALS:**

- A. **WHEREAS**, CapMetro and CARTS entered into that one certain Master Regional Mobility Agreement, dated effective May 1, 2015 (“Master Agreement”); and,
- B. **WHEREAS**, pursuant to the Master Agreement, the Parties entered into Contracted Services Supplement No. 9, dated effective October 1, 2016 (as amended, “Supplement”); and,
- C. **WHEREAS**, the Parties entered into Amendment No. 1 to the Supplement, dated effective September 25, 2017 (“Amendment No. 1”); and,
- D. **WHEREAS**, the Parties entered into Amendment No. 2 to the Supplement, dated effective October 1, 2019 (“Amendment No. 2”); and
- E. **WHEREAS**, the Parties entered into Amendment No. 3 to the Supplement, dated effective October 1, 2020 (“Amendment No. 3”); and
- F. **WHEREAS**, the Parties entered into Amendment No. 4 to the Supplement, dated effective October 1, 2021 (“Amendment No. 4”); and
- G. **WHEREAS**, the Parties entered into Amendment No. 5 to the Supplement, dated effective October 1, 2022 (“Amendment No. 5”); and
- H. **WHEREAS**, the Parties entered into Amendment No. 6 to the Supplement, dated effective October 1, 2023 (“**Amendment No. 6** ”); and
- I. **WHEREAS**, the Parties entered into Amendment No. 7 to the Supplement, dated effective October 1, 2024 (“**Amendment No. 7** ”); and
- J. **WHEREAS**, the Parties desire to further amend the Supplement.

NOW, THEREFORE, by its execution below, CapMetro and CARTS agree as follows:

## AGREEMENT:

### A. AMENDMENT.

1. Paragraph 1 of the Supplement is deleted in its entirety and replaced with the following:

CARTS agrees to provide to CapMetro, the transportation services described in Attachment SOS-9 (“**Scope of Services**”) attached and incorporated herein for all purposes (the “**Contracted Service**”). The Contracted Service shall be provided in accordance with the Supplement, including the attached SOS-9 and the Master Agreement.

2. Paragraph 2 B. of the Supplement is deleted in its entirety and replaced with the following:

**B. FEES FOR SERVICES.** For Contracted Service provided under this Supplement, CARTS shall be paid as set forth in in Attachment SFP-9 (Schedule of Fees and Payments), attached and incorporated herein for all purposes. Any on-board fare collections shall be handled pursuant to the process specified in Attachment SOS-9.

3. The total contract amount for Fiscal year 2026 (October 1, 2025 to September 30, 2026 shall not exceed \$410,886.

4. Paragraph 2 C. of the Supplement is deleted in its entirety and replaced with the following:

**C. TERM.** The term of this Supplement shall commence on May 1, 2015, and terminate on September 30, 2026. The Parties may extend the term of this Supplement by written agreement. Provided, however, either party may terminate this Supplement upon sixty (60) days’ advance written notice to the other party. In the event of such termination by CapMetro, CARTS shall be paid its costs, including contract close-out costs, and profit on services performed up to the time of termination. CARTS shall promptly submit its termination claim to CapMetro to be paid CARTS. If CARTS has any property in its possession belonging to CapMetro, CARTS shall account for the same and dispose of it in the manner CapMetro directs.

**B. INCORPORATION BY REFERENCE.** All defined terms contained in the Master Agreement and the Supplement shall have the same meaning herein. All terms and conditions contained in the Master Agreement and the Supplement are incorporated herein for all purposes. All terms not herein defined have the same meaning as set forth in the Master Agreement and the Supplement. The Recitals contained in this Amendment are incorporated herein for all purposes.

- C. **ENTIRE AGREEMENT.** This Amendment, with the Master Agreement, as amended, represents the entire agreement between the Parties concerning the subject matter of this Amendment and supersedes all prior or contemporaneous oral or written statements, agreements, and negotiations.
- D. **RATIFICATION.** The Supplement, as modified and amended by this Amendment, is ratified and confirmed in all respects.
- E. **CONFLICT.** In the event of a conflict between the terms of this Amendment and the terms of the Master Agreement, the provisions of this Amendment shall control.

*[SIGNATURES ON NEXT PAGE]*

**IN WITNESS WHEREOF**, the Parties have caused this Amendment to be executed by their respective undersigned duly authorized representatives as of the date of the last party to sign.

**Capital Metropolitan Transportation Authority**

By:

\_\_\_\_\_  
Dottie Watkins  
President & CEO

Date: \_\_\_\_\_

**Capital Area Rural Transportation System**

By: \_\_\_\_\_  
David L. Marsh  
General Manager

Date: \_\_\_\_\_

Attachments:

- ATTACHMENT SFP-9 - Schedule of Fees and Payments
- ATTACHMENT SOS-9 - Scope of Services

**ATTACHMENT SFP-9**

**SCHEDULE OF FEES AND PAYMENTS  
SUPPLEMENT NO. 9 TO MASTER REGIONAL MOBILITY AGREEMENT**

**(City of Georgetown Limited Paratransit and Senior Service)**

CapMetro shall pay CARTS for the Contracted Service at the following rates:

October 1, 2016 – September 30, 2017	\$68.96 per vehicle hour
October 1, 2017 – September 30, 2018	\$77.00 per vehicle hour
October 1, 2018 – September 30, 2019	\$79.00 per vehicle hour
October 1, 2019 – September 30, 2020	\$81.00 per vehicle hour
October 1, 2020 – September 30, 2021	\$81.00 per vehicle hour
October 1, 2021 – September 30, 2022	\$81.00 per vehicle hour
October 1, 2022 – September 30, 2023	\$86.00 per vehicle hour
October 1, 2023 – September 30, 2024	\$86.00 per vehicle hour
October 1, 2024 – September 30, 2025	\$89.20 per vehicle hour
October 1, 2025 – September 30, 2026	\$91.43 per vehicle hour

**CapMetro Source of Funds for Payment of Contracted Service:**

For FY26 Service: 60% Local Funds & 40% FTA Section 5307 Funds

For the purposes of payment, a Limited Paratransit and Senior Service hour means the time a vehicle leaves its base for the first passenger pick-up of the operator's shift or service day, to the time it arrives at its base from the last passenger drop-off of the operator's shift or service day. Not included as part of vehicle hour are breaks, pre-trip inspection time, and scheduled and unscheduled maintenance periods (vehicle breakdowns).

## ATTACHMENT SOS-9

### SCOPE OF SERVICES FOR CONTRACTED SERVICES SUPPLEMENT NO. 9 TO MASTER REGIONAL MOBILITY AGREEMENT

#### (City of Georgetown Limited Paratransit and Senior Service)

#### 1.0 GENERAL PURPOSE

This Scope of Services for Contracted Services Supplement No. 9 to Master Regional Mobility Agreement ("**Supplement**") documents the requirements related to providing transportation services to the City of Georgetown ("the City"). Capitalized terms not otherwise defined herein shall have the meanings designated for such terms in the Supplement.

CARTS shall provide an operationally dependable vehicle service for customer use, equipped for maximum customer comfort in a cost-effective manner, and continually maintained and operated in a safe condition as described herein.

CARTS shall provide reservation and dispatch services in response to reservations made by customers or their agents through the CARTS reservation system for the Limited Paratransit and Senior Service. For fixed route information, CARTS shall provide such information through customers calling (512) 478-RIDE or refer customers to call the CapMetro Go Line at (512) 474-1200.

CARTS shall obtain all required licenses and permits to operate in the CapMetro service area and within the City within the scope of the Contracted Service.

CARTS shall furnish all supervision, security protection, personnel, vehicles, fuel, materials, supplies, storage and maintenance facilities, tools, equipment, insurance, and incidentals (such as comfort stops identification) as required to perform an operationally dependable public transportation service. Fueling of vehicles shall not occur during revenue hours. Fueling, if needed may occur during shift changes or through vehicle exchanges at route terminal locations, provided that customers are not inconvenienced.

CARTS shall at all times comply and cause its assigned personnel and contractors to comply with CapMetro's policies and procedures, as revised, supplemented, and updated from time to time. These policies and procedures include, but are not limited to, the documents found on CapMetro's service provider extranet site located at [https://capmetro.sharepoint.com/sites/EXT\\_MOSP/PoliciesProcedures/Forms/AllItems.aspx?RootFolder=%2Fsites%2FEXT%5FMOSP%2FPoliciesProcedures](https://capmetro.sharepoint.com/sites/EXT_MOSP/PoliciesProcedures/Forms/AllItems.aspx?RootFolder=%2Fsites%2FEXT%5FMOSP%2FPoliciesProcedures). CARTS shall maintain documentation showing that its employees received a copy of these policies and procedures.

## **2.0 DESCRIPTION OF CONTRACTED SERVICE**

The Contracted Service consists of transit services within the City limits, as well as the intersection of the extraterritorial jurisdiction and urbanized area for a segment of the City's general public defined by physical or functional disability or persons age 65 or older (the "Limited Paratransit and Senior Service").

Limited Paratransit and Senior Service eligibility and scheduling shall be completed by CARTS through written or verbal communication with the customer. The Limited Paratransit Service eligibility is based on the application attached to this Scope of Services as Attachment 1. The Senior Service eligibility shall be completed through an intake form by verifying customer eligibility through written or verbal communication with the customer. The Limited Paratransit Service eligibility application and Senior Service intake form may be revised from time to time subject to written approval from the City.

CARTS shall perform the necessary certification for customers eligible to use the Limited Paratransit and Senior Service and provide a list of eligible customers on a monthly basis to CapMetro. CARTS shall only transport eligible customers that have been certified by CARTS on the Limited Paratransit and Senior Service and refer any non-certified customers to apply for eligibility.

Eligible customers are required to follow the Code of Conduct and policies listed within the Georgetown Limited Paratransit and Senior Service Rider's Manual.

## **3.0 SERVICE PERIOD**

The Limited Paratransit and Senior Service will operate weekdays from approximately 7:00 a.m. to 7:00 p.m.

## **4.0 VEHICLE REQUIREMENTS**

Up to (2) vehicles are required for Limited Paratransit and Senior Service. Vehicle hours may be adjusted by mutual agreement of the Parties based on customer demand.

The vehicles shall be accessible and capable of transporting at least twelve (12) seated persons.

## **5.0 VEHICLE HOURS**

Vehicle hours are:

- Estimated Total Daily Weekday Hours = 17.9
- Estimated Total Annual Weekday Hours = 4,494

Total Annual Weekday Hours to be utilized as necessary to meet customer demand is 4,494.

## **6.0 SERVICE SCHEDULE**

CARTS shall provide Contracted Service in a safe, courteous, reliable manner and in accordance with trips scheduled by CapMetro. CapMetro service changes occur three times per year during the months of January, June, and August. CARTS shall follow the prescribed routes and schedules as established by CapMetro and communicate any route detours or route delays with CapMetro.

## **7.0 VEHICLES**

Vehicles shall have adequate heating and air conditioning; two-way radios, not on citizen band frequency; provision for CapMetro to install a fare box; adequate interior lighting; interior and exterior signage; and padded, comfortable seating for customers. All vehicles shall be accessible for mobility devices, capable of handling two (2) mobility device positions.

All vehicles shall be painted in accordance with the CapMetro's graphic program. CapMetro shall supply logos for the vehicles. Vehicles shall bear no other logos, emblems or identification unless required by law or approved by CapMetro. CapMetro logos shall be promptly removed at the end of the Supplement term.

All vehicles shall be cleaned inside daily prior to being placed into service. Vehicle exteriors and windows shall be washed every day, weather permitting. Vehicle interiors shall at all times be kept free of exhaust fumes and engine odors. The interior of the vehicles shall be maintained free from roaches and other vermin at all times that the vehicle is utilized in Contracted Service. CARTS is strictly prohibited from using any vermin control product that would be hazardous to the health and well-being of the customers and operator of the vehicle. Exterminations or vermin spray shall be scheduled to assure there are no offensive odors during Contracted Service hours.

Vehicles shall have illuminated destination signs that are highly visible, in compliance with ADA regulations and programmed with proper route and safety designations as defined by CapMetro. All destination signs shall be illuminated for night operation.

Vehicles shall be equipped with customer notice holders, and customer discharge bells.

Vehicle bodies, frames, and components shall be in sound condition, and free of all damage. Vehicles shall comply with safety and mechanical standards of all state, federal and local governments. All mechanical, electrical, and hydraulic securement systems shall be maintained in proper working condition at all times.

At its discretion, CapMetro shall inspect vehicles assigned pursuant to the Supplement at any time. All determinations by CapMetro as to the appearance, cleanliness and condition of a vehicle shall be final; however, CARTS shall not be relieved of its duty to maintain the vehicles in a safe and sound condition.

All vehicles shall be capable of comfortably seating a minimum of twelve (12) customers in fully padded forward facing seats. Vehicles shall be equipped with stanchions for standee use. CARTS shall not exceed the standee capacity designated for the vehicle.

All vehicles shall be equipped to permit inward and outward mobility device boarding. Ramps and lifts shall comply with ADA standards. Securement for mobility devices shall consist of wheel clamps, and four (4) securement belts. Additionally, a lap belt shall be required for customer preference.

The vehicles air conditioning system shall be of sufficient size and capacity to maintain a comfortable, constant temperature throughout the vehicle. The heating system shall have proportional controls and be of sufficient capacity to maintain a comfortable, constant temperature throughout the vehicle.

## **8.0 EQUIPMENT CONDITION**

CARTS shall maintain each vehicle in a clean condition throughout both interior and exterior at all times that the vehicle is in service for CapMetro. All vehicles shall be swept, mopped, interiors wiped down (i.e., dashboards, stanchions, bars, etc.) prior to the bus going into service each day. Each vehicle shall be detailed at a minimum of once every ninety (90) days. The detailing shall include, but is not limited to:

- a) Removal of all graffiti.
- b) Cleaning of all side panels.
- c) Cleaning of ceiling panels.
- d) Cleaning dome light covers.
- e) Cleaning of seats, including frames.
- f) Cleaning floors (i.e. gum removal).
- g) Exterior cleaning, repaint wheel rims, if necessary.
- h) Be free of body damage, have no missing or unpainted panels.
- i) Wheel rims shall be supplied by CARTS.
- j) Have all safety items fully operational (i.e., lights, brakes, horn, tires, etc.).

## **9.0 SPARE VEHICLES**

Spare vehicles, fully meeting all vehicle requirements listed above in section 7.0, including but not limited to mobility device accessibility and graphic requirements, shall be maintained and dispatched for replacement purposes within one (1) hour of the time any the primary vehicle becomes inoperable or shall be removed from service for repairs.

## **10.0 MONTHLY REPORTS**

CARTS shall provide ridership data and such other operating data in connection with the Contracted Service as may reasonably be requested by CapMetro, including but not limited to total daily number of boarding, as well as number of boarding by fare category. Data shall be provided on a monthly basis along with a CARTS invoice for that month.

The following information shall be provided to the CapMetro Project Manager:

- a) Boardings for the entire month (including no-shows for the paratransit service).
- b) Summary of vehicle and customer accidents for the entire month.
- c) Late, cancelled, and missed trips for the entire month.
- d) Miles driven for the entire month.
- e) On-time performance for each week, as well as the monthly average.
- f) Road calls for the entire month.
- g) Number of passengers per hour (passengers divided by hours).
- h) Fare box recovery (fares divided by operations cost).
- i) Cost per passenger (passengers divided by cost).
- j) Security incidents.

## **11.0 GENERAL PROVISIONS FOR CONTRACTED SERVICE**

CapMetro reserves the right to adjust Contracted Service at any time. Modifications to Contracted Service may include, but are not limited to, extending, deleting or adding route(s), or parts of route(s), expanding or contracting the Limited Paratransit and Senior Service area, and expanding or decreasing vehicle hours. Notice shall be given prior to service modifications. Any changes to the paratransit service area shall be agreed to in writing and signed by the Parties in an amendment to this Agreement. Governing body authorization is not required for such an amendment so long as the cost of the Services do not increase.

In the event that actual annual vehicle hours fall below ninety percent (90%) or above one hundred and ten percent (110%) of the total projected annual vehicle hours, CapMetro reserves the right to negotiate a revised unit cost per vehicle hour with CARTS. Such renegotiation would occur in the event that vehicles need to be added or deleted during the term of the Supplement.

CARTS may propose a method of compensation for service expansion including adding vehicles.

CapMetro reserves the right, upon notification to CARTS to transfer portions or all of the Contracted Service to another service provider based on the operational needs of CapMetro. CARTS may also request a transfer of portions or all of the Contracted Service to another service provider by providing CapMetro at least six (6) months' notice in advance based on the operational needs of CARTS.

## **12.0 HOLIDAY SCHEDULE**

The Limited Paratransit and Senior Service will be provided in accordance with the CARTS published holiday schedule.

## **13.0 TRAINING**

All vehicle operators hired by CARTS shall attend, at the minimum, the following training:

- a) Six (6) hours of defensive driving training and two (2) hours overview of CapMetro service. CARTS shall be responsible for providing a certified defensive driving course for all operators, prior to driving.
- b) CARTS shall be required every year to ensure all operating personnel associated with this Supplement receive a minimum of two (2) hour refresher training.
- c) The cost of operator wages during the training shall be borne by CARTS.
- d) CARTS shall be required to ensure all operators are aware of proper customer communication practices required for polite customer assistance including providing service to persons with disabilities and participate in customer service training for at least two (2) hours annually.
- e) CARTS shall ensure all operators complete training including route specific training prior to their operation of an in-service vehicle. CARTS shall also be responsible for providing additional training for any operator who demonstrates a lack of appropriate training.

Training subsequent to training for new hires, such as refresher training and retraining, shall be conducted by CARTS. CARTS shall be required to have an operator development program in place to address all operator-related training needs. CapMetro shall inform CARTS in writing of any changes in operating procedures; CARTS shall be responsible for any training at their cost for existing operators which is needed because of changed procedures.

All training programs shall be subject to CARTS approval.

## **14.0 UNIFORM AND APPEARANCE STANDARDS**

CARTS shall comply with CapMetro's uniform and appearance requirements. The uniform and appearance standards are available here:

[https://capmetro.sharepoint.com/:b:/s/EXT\\_MOSP/SI/EXJRZLcAe6ZAqe7CYtpBDrsBasfw0KEd0\\_qfV7bhxN2Onw](https://capmetro.sharepoint.com/:b:/s/EXT_MOSP/SI/EXJRZLcAe6ZAqe7CYtpBDrsBasfw0KEd0_qfV7bhxN2Onw)

Any deviations from the uniform and appearance standards must be approved by CapMetro in its sole discretion.

## **15.0 REMOVAL**

CapMetro may require CARTS to immediately remove, pending investigation, any operator from CapMetro service for any one of, but not necessarily limited to, the following reasons:

- a) Committing unsafe or inappropriate acts while providing service.
- b) Failing to follow CapMetro policies and procedures.
- c) Using a cell phone while operating CapMetro vehicle, including texting and use of Bluetooth devices.
- d) Revocation, suspension or non-renewal of a valid driver's license.
- e) A criminal conviction as set forth in the Master Agreement section entitled "Personnel Assignments".
- f) Violating the uniform and appearance standards without approval.
- g) Using any tobacco product on CapMetro vehicle or property, in accordance with the Tobacco Free policies of CapMetro.
- h) Failure to follow safety rules and regulations.
- i) Failure to follow security policies, guidelines and procedures.
- j) Notification of an active warrant from any law enforcement or judicial agency; and/or
- k) Any conduct which puts CapMetro or its reputation at risk.

## **16.0 PERSONNEL**

CARTS shall furnish all operators, mechanics, dispatchers, supervisors, administrative personnel and other personnel services necessary for providing the Contracted Service in accordance with the Supplement.

CARTS Assistant General Manager of Safety and Security shall be CARTS Project Manager for this Supplement. CapMetro's Program Manager, Bus Contracts shall be CapMetro's Project Manager for this Supplement.

## **17.0 SUPERVISION**

CARTS shall utilize a CARTS transportation supervisor to monitor the Contracted Service. This supervision shall include conducting ride checks (on-board) to ensure operator adherence to procedures (i.e., safe operation, customer relations, on-time performance, etc.). Such supervision shall also include prompt responses to all investigation of accidents. CapMetro reserves the right to provide similar investigations and adherence

checks of its own without notice to ensure compliance with terms of the Supplement. These on-board ride checks are to be conducted annually, and additionally as needed.

## **18.0 DISPATCHING & RADIO COMMUNICATION**

CARTS shall be required to maintain dispatch and radio monitoring personnel to work during the hours of Contracted Service. CARTS shall be able to effectively dispatch assignments and provide prompt responses to operator and/or vehicle problems which could impact CARTS service. CARTS will work with CapMetro to allow for CapMetro's ability to monitor radio communications between CARTS dispatch office and CARTS operators regarding Contracted Service. CARTS would also have the option of having a supervisor on call to respond to questions or problems.

CARTS shall staff a pre-determined telephone number during business hours, Monday through Friday to accept reservations for eligible passengers riding the paratransit service for the next business day. CARTS shall document scheduled reservations electronically and have trip manifests data available upon request to CapMetro.

## **19.0 FARE COLLECTION**

CARTS shall collect fares and charges as established by CapMetro. CapMetro shall notify CARTS of changes in the fare structure.

All fare collection equipment shall be supplied by, owned by and maintained by CARTS. All fares shall be retrieved, counted, recorded and deposited by CARTS designated personnel in accordance with CARTS procedures. Such fares collected shall be deducted from the monthly service billing to CapMetro. All fares collected are subject to audit by CapMetro and should be reconciled to the monthly report submitted.

If electronic fare collection equipment is used, such equipment shall be owned by and supplied by CapMetro and maintained by CapMetro or its contractors. CapMetro shall reimburse CARTS for time to have fare box maintained and cash collected at a location as defined by CapMetro based on the hourly rate defined in the SFP. CARTS is required to ensure that data and cash (if applicable) from any fare collection equipment is retrieved regularly, at a minimum of once per month by CapMetro designated personnel or contractors.

## **20.0 CUSTOMER COMPLAINTS AND CUSTOMER RELATIONS**

Customers shall file complaints with CARTS via telephone, in person or written correspondence. CARTS shall contact each customer by telephone or by written correspondence to review the complaint. CARTS shall investigate and provide responses to complaints within four (4) days of receipt. Should CARTS determine the need for additional resources, coordination or review, CARTS shall contact CapMetro and the City for additional assistance and customer follow up.

## **21.0 NATIONAL TRANSIT DATABASE REPORTING**

CARTS shall collect data, keep records and provide reports sufficient to enable CapMetro to meet its National Transit Database ("**NTD**") reporting requirements. CARTS is responsible for obtaining all pertinent NTD regulations and procedures to ensure that all required information is collected and reported in a timely fashion. CARTS shall submit the annual report to CapMetro by November 30.

## **21.0 PERFORMANCE SPECIFICATIONS**

CARTS shall at all times strive to meet the performance standards listed below to provide the highest level of service possible. CapMetro reserves the right to monitor CARTS in its performance of the Contracted Service to be provided under the Supplement.

The following are the performance specifications associated with the Contracted Service:

- a) No more than eight (8) complaints per 10,000 customers.
- b) No more than three (3) vehicle accidents per 100,000 vehicle miles.
- c) No more than three (3) passenger accidents per 100,000 miles.

## **23.0 ON-TIME PERFORMANCE**

CARTS operators must complete daily logs with scheduled times and actual times entered at all time points to record and measure on-time performance ("OTP"). An on-time trip is one which departs 0 minutes early and no more than five (5) minutes late. Sampling could be required if CCRS trended an increase because OTP issues. CapMetro personnel may also conduct checks.

## **24.0 MARKETING, FARE MEDIA AND PUBLIC RELATIONS**

CapMetro, the City, and CARTS will coordinate on all applicable schedules, maps and other printed materials required for marketing the Service. CARTS shall distribute CapMetro customer notices. The City shall also coordinate to distribute appropriate materials for services that benefit customers of each service, cooperate and participate in marketing, promotion, advertising, public relations, and public education programs and projects. The City and CapMetro shall be the exclusive public media spokespeople in connection with the Contracted Service. The City is responsible for updating and maintaining the GoGeo webpages.

If applicable, CARTS may assist with the design of marketing materials and distribute all necessary bus passes and/or fare media as defined by the City adopted fare structure for customers to be able to purchase from pass outlets and onboard vehicles as determined by CARTS.

## **25.0 OPERATOR QUALIFICATIONS/STANDARDS**

CARTS shall ensure personnel meet the following standards to perform CapMetro Contracted Service as defined below:

- a) Be employees (full or part-time) of CARTS.
- b) Possess a valid State of Texas Driver's License appropriate for the class of vehicle to be operated. Vehicle Operators must have maintained a valid driver's license for five (5) years.
- c) Have the ability to read, write, and speak English.
- d) Be sensitive to customers' needs.
- e) Have the ability to handle complaints and problems as required.
- f) Pass a Department of Transportation ("DOT") physical and comprehensive drug screen.

## **26.0 DRUG AND ALCOHOL TESTING PROGRAM**

CARTS agrees to establish and implement a drug and alcohol testing program that complies with 49 CFR Part 655, produce any documentation necessary to establish its compliance with 49 CFR Part 655, 49 CFR Part 40, and 49 CFR Part 29, and permit any authorized representative of the United States Department of Transportation or its operating administrations, the State Oversight Agency of the State of Texas or CapMetro, to inspect the facilities and records associated with the implementation of the drug and alcohol testing program as required under 49 CFR Part 655, 49 CFR Part 40, and 49 CFR Part 29, and review the testing process.

CARTS drug and alcohol policy for Contracted Service shall include zero tolerance for positive results and other violations of the policy. Employees of CARTS with a confirmed positive drug or alcohol test may not be used to perform work under the Supplement.

CARTS agrees further to certify annually its compliance with Part 655 before March 1st and to submit the Management Information System ("**MIS**") reports annually on or before February 28th to CapMetro.

CARTS agrees to submit a copy of its Policy Statement developed to implement its Drug and Alcohol Testing Program and adhere to FTA under 49 CFR with the selection of a certified laboratory, substance abuse professional, or Medical Review Officer, or the use of a consortium.

CARTS will adhere to the FTA training frequency requirements as outlined under 49 CFR.

## **27.0 SAFETY AND SECURITY**

CARTS shall develop, implement, and maintain a program to respond to emergencies

and routine problems that may occur. CapMetro acknowledges that CARTS is participating in the State of Texas Grouped Safety Management Systems Plan (“**SMS**”) and CARTS shall ensure that the principles of SMS are included in the Contracted Service operation. CARTS shall provide CapMetro with a copy of such plan.

CARTS shall participate in periodic emergency readiness training and drills, at the direction of CapMetro.

CARTS shall be responsible for coordinating and providing security protection for customers, employees and assets regarding the Contracted Service. Coordinating means utilizing local law enforcement or other implementing any security measures necessary to respond to incidents that may occur regarding the Contracted Service.

## Attachment 1 to Scope of Services

### Eligibility Application



## Limited Paratransit Eligibility Application



GoGeo provides Limited Paratransit Service to eligible residents and visitors in the City of Georgetown. This service provides rides to points within the Service Area. GoGeo Limited Paratransit Service is operated by the Capital Area Rural Transportation System (CARTS) through a contract with CapMetro.

**Transportation services** are accessed by completing this application and being certified through CARTS, or if you are visiting from another area, by providing documentation of ADA certification from a transportation service in another area of the country.

### Who Should Apply for Limited Paratransit Services?

People with mobility impairments due to visual limitations, arthritis, spinal cord injury, or other physical and/or cognitive limitations.

### How to Apply for Services:

Complete this application and ***sign the Applicant Agreement/Release of Information*** section. Then have your doctor, rehabilitation specialist, or other qualified health care provider complete and sign the professional verification section. Send the completed application to:

**GoGeo c/o CARTS**  
338 S. Guadalupe St.  
San Marcos, TX 78666  
Fax: 512-805-0001

*If you need an alternative format of this application or additional information, please contact us at 512-478-RIDE (7433) or email [GoGeo@RIDEARTS.COM](mailto:GoGeo@RIDEARTS.COM).*

**If you have a disability you may be eligible for GoGeo Limited Paratransit Service.** The information obtained in this certification process will be used to determine your eligibility.

**This application must be filled out completely,** including the verification of eligibility by a qualified professional. Incomplete applications will be returned to applicants.

### Step 1: Complete the General Information Section

Last name

First name

MI

Street Address

City

State

Zip Code

Home Phone

Cell Phone

Work Phone

Date of Birth

#### Emergency Contact

Full Name

Street Address

Phone

## Step 2: Information About Your Disability

If you answer "NO" or "SOMETIMES" to any of these questions, you must explain your answer in the space provided.

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- 1** Can you board the bus by yourself? YES  NO  SOMETIMES

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- 2** Can you climb three 12-inch steps on your own? YES  NO  SOMETIMES

---

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- 3** If you have a cognitive disability, can you give your name, address and number? YES  NO  SOMETIMES

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- 4** Are you able to recognize destinations and/or landmarks? YES  NO  SOMETIMES

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---

- 5** Can you handle unexpected events or changes to your routine? YES  NO  SOMETIMES

---

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**Step 2: Continued...**

If you answer "NO" or "SOMETIMES" to any of these questions, you must explain your answer in the space provided.



**6** Are you able to ask for, understand and follow directions?      YES  NO  SOMETIMES

---

**7** Are you able to navigate crowds and/or complex facilities?      YES  NO  SOMETIMES

---

**8** If you are visually impaired, have you received mobility training from another organization such as Texas Department of Assistance and Rehabilitative Services?      YES  NO

---

**9** Do you use any of the following assistive devices? (Check all that apply)

<input type="checkbox"/> <b>Manual Wheelchair</b> <input type="checkbox"/> Assistance Needed <input type="checkbox"/> No Assistance	<input type="checkbox"/> <b>Walker</b> <input type="checkbox"/> Foldable <input type="checkbox"/> Not Foldable	<input type="checkbox"/> <b>Electric Wheelchair</b> <input type="checkbox"/> <b>Crutches</b>
<input type="checkbox"/> <b>High Wheelchair</b>	<input type="checkbox"/> <b>Long Wheelchair</b>	<input type="checkbox"/> <b>Cane</b>
<input type="checkbox"/> <b>Power Scooter</b>	<input type="checkbox"/> <b>Guide Dog</b>	<input type="checkbox"/> <b>Oxygen</b>

**10** Are you able to travel 3 blocks (1/4 mile) without assistance over different terrains?      YES  NO  SOMETIMES

---

## Applicant Agreement and Release

I **agree** that, if I am certified for **GoGeo Limited Paratransit Service**, I will pay the exact fare, if required, for each trip. I agree to notify the office of any changes in my status which may affect my eligibility to use the service.

I **understand** that any failure to adhere to the policies and procedures will be grounds for revoking my application as well as the right to participate in the program.

I **also understand** and agree to hold **GoGeo** harmless against all claims or liability for damages to any person, property, or personal injury occurring as a result of my failure to equip or maintain the safety of the adaptive equipment or certified guide/service animal that I require for mobility.

I **have read** and fully understand the conditions for service outlined in the *Rider's Manual* and agree to abide by them. I authorize the release of verification of information and any additional information to **GoGeo** for the purpose of evaluating my eligibility to participate in the Program. I certify that the information provided in this application is true and correct.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**If someone assisted you in completing this application,  
please provide their information and signature below**

*An Eligibility specialist will review your application and may ask additional questions. You may also be required to participate in an assessment in the community so we can further evaluate your functional abilities.*

\_\_\_\_\_  
Full Name

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip Code

\_\_\_\_\_  
Phone

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

# Health Care Professional Verification of Eligibility

All information for verification of eligibility must be filled in by a qualified health care professional

--	--

Person Completing Verification

Professional Title

--

Agency Affiliation

--

State of Texas Certification ID Number

--

Business Address

--	--	--

City

State

Zip Code

--

Business Phone

- **What is the medical diagnosis that causes this disability?**

--

- **This condition is...**    PERMANENT     TEMPORARY

- **If temporary, what is the expected duration?**

--

I verify that the information provided above for verification is true and correct to the best of my knowledge.

--

Signature of Qualified Professional

--

Date

---

Board of Directors

Item #: AI-2025-1540

Agenda Date: 9/22/2025

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**SUBJECT:**

Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute Amendment No. 8 to CARTS Supplement No. 8 to the Master Regional Mobility Agreement with Capital Area Rural Transportation Services (CARTS) for the provision of transit services to the Manor area in an amount not to exceed \$1,506,390.

**FISCAL IMPACT:**

This action reimburses CapMetro for expenses incurred.

**STRATEGIC PLAN:**

Strategic Goal Alignment:

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

**EXPLANATION OF STRATEGIC ALIGNMENT:** The CapMetro/CARTS partnership enables the provision of services that serve the larger region, including areas not currently in the CapMetro service area or on the border of the CapMetro service area.

**BUSINESS CASE:** CapMetro receives transit services at a reasonable price under this agreement. CARTS already operates services in the rural areas surrounding CapMetro's service area, making them a logical partner for providing services that extend beyond the CapMetro service area.

**COMMITTEE RECOMMENDATION:** The item was presented and recommended for approval by the Operations, Planning and Safety Committee on September 10, 2025.

**EXECUTIVE SUMMARY:** CapMetro and CARTS partner to operate transit services within the region. The parties utilize a master interlocal agreement (ILA) for the purpose of outlining terms and conditions which apply to all services. Addenda to the agreement outline each of the services provided and the fees paid for that service. This addendum (Amendment 8 to Supplement No. 8) allows for the provision of transportation in the Manor Area. This service will be operated at the costs of \$91.23 per vehicle hour, consistent with other services operated under the CapMetro/CARTS partnership. Approximately 16,512 hours are projected for FY26. This project is partially funded by Travis County. The County will fund 25 percent of the project. The Travis County portion may increase during the fiscal year and will be agreed upon by all parties. A separate interlocal

agreement exists between CapMetro and Travis County to provide funding for this service.

DBE/SBE PARTICIPATION: Does not apply

PROCUREMENT: Does not apply

RESPONSIBLE DEPARTMENT: Bus and Paratransit Services

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

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**AI-2025-1540**

WHEREAS, the Capital Metropolitan Transportation Authority (“CapMetro”) Board of Directors and CapMetro management endeavor to be a valued community partner; and

WHEREAS, the CapMetro Board of Directors and CapMetro management recognize the need to partner with local jurisdictions to provide transit services.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the President & CEO, her designee, is authorized to finalize and execute Amendment No. 8 to CARTS Supplement No. 8 to the Master Regional Mobility Agreement with Capital Area Rural Transportation Services for the provision of transit services to the Manor area in an amount not to exceed \$1,506,390.

**Date:** \_\_\_\_\_

\_\_\_\_\_  
**Secretary of the Board  
Becki Ross**

**AMENDMENT NO. 8 TO CONTRACTED SERVICES SUPPLEMENT NO. 8  
TO MASTER REGIONAL MOBILITY AGREEMENT**

**(Pickup Manor)**

This Amendment No. 8 to Contracted Services Supplement No. 8 to Master Regional Mobility Agreement (“Amendment”) is made and entered into by and between Capital Metropolitan Transportation Authority (“CapMetro”), a transportation authority and political subdivision of the state of Texas organized under Chapter 451 of the Texas Transportation Code, and Capital Area Rural Transportation System, a rural/urban transit district and political subdivision of the State of Texas organized under Chapter 458 of the Texas Transportation Code (“CARTS”). CapMetro and CARTS are referred to in this Agreement individually as a “Party” and collectively as the “Parties”.

**RECITALS:**

- A. **WHEREAS**, CapMetro and CARTS entered into that one certain Master Regional Mobility Agreement dated effective May 1, 2015 (the “Agreement”); and,
- B. **WHEREAS**, pursuant to the Agreement, the Parties entered into Contracted Services Supplement No. 8 dated effective June 5, 2016 (the “Supplement”); and
- C. **WHEREAS**, the Parties entered into that certain Amendment No. 1 to the Supplement effective July 10, 2017 (“Amendment No. 1”); and
- D. **WHEREAS**, the Parties entered into that certain Amendment No. 2 to the Supplement effective June 4, 2019 (“Amendment No. 2”); and
- E. **WHEREAS**, the Parties entered into that certain Amendment No. 3 to the Supplement effective October 1, 2020 (“Amendment No. 3”)
- F. **WHEREAS**, the Parties entered into that certain Amendment No. 4 to the Supplement effective October 1, 2021 (“Amendment No. 4”);
- G. **WHEREAS**, the Parties entered into that certain Amendment No. 5 to the Supplement effective October 1, 2022 (“Amendment No. 5”);
- H. **WHEREAS**, the Parties entered into that certain Amendment No. 6 to the Supplement effective October 1, 2023 (“Amendment No. 6”);
- I. **WHEREAS**, the Parties entered into that certain Amendment No. 7 to the Supplement effective October 1, 2024 (“Amendment No. 7”);
- J. Whereas, the Parties desire to further amend the Supplement to update, amongst other things, the fees for service, service dates, vehicle hours and vehicle requirements, as set forth herein.

NOW, THEREFORE, by its execution below, CapMetro and CARTS agree as follows:

**AGREEMENT:**

**A. AMENDMENT.**

1. Paragraph 2 B. of the Supplement is deleted in its entirety and replaced with the following:

B. **FEES FOR SERVICES.** For Contracted Service provided under this Supplement, CARTS shall be paid as set forth in Attachment SFP-8 (Schedule of Fees and Payments), attached hereto and incorporated herein for all purposes.

2. The total contract amount for Fiscal Year 2026 (October 1, 2025 to September 30, 2026) shall not exceed \$1,506,390.00.

3. Paragraph 2 C. of the Supplement is deleted in its entirety and replaced with the following:

C. **TERM.** The term of this Supplement shall commence on June 14, 2019 and terminate on September 30, 2026. The Parties may extend the term of this Supplement by written agreement. Provided, however, either Party may terminate this Supplement upon sixty (60) days advance written notice to the other Party. In the event of such termination by CapMetro, CARTS shall be paid its costs, including contract close-out costs, and profit on services performed up to the time of termination. CARTS shall promptly submit its termination claim to CapMetro in order to be paid. If CARTS has any property in its possession belonging to CapMetro, CARTS shall account for the same, and dispose of it in the manner CapMetro directs.

4. Section 3.0, Vehicle Hours, of Attachment SOS-7 of the Supplement is deleted in its entirety and replaced with the following:

**3.0 Vehicle Hours.**

Vehicle hours for the Pickup service are provided below:

Estimated Total Hours Per Weekday = 64

Estimated Total Hours Weekday Annually = 16,512

Vehicle hours may be adjusted by mutual agreement of the parties based on customer demand.

5. Section 4.0, Vehicle Requirements, of Attachment SOS-7 of the Supplement is deleted in its entirety and replaced with the following:

**4.0 Vehicle Requirements.**

Up to six (6) peak vehicles are required for weekday service. The number of vehicles may be adjusted by mutual agreement of the Parties based on customer demand.

6. Section 21.0, National Transit Database Reporting. Removed and replaced with the following:

**21.0 National Transit Database Reporting.**

CARTS shall collect data, keep records and\_ provide reports sufficient to enable CapMetro to meet its National Transit Database ("**NTD**") reporting requirements. CARTS is responsible for obtaining all pertinent NTD regulations and procedures to ensure that all required information is collected and reported in a timely fashion. CARTS shall submit the annual report to CapMetro by November 30.

- B. **INCORPORATION BY REFERENCE.** All defined terms contained in the Agreement and the Supplement shall have the same meaning herein. All terms and conditions contained in the Agreement and the Supplement are incorporated herein for all purposes. All terms not herein defined have the same meaning as set forth in the Agreement and the Supplement. The Recitals contained in this Amendment are incorporated herein for all purposes.
- C. **ENTIRE AGREEMENT.** This Amendment represents the entire agreement between the Parties concerning the subject matter of this Amendment and supersedes all prior or contemporaneous oral or written statements, agreements, and negotiations.
- D. **RATIFICATION.** The Supplement, as modified and amended by this Amendment, is ratified and confirmed in all respects.
- E. **CONFLICT.** In the event of a conflict between the terms of this Amendment and the terms of the Agreement, the provisions of this Amendment shall control.

**IN WITNESS WHEREOF**, the Parties have caused this Amendment to be executed by their respective undersigned duly authorized representatives as of the date of the last party to sign.

**Capital Metropolitan Transportation Authority**

By: \_\_\_\_\_  
Dottie Watkins  
President & CEO

Date: \_\_\_\_\_

**Capital Area Rural Transportation System**

By: \_\_\_\_\_  
Dave L. Marsh  
General Manager

Date: \_\_\_\_\_

Attachments:

ATTACHMENT SFP-8 - Schedule of Fees and Payments

**ATTACHMENT SFP-8  
SCHEDULE OF FEES AND PAYMENTS  
CONTRACTED SERVICES SUPPLEMENT NO. 8 TO MASTER REGIONAL  
MOBILITY AGREEMENT**

**Pickup Manor**

CapMetro shall pay CARTS for the Contracted Service at the following rates:

June 2, 2019 – September 30, 2019	\$79.00 per vehicle hour
October 1, 2019 – September 30, 2020	\$81.00 per vehicle hour
October 1, 2020 – September 30, 2021	\$81.00 per vehicle hour
October 1, 2021 – September 30, 2022	\$81.00 per vehicle hour
October 1, 2022 – September 30, 2023	\$86.00 per vehicle hour
October 1, 2023 – September 30, 2024	\$86.00 per vehicle hour
October 1, 2024 – September 30, 2025	\$89.00 per vehicle hour
October 1, 2025 – September 30, 2026	\$91.23 per vehicle hour

Source of Funds for Payment of Contracted Service:

CapMetro – 100% Local Funds

Travis County – Local and FTA Funds

For the purposes of payment, a vehicle hour means the time a vehicle leaves its base for the service day, to the time it arrives at its base at the end of the service day. Not included as part of vehicle hour are breaks, pre-trip inspection time, and scheduled and unscheduled maintenance periods (vehicle breakdowns).

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Board of Directors

Item #: AI-2025-1561

Agenda Date: 9/22/2025

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**SUBJECT:**

Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute Amendment No. 7 to the Contracted Service Supplement No. 2 with Capital Area Rural Transportation System (CARTS) for the operation of Route 214 Northwest Feeder for fiscal year 2025 in an amount not to exceed \$766,780.

**FISCAL IMPACT:**

Funding for this action is available in the FY2026 Operating Budget

**STRATEGIC PLAN:**

**Strategic Goal Alignment:**

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

**EXPLANATION OF STRATEGIC ALIGNMENT:** The CapMetro/CARTS partnership enables the provision of services that serve the region, including areas not currently in the CapMetro service area or on the borders of the CapMetro service area.

**BUSINESS CASE:** CapMetro receives transit services at a reasonable price under this agreement. CARTS already operates services in the rural areas surrounding CapMetro’s service area, making them a logical partner for providing services that extend beyond the CapMetro service area.

**COMMITTEE RECOMMENDATION:** The item was presented and recommended for approval by the Operations, Planning and Safety Committee on September 10, 2025.

**EXECUTIVE SUMMARY:** CapMetro and CARTS partner to operate transit services on the borders of CapMetro’s service area and in communities located within the Austin urbanized area but outside of the CapMetro service area. The parties utilize a master Regional Mobility Agreement (RMA) for the purposes of outlining terms and conditions which apply to all services. Addenda to the agreement outline each of the services provided and the fees paid for that service.

This resolution authorizes the seventh amendment to and extension of Contracted Service Supplement NO. 2, under which CARTS provides transportation services for CapMetro Route 214 Northwest Feeder. Service cost per vehicle hour for Route 214 in fiscal year (FY) 2026 is \$93.56. The total estimated cost of the service for FY

2026 is \$766,779.70 for an estimated 8,196 vehicle hours.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply.

RESPONSIBLE DEPARTMENT: Operations and Maintenance Oversight

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

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**AI-2025-1561**

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and CapMetro management endeavor to be a regional leader and grow the service and customer base for transit; and

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and CapMetro management recognize that the Contracted Services Supplement for the provision of Route 214 by the Capital Area Rural Transportation System (CARTS) requires an amendment due to the expiration of the current Contracted Services Supplement.

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 Amendment No. 7 to the Contracted Service Supplement No. 2 with Capital Area Rural Transportation System (CARTS) for the operation of Route 214 Northwest Feeder for fiscal year 2026 in an amount not to exceed \$766,780.

**Date:** \_\_\_\_\_

\_\_\_\_\_  
**Secretary of the Board  
Becki Ross**

**AMENDMENT NO. 7 TO CONTRACTED SERVICES SUPPLEMENT NO. 2  
TO THE MASTER REGIONAL MOBILITY AGREEMENT**

**(Route 214 – Northwest Feeder)**

**This Amendment No. 7 to Contracted Services Supplement No. 2 to the Master Regional Mobility Agreement** (“Amendment”) is made and entered into by and between **Capital Metropolitan Transportation Authority** (“CapMetro”), a transportation authority and political subdivision for the State of Texas organized under Chapter 451 of the Texas Transportation Code, and **Capital Area Rural Transportation System**, a rural/urban transit district and political subdivision of the State of Texas organized under Chapter 458 of the Texas Transportation Code (“CARTS”). Capital Metro and CARTS are referred to in this Agreement individually as a “Party” and collectively as the “Parties”.

**RECITALS**

- A. **WHEREAS**, CapMetro and CARTS entered into that one certain Master Regional Mobility Agreement dated effective May 1, 2015 (the “Agreement”); and,
- B. **WHEREAS**, pursuant to the Agreement the Parties entered into Contracted Services Supplement No. 2 dated effective May 1, 2015, pursuant to which CARTS provides transportation services for the CapMetro Route 214 – Northwest Feeder (the “Supplement”); and,
- C. **WHEREAS**, the Parties entered into that certain Amendment No. 1 to the Supplement effective September 25, 2017 (“Amendment No. 1”); and,
- D. **WHEREAS**, the Parties entered into that certain Amendment No. 2 to the Supplement effective October 1, 2020 (“Amendment No. 2”) and,
- E. **WHEREAS**, the Parties entered into that certain Amendment No. 3 to the Supplement effective September 30, 2021 (“Amendment No. 3”) and,
- F. **WHEREAS**, the Parties entered into that certain Amendment No. 4 to the Supplement effective October 1, 2022 (“Amendment No. 4”), and
- G. **WHEREAS**, the Parties entered into that certain Amendment No. 5 to the Supplement effective October 1, 2023 (“Amendment No. 5”), and
- H. **WHEREAS**, the Parties entered into that certain Amendment No. 6 to the Supplement effective October 1, 2024 (“Amendment No. 6”), and
- I. **WHEREAS**, the Parties desire to further amend the Supplement as set forth herein.

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

**AGREEMENT**

**A. AMENDMENT.**

- 1. Paragraph 1 of the Supplement is deleted in its entirety and replaced with the following:

CARTS agrees to provide CapMetro, the transportation services described in Attachment SOS-7 (“Scope of Services”) attached and incorporated herein for all purposes (“Contracted Service”). The Contracted Service shall be provided in accordance with this Supplement (including the attached SOS-7) and the Agreement.

2. Paragraph 2.B. of the Supplement is deleted in its entirety and replaced with the following:

B. FEES FOR SERVICES. For Contracted Services provided under this Supplement, CARTS shall be paid as set forth in Attachment SFP-7 (“Schedule of Fees and Payments”) attached and incorporated herein for all purposes.

3. Paragraph 2.C of the Supplement is deleted in its entirety and replaced with the following:

C. TERM. The term of this Supplement will commence on May 1, 2015, and terminate on September 30, 2026. Either Party may terminate this Supplement, in whole or in part, without cause, upon sixty (60) days’ advance written notice to the other party. In the event of such termination, CARTS shall be paid its costs, including contract close-out costs, and profit on services performed up to the time of termination. CARTS shall promptly submit its termination claim to CapMetro to be paid to CARTS. If CARTS has any property in its possession belonging to CapMetro, CARTS shall account for the same, and dispose of it in the manner Capital Metro directs.

B. **NOT TO EXCEED AMOUNT.** Payments made under the Supplement for the FY 2026 period beginning October 1, 2025, and ending September 30, 2026, shall not exceed **\$766,779.70**.

C. **INCORPORATIONS BY REFERENCE.** All defined terms contained in the Agreement and the Supplement shall have the meaning herein. All terms and conditions contained in the Agreement and the Supplement are incorporated herein for all purposes. All terms not herein defined have the same meaning as set forth in the Agreement and the Supplement. The recitals contained in the Amendment are incorporated herein for all purposes.

D. **ENTIRE AGREEMENT.** This Amendment represents the entire agreement between the Parties concerning the subject matter of this Amendment and supersedes all prior or contemporaneous oral or written statements, agreements, and negotiations.

E. **RATIFICATION.** The Supplement, as modified and amended by this Amendment, is ratified and confirmed in all respects.

F. **CONFLICT.** In the event of a conflict between the terms of this Amendment and the terms of the Agreement or Supplement, the provisions of this Amendment shall control.

*Signatures on next page.*

**IN WITNESS WHEREOF**, the Parties have caused this Amendment to be executed by their undersigned, duly authorized representatives to be effective as of October 1, 2025.

**CAPITAL METROPOLITAN TRANSPORTATION  
AUTHORITY**

By: \_\_\_\_\_

Name: Dottie Watkins

Title: President & CEO

Date: \_\_\_\_\_

**CAPITAL AREA RURAL TRANSPORTATION  
SYSTEM**

By: \_\_\_\_\_

Name: David L. Marsh

Title: General Manager

Date: \_\_\_\_\_

Attachments:

ATTACHMENT SFP-7 - Schedule of Fees and Payments

ATTACHMENT SOS-7 - Scope of Services



**ATTACHMENT SFP-7**

**SCHEDULE OF FEES AND PAYMENTS  
CONTRACTED SERVICES SUPPLEMENT NO. 2 TO MASTER REGIONAL MOBILITY  
AGREEMENT**

**Route 214 – Northwest Feeder**

CapMetro shall pay CARTS for the Contracted Service at the following rates:

May 1, 2015 – September 30, 2015	\$65.00 per vehicle hour
October 1, 2015 – September 30, 2016	\$66.95 per vehicle hour
October 1, 2016 – September 30, 2017	\$68.96 per vehicle hour
October 1, 2017 – September 30, 2018	\$71.03 per vehicle hour
October 1, 2018 – September 30, 2019	\$73.16 per vehicle hour
October 1, 2019 – September 30, 2020	\$75.74 per vehicle hour
October 1, 2020 – September 30, 2021	\$75.74 per vehicle hour
October 1, 2021 – September 30, 2022	\$77.52 per vehicle hour
October 1, 2022 – September 30, 2023	\$86.05 per vehicle hour
October 1, 2023 – September 30, 2024	\$88.20 per vehicle hour
October 1, 2024 – September 30, 2025	\$89.96 per vehicle hour
October 1, 2025 – September 30, 2026	\$93.56 per vehicle hour

CapMetro Source of Funds for Payment of Contracted Service: 100% Local Funds

For the purposes of payment, a fixed route “vehicle hour” means the time a vehicle leaves its base for the service day, to the time it arrives at its base at the end of the service day. Not included as part of vehicle hour are breaks, pre-trip inspection time, and scheduled and unscheduled maintenance periods (vehicle breakdowns).

**ATTACHMENT SOS-7**  
**SCOPE OF SERVICES FOR CONTRACTED SERVICES SUPPLEMENT NO. 2 TO MASTER  
REGIONAL MOBILITY AGREEMENT**

**Route 214 – Northwest Feeder**

**1.0 GENERAL PURPOSE**

This Scope of Services for Contracted Services Supplement No. 2 to Master Regional Mobility Agreement (“Supplement”) documents the requirements related to the operation of Route 214 – Northwest Feeder fixed route service (the “Contracted Service”). Capitalized terms not otherwise defined herein shall have the meanings designated for such terms in the Supplement.

CARTS shall provide an operationally dependable vehicle service for customer use, equipped for maximum customer comfort in a cost-effective manner, and continually maintained and operated in a safe condition as described herein.

CARTS shall obtain all required licenses and permits to operate in the Capital Metro’s service area within the scope of this Contracted Service.

CARTS shall furnish all supervision, security protection, personnel, customer vehicles, fuel, materials, supplies, storage and maintenance facilities, tools, equipment, insurance, and incidentals (such as comfort stop identification) as required to perform an operationally dependable public transportation service. Fueling of vehicles shall not occur during revenue hours. Fueling, if needed may occur during shift changes or through vehicle exchanges at route terminal locations, provided that customers are not inconvenienced.

CARTS shall at all times comply and cause its assigned personnel and contractors to comply with Capital Metro’s policies and procedures, as revised, supplemented, and updated from time to time. These policies and procedures include, but are not limited to, the documents found on Capital Metro’s service provider extranet site located at [https://capmetro.sharepoint.com/sites/EXT\\_MOSP/PoliciesProcedures/Forms/AllItems.aspx?RootFolder=%2Fsites%2FEXT%5FMOSP%2FPoliciesProcedures](https://capmetro.sharepoint.com/sites/EXT_MOSP/PoliciesProcedures/Forms/AllItems.aspx?RootFolder=%2Fsites%2FEXT%5FMOSP%2FPoliciesProcedures). CARTS shall maintain documentation showing that its employees received a copy of these policies and procedures.

**2.0 DESCRIPTION OF CONTRACTED SERVICE**

The Contracted Services consists of CapMetro Route 214-Northwest Feeder fixed route service. This route presently operates between Lago Vista Park and Ride Lot, Jonestown and Lakeline MetroRail Station.

**3.0 VEHICLE HOURS**

Vehicle hours for the Contracted Service are provided below:

Estimated Total Hours Weekdays = 32  
Estimated Total Hours Annually = 8,196.

**4.0 VEHICLE REQUIREMENTS**

Two (2) peak vehicles are required.

**5.0 SERVICE PERIOD**

CARTS will operate the service on weekdays, approximately 5:00 a.m. — 9:30 p.m. (times may vary within this window, based on the specific route schedule).

## **6.0 SERVICE SCHEDULE**

CARTS shall provide Contracted Service in a safe, courteous, reliable manner and in accordance with trip schedules provided by CapMetro. CapMetro service changes occur three times per year during the months of January, June, and August. CARTS shall follow the prescribed routes and schedules as established by CapMetro and communicate any route detours or route delays with CapMetro.

## **7.0 VEHICLES**

Vehicles shall have adequate heating and air conditioning; two-way radios, not on citizen band frequency; provision for CapMetro to install a Genfare fare box; adequate interior lighting; interior and exterior signage; and padded, comfortable seating for customers. All vehicles shall be accessible for mobility devices, capable of handling two (2) mobility device positions.

All vehicles shall be painted in accordance with CapMetro's graphic program. CapMetro shall supply logos for the vehicles. Vehicles shall bear no other logos, emblems or identification unless required by law or approved by CapMetro. CapMetro logos shall be promptly removed at the end of the Supplement term.

All vehicles shall be cleaned inside daily prior to being placed into service. Vehicle exteriors and windows shall be washed every day, weather permitting. Vehicle interiors shall at all times be kept free of exhaust fumes and engine odors. The interior of the vehicles shall be maintained free from roaches and other vermin at all times that the bus is utilized in Contracted Service. CARTS is strictly prohibited from using any vermin control product that would be hazardous to the health and well-being of the customers and operator of the bus. Exterminations or vermin spray shall be scheduled to assure there are no offensive odors during Contracted Service hours.

Vehicles shall have illuminated destination signs that are highly visible and in compliance with ADA regulations and programmed with proper route and safety designations as defined by CapMetro. All destination signs shall be illuminated for night operation.

Vehicles shall be equipped with customer notice holders, and customer discharge bells.

Vehicle bodies, frames, and components shall be in sound condition, and free of all damage that compromises the safe operation of the vehicle. Vehicles shall comply with safety and mechanical standards of all state, federal and local governments. All mechanical, electrical, and hydraulic securement systems shall be maintained in proper working condition at all times.

At its discretion, CapMetro shall inspect vehicles assigned pursuant to the Supplement at any time. All determinations by CapMetro as to the appearance, cleanliness and condition of a vehicle shall be final; however, CARTS shall not be relieved of its duty to maintain the vehicles in a safe and sound condition. All vehicles shall be capable of comfortably seating a minimum of twelve (12) customers in fully padded forward facing seats. Vehicles shall be equipped with stanchions for standee use. CARTS shall not exceed the standee capacity designated for the vehicle.

All vehicles shall be equipped to permit inward and outward mobility device boarding. Ramps and lifts shall comply with ADA standards. Securement for mobility devices shall consist of wheel clamps, and four (4) securement belts. Additionally, a lap belt shall be required for customer preference.

The vehicles air conditioning system shall be of sufficient size and capacity to maintain a comfortable, constant temperature throughout the vehicle. The heating system shall have proportional controls and be of sufficient capacity to maintain a comfortable, constant temperature throughout the vehicle.

### **8.0 EQUIPMENT CONDITION**

CARTS shall maintain each vehicle in a clean condition throughout, both interior and exterior, at all times that the vehicle is in service for CapMetro. All vehicles shall be swept, mopped, interiors wiped down (i.e., dashboards, stanchions, bars, etc.) prior to the bus going into service each day. Each bus shall be detailed at a minimum of once every ninety (90) days. The detailing shall include, but is not limited to:

- a) Removal of all graffiti.
- b) Cleaning of all side panels.
- c) Cleaning ceiling panels.
- d) Cleaning dome light covers.
- e) Cleaning of seats, including frames.
- f) Cleaning floors (i.e., gum removal).
- g) Exterior cleaning, repaint wheel rims, if necessary.
- h) Be free of body damage, have no missing or unpainted panels.
- i) Wheel rims shall be supplied by CARTS.
- j) Have all safety items fully operational (i.e., lights, brakes, horn, tires, etc.).

### **9.0 SPARE VEHICLES**

Spare vehicles, fully meeting all vehicle requirements listed above in section 7.0, including but not limited to mobility device accessibility and graphic requirements, shall be maintained and dispatched for replacement purposes within one (1) hour of the time any the primary vehicle becomes inoperable or shall be removed from service for repairs.

### **10.0 MONTHLY REPORTS**

CARTS shall provide ridership data and such other operating data in connection with the Contracted Service as may reasonably be requested by CapMetro, including but not limited to total daily number of boarding, as well as number of boarding by fare category. Data shall be provided on a monthly basis along with CARTS invoice for that month. The following information shall be provided to the CapMetro Project Manager:

- a) Boarding for the entire month.
- b) Summary of vehicle and passenger accidents for the entire month.
- c) Late and missed trips for the entire month.
- d) Miles driven for the entire month.
- e) On-time performance for each week, as well as the monthly average.
- f) Road calls for the entire month.
- g) Security incidents.

Invoices. CARTS will submit monthly invoices to CMTA – Accounts Payable for the services purchased in the preceding month. Invoices shall be sent to the below address:

Accounts Payable  
Capital Metropolitan Transportation Authority  
P.O. Box 6308  
Austin, Texas 78762-6308  
Or via e-mail to: [ap\\_invoices@capmetro.org](mailto:ap_invoices@capmetro.org)

### **11.0 GENERAL PROVISIONS FOR CONTRACTED SERVICE**

CapMetro reserves the right to adjust Contracted Service at any time. Modifications to Contracted Service may include, but are not limited to, extending, deleting or adding route(s), or parts of route(s), and expanding or decreasing vehicle hours. Notice shall be given prior to service modifications.

In the event that actual annual vehicle hours fall below ninety percent (90%) or above one hundred and ten percent (110%) of the total projected annual vehicle hours, CapMetro reserves the right to negotiate a revised unit cost per vehicle hour with CARTS. Such renegotiations would also occur in the event that vehicles need to be added or deleted during the term of the Supplement.

CARTS may propose method of compensation for service expansion including adding vehicles. CapMetro reserves the right, upon notification to CARTS to transfer portions or all of the Contracted Service to another service provider based on the operational needs of CapMetro. CARTS may also request a transfer of portions or all of the Contracted Service to another service provider by providing CapMetro at least six (6) months' notice in advance based on the operational needs of CARTS.

### **12.0 HOLIDAY SCHEDULE**

CapMetro reserves the right to operate modified schedules which it deems appropriate in conjunction with the holidays listed based on what is shown in the most current CapMetro Destinations schedule book which may be accessed here: <https://www.capmetro.org/destinations/>. CARTS should be prepared to ensure that Contracted Service are provided in accordance with such holiday schedules.

### **13.0 TRAINING**

All bus operators hired by CARTS shall attend, at a minimum, the following training:

- a. Six (6) hours of defensive driving training and two (2) hours of overview of CapMetro service. CARTS shall be responsible for providing a certified defensive driving course for all bus operators, prior to driving.
- b. CARTS shall be required every year to ensure all operating personnel associated with this Supplement receive a minimum of two (2) hours of refresher training.
- c. The cost of bus operator's wages during training shall be borne by CARTS.
- d. CARTS shall be required to ensure all bus operators are aware of proper customer communication practices required for polite customer assistance and participate in customer service training for at least two (2) hours annually.
- e. CARTS shall ensure all bus operators complete training prior to their operation of an in-service vehicle. CARTS shall also be responsible for providing additional training for any bus operator who demonstrates a lack of appropriate training.

Training subsequent to training for new hires, such as refresher training and retraining, shall be conducted by CARTS. CARTS shall be required to have a bus operator development program in place to address all bus operator related training needs. CapMetro shall inform CARTS in writing of any changes in operating procedures; CARTS shall be responsible for any training at their cost for existing bus operators which is needed as a result of changed procedures.

All training programs shall be subject to CapMetro approval.

### **14.0 UNIFORM AND APPEARANCE STANDARDS**

CARTS shall comply with CapMetro's uniform and appearance requirements. The uniform and appearance standards are available here:

[ALL Operating Procedure - CMTA Uniform and Appearance Standards v2025.3.pdf](#)

Any deviations from the uniform and appearance standards must be approved by CapMetro in its sole discretion.

### **15.0 REMOVAL**

CapMetro may require CARTS to immediately remove, pending investigation, any bus operator from CapMetro service for any one of, but not necessarily limited to, the following:

- a. Committing unsafe or inappropriate acts while providing service.
- b. Failure to follow CapMetro policies and procedures.
- c. Using a cell phone while operating CapMetro vehicle, including texting and use of Bluetooth devices.
- d. Revocation, suspension or non-renewal of a valid driver's license.
- e. A criminal conviction as set forth in the Master Agreement section entitled "Personnel Assignments".
- f. Violating the uniform and appearance standards without approval.
- g. Using any tobacco product on CapMetro vehicle or property, in accordance with the Tobacco Free policies of CapMetro.
- h. Failing to follow safety rules and regulations.
- i. Failing to follow security policies, guidelines, and procedures.
- j. Notification of an active warrant from any law enforcement or judicial agency; and/or
- k. Any conduct which puts CapMetro or its reputation at risk.

### **16.0 PERSONNEL**

CARTS shall furnish all operators, mechanics, dispatchers, supervisors, administrative personnel and other personnel services necessary for providing the transportation service in accordance with the Supplement. CARTS Assistant General Manager of Safety and Security shall be CARTS Project Manager for this Supplement. CapMetro's Program Manager, Bus Contracts shall be CapMetro's Project Manager for this Supplement.

### **17.0 SUPERVISION**

CARTS shall utilize a CARTS transportation supervisor to monitor the Contracted Service. This supervision shall include conducting ride checks (on-board) to ensure bus operator adherence to procedures (i.e., on-time performance, customer relations, etc.). Such supervision shall also include prompt responses to all investigation of accidents. CapMetro reserves the right to provide similar investigations and adherence checks of its own without notice to ensure compliance with terms of the Supplement.

### **18.0 DISPATCHING & RADIO COMMUNICATION**

CARTS shall be required to maintain dispatch and radio monitoring personnel to work during the hours of Contracted Service. CARTS shall be able to effectively dispatch assignments and provide prompt responses to bus operator and/or vehicle problems which could impact CARTS service. CARTS will work with CapMetro to allow for CapMetro's ability to monitor radio communications between CARTS dispatch office and CARTS bus operators regarding Contracted Service. CARTS would also have the option of having a supervisor on call to respond to questions or problems.

This communication shall be via two-way radios. Base station, tower and fixed vehicle radios to be provided by CARTS.

### **19.0 FARE COLLECTION**

CARTS shall collect fares and charges established by CapMetro. Without CapMetro's approval, no free transportation service shall be provided to persons other than the following:

- a. CapMetro employees, contractors or dependents with valid identification.

- b. Seniors or persons with disabilities with the proper CapMetro issued identification card.
- c. K – 12 students, with valid ID.
- d. Ten (10) and younger must be accompanied by someone twelve (12) or older.
- e. UT students, faculty or employees presenting a valid UT identification card.
- f. Complimentary tickets or ticket passes.

CapMetro shall notify CARTS of changes in the fare structure.

All fare collection equipment shall be owned by and supplied by CapMetro and maintained by CapMetro or its contractors. CapMetro shall reimburse CARTS for time to have fare box maintained and cash collected at a location as defined by CapMetro based on the hourly rate defined in the SFP. CARTS is required to ensure that data and cash (if applicable) from any fare collection equipment is retrieved regularly, at a minimum of once per month by CapMetro designated personnel or contractors.

### **20.0 CUSTOMER COMPLAINTS**

CARTS shall direct customers to file complaints with CapMetro via telephone, in person or written correspondence. Once CapMetro has forwarded the complaint for investigation to CARTS, CARTS shall contact each customer by telephone or by written correspondence to review the complaint. CARTS shall investigate and provide responses to complaints within four (4) days of receipt. CARTS shall be provided access to a CapMetro designated customer comment program (currently called Service One) to access all complaint information. At the end of the Supplement term access to this program shall be terminated.

### **21.0 NATIONAL TRANSIT DATABASE REPORTING**

CARTS shall collect data, keep records and provide reports sufficient to enable CapMetro to meet its National Transit Database (“NTD”) reporting requirements. CARTS is responsible for obtaining all pertinent NTD regulations and procedures to ensure that all required information is collected and reported in a timely fashion. CARTS shall submit the annual report to CapMetro by November 30.

### **22.0 PERFORMANCE SPECIFICATIONS**

CARTS shall at all times strive to meet the performance standards listed below in order to provide the highest level of service possible. CapMetro reserves the right to monitor CARTS in its performance of the Contracted Service to be provided under the Supplement.

The following are the performance specifications:

- a) No more than eight (8) complaints per 10,000 customers.
- b) No more than three (3) vehicle accidents per 100,000 vehicle miles.
- c) No more than three (3) passenger accidents per 100,000 miles.
- d) Ninety percent (90%) of trips operating on time. (An on-time trip is one which departs 0 minutes early and no more than five (5) minutes late).

### **23.0 ON-TIME PERFORMANCE**

CARTS operators must complete daily logs with scheduled times and actual times entered at all time points to record and measure on-time performance (“OTP”). An on-time trip is one which departs 0 minutes early and no more than five (5) minutes late. Sampling could be required if CCRS trended an increase because OTP issues. CapMetro personnel may also conduct checks.

### **24.0 MARKETING AND PUBLIC RELATIONS**

CapMetro shall furnish all schedules, maps, tickets, transfers, passes and other printed materials required for marketing the Contracted Service. CARTS shall distribute CapMetro customer notices, cooperate and participate in marketing, promotion, advertising, public relations, and public education programs and

projects undertaken by CapMetro from time to time. CapMetro shall be the exclusive public media spokesman in connection with the Contracted Service.

## **25.0 PERSONNEL QUALIFICATIONS/STANDARDS**

CARTS shall ensure personnel meet the following standards to perform CapMetro Contracted Service as defined below:

- a. Be employees (full or part-time) of CARTS.
- b. Have a Texas Class B driver's license with passenger endorsement and air brakes, if operating a bus.
- c. Have the ability to read, write, and speak English.
- d. Be sensitive to customers' needs.
- e. Have the ability to handle complaints and problems as required.
- f. Pass a Department of Transportation ("**DOT**") physical and comprehensive drug screen.

## **26.0 DRUG AND ALCOHOL TESTING PROGRAM**

CARTS agrees to establish and implement a drug and alcohol testing program that complies with 49 CFR Part 655, produce any documentation necessary to establish its compliance with 49 CFR Part 655, 49 CFR Part 40, and 49 CFR Part 29 and permit any authorized representative of the United States Department of Transportation or its operating administrations, the State Oversight Agency of the State of Texas or CapMetro, to inspect the facilities and records associated with the implementation of the drug and alcohol testing program as required under 49 CFR Part 655, 49 CFR Part 40, and 49 CFR Part 29 and review the testing process.

CARTS drug and alcohol policy for Contracted Service shall include zero tolerance for positive results and other violations of the policy. Employees of CARTS with a confirmed positive drug or alcohol test may not be used to perform work under the Supplement.

CARTS agrees further to certify annually its compliance with Part 655 before March 1st and to submit the Management Information System ("**MIS**") reports annually on or before February 28th to CapMetro.

CARTS agrees to submit a copy of its Policy Statement developed to implement its Drug and Alcohol Testing Program and consult with CapMetro on the selection of a certified laboratory, substance abuse professional, or Medical Review Officer, or the use of a consortium.

CARTS will adhere to the FTA training frequency requirements as outlined under 49 CFR.

## **27.0 SAFETY AND SECURITY**

CARTS shall develop, implement, and maintain a program to respond to emergencies and routine problems that may occur. CapMetro acknowledges that CARTS is participating in the State of Texas Grouped Safety Management Systems Plan ("**SMS**") and CARTS shall ensure that the principles of SMS are included in the Contracted Service operation. CARTS shall provide CapMetro with a copy of such plan.

CARTS shall participate in periodic emergency readiness training and drills, at the direction of CapMetro.

CARTS shall be responsible for coordinating and providing security protection for customers, employees and assets regarding the Contracted Service. Coordinating means utilizing local law enforcement or other

implementing any security measures necessary to respond to incidents that may occur regarding the Contracted Service.

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Board of Directors

Item #: AI-2025-1562

Agenda Date: 9/22/2025

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**SUBJECT:**

Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute Amendment No. 7 to Contracted Services Supplement No. 5 to the Master Regional Mobility Agreement with Capital Area Rural Transportation Services (CARTS) for the provision of Route 990 - Manor Express for fiscal year 2026 in an amount not to exceed \$191,398.

**FISCAL IMPACT:**

Funding for this action is available in the FY2026 Operating Budget

**STRATEGIC PLAN:**

Strategic Goal Alignment:

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

**EXPLANATION OF STRATEGIC ALIGNMENT:** The CapMetro/CARTS partnership enables the provision of services to the larger region, including areas not currently in the CapMetro service area.

**BUSINESS CASE:** CapMetro receives transit services at a reasonable price under this agreement. CARTS already operates services in the rural areas surrounding CapMetro's service area, making them a logical partner for providing services that extend beyond the CapMetro service area.

**COMMITTEE RECOMMENDATION:** The item was presented and recommended for approval by the Operations, Planning and Safety Committee on September 10, 2025.

**EXECUTIVE SUMMARY:** CapMetro and CARTS partner to operate transit services on the borders of CapMetro's service area and in communities located within the Austin urbanized area but outside of the CapMetro service area. The parties utilize a Master Regional Mobility Agreement (RMA) for the purposes of outlining terms and conditions which apply to all services. Addenda to the agreement outline each of the services provided and the fees paid for that service.

Supplement No. 4 to the Master Regional Mobility Agreement allows for the provision of transit service to the Manor area via Route 990 - Manor Express. CARTS provides the vehicle, fuel, operations and maintenance for this service and CapMetro reimburses CARTS for its costs.

The current Contracted Service Supplement No. 6, which allows for CARTS to operate Route 990 - Manor Express, expires on September 30, 2025. This resolution authorizes the sixth amendment to Contracted Service Supplement No. 7 to extend the term through fiscal year (FY) 2026. Service cost per vehicle hour will be \$93.56. The total cost of the service for FY 2026 is estimated not to exceed \$191,397.45 for 2,046 estimated vehicle hours.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply.

RESPONSIBLE DEPARTMENT: Operations and Maintenance Oversight

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

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**AI-2025-1562**

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and CapMetro management endeavor to be a regional leader and grow the service and customer base for transit; and

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and CapMetro management recognize that Contracted Services Supplement No. 6 for the provision of Route 990 - Manor Express by the Capital Area Rural Transportation System (CARTS) requires an amendment to extend the term.

NOW, THEREFORE, BE IT RESOLVED that the Interim President & CEO, or her designee, is authorized to finalize and execute Amendment No. 7 to Contracted Services Supplement No. 5 to the Master Regional Mobility Agreement with Capital Area Rural Transportation Services (CARTS) for the provision of Route 990 - Manor Express for fiscal year 2025 in an amount not to exceed \$191,398.

**Date:** \_\_\_\_\_

\_\_\_\_\_  
**Secretary of the Board  
Becki Ross**

**AMENDMENT NO. 7 TO CONTRACTED SERVICES SUPPLEMENT NO. 5 TO THE  
MASTER REGIONAL MOBILITY AGREEMENT**

**(Route 990 – Manor Express)**

**This Amendment No. 7 to Contracted Services Supplement No. 5 to the Master Regional Mobility Agreement (“Amendment”)** is made and entered into by and between **Capital Metropolitan Transportation Authority (“CapMetro”)**, a transportation authority and political subdivision for the State of Texas organized under Chapter 451 of the Texas Transportation Code, and **Capital Area Rural Transportation System**, a rural/urban transit district and political subdivision of the State of Texas organized under Chapter 458 of the Texas Transportation Code (“CARTS”). CapMetro and CARTS are referred to in this Agreement individually as a “Party” and collectively as the “Parties”.

**RECITALS**

- A. **WHEREAS**, CapMetro and CARTS entered into that one certain Master Regional Mobility Agreement dated effective May 1, 2015 (“Agreement”); and,
- B. **WHEREAS**, pursuant to the Agreement the Parties entered into Contracted Services Supplement No. 4 dated effective May 1, 2015, for CARTS to provide transportation services for CapMetro Route 990 – Manor Express (“Supplement”); and,
- C. **WHEREAS**, the Parties entered into that certain Amendment No. 1 to the Supplement effective September 25, 2017 (“Amendment No. 1”); and,
- D. **WHEREAS**, the Parties entered into that certain Amendment No. 2 to the Supplement effective October 2, 2020 (“Amendment No. 2”) and,
- E. **WHEREAS**, the Parties entered into that certain Amendment No. 3 to the Supplement effective September 30, 2021 (“Amendment No. 3”) and,
- F. **WHEREAS**, the Parties entered into that certain Amendment No. 4 to the Supplement effective September 30, 2022 (“Amendment No. 4”) and
- G. **WHEREAS**, the Parties entered into that certain Amendment No. 5 to the Supplement effective September 30, 2023 (“Amendment No. 5”) and
- H. **WHEREAS**, the Parties entered into that certain Amendment No. 6 to the Supplement effective September 30, 2024 (“Amendment No. 6”) and
- I.
- J. **WHEREAS**, the Parties desire to further amend the Supplement.

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

## AGREEMENT

### A. AMENDMENT.

1. Paragraph 1 of the Supplement is deleted in its entirety and replaced with the following:

CARTS agrees to provide to CapMetro, the transportation services described in Attachment SOS-7 (“Scope of Services”) attached and incorporated herein for all purposes (“Contracted Service”). The Contracted Service shall be provided in accordance with this Supplement (including the attached SOS-7 and the Agreement.

2. Paragraph 2.B. of the Supplement is deleted in its entirety and replaced with the following:

B. FEES FOR SERVICES. For Contracted Services provided under this Supplement, CARTS shall be paid as set forth in Attachment SFP-7 (“Schedule of Fees and Payments”) attached and incorporated herein for all purposes.

3. Paragraph 2.C of the Supplement is deleted in its entirety and replaced with the following:

2. C. TERM. The term of this Supplement will commence on May 1, 2015, (“**Effective Date**”) and terminate on September 30, 2026. Either Party may terminate this Supplement, in whole or in part, without cause, upon sixty (60) days’ advance written notice to the other party. In the event of such termination, CARTS shall be paid its costs, including contract close-out costs, and profit on services performed up to the time of termination. CARTS shall promptly submit its termination claim to CapMetro to be paid to CARTS. If CARTS has any property in its possession belonging to CapMetro, CARTS shall account for the same, and dispose of it in the manner CapMetro directs.

**B. NOT TO EXCEED AMOUNT.** Payments made under the Supplement for the FY 2026 period beginning October 1, 2025, and ending September 30, 2026, shall not exceed **\$191,397.45**

**C. INCORPORATIONS BY REFERENCE.** All defined terms contained in the Agreement and the Supplement shall have the meaning herein. All terms and conditions contained in the Agreement and the Supplement are incorporated herein for all purposes. All terms not herein defined have the same meaning as set forth in the Agreement and the Supplement. The recitals contained in the Amendment are incorporated herein for all purposes.

**D. ENTIRE AGREEMENT.** This Amendment represents the entire agreement between the Parties concerning the subject matter of this Amendment and supersedes all prior or contemporaneous oral or written statements, agreements, and negotiations.

**E. RATIFICATION.** The Supplement, as modified and amended by this Amendment, is ratified and confirmed in all respects.

**F. CONFLICT.** In the event of a conflict between the terms of this Amendment and the terms of the Agreement or Supplement, the provisions of this Amendment shall control.

*[Signature Page Follows]*

**In Witness Whereof**, the Parties have caused this Amendment to be executed by their undersigned, duly authorized representatives to be effective as of October 1, 2025.

**Capital Metropolitan Transportation Authority**

By: \_\_\_\_\_

Name: Dottie Watkins

Title: President and CEO

Date: \_\_\_\_\_

**Capital Area Rural transportation System**

By: \_\_\_\_\_

Name: David L. Marsh

Title: General Manager

Date: \_\_\_\_\_

Attachments:

ATTACHMENT SFP-7 - Schedule of Fees and Payments

ATTACHMENT SOS-7 - Scope of Services

**ATTACHMENT SFP-7**  
**SCHEDULE OF FEES AND PAYMENTS**  
**CONTRACTED SERVICES SUPPLEMENT NO. 4 TO MASTER REGIONAL**  
**MOBILITY AGREEMENT**

**Route 990 – Manor Express**

CapMetro shall pay CARTS for the Contracted Service at the following rates:

October 1, 2017 – September 30, 2018	\$71.03 per vehicle hour
October 1, 2018 – September 30, 2019	\$73.16 per vehicle hour
October 1, 2019 – September 30, 2020	\$75.74 per vehicle hour
October 1, 2020 – September 30, 2021	\$75.74 per vehicle hour
October 1, 2021 – September 30, 2022	\$77.52 per vehicle hour
October 1, 2022 – September 30, 2023	\$86.05 per vehicle hour
October 1, 2023 – September 30, 2024	\$88.20 per vehicle hour
October 1, 2024 – September 30, 2025	\$89.96 per vehicle hour
October 1, 2025 – September 30, 2026	\$93.56 per vehicle hour

CapMetro Source of Funds for Payment of Contracted Service: 100% Local Funds

For the purposes of payment, a fixed route “vehicle hour” means the time a vehicle leaves its base for the service day, to the time it arrives at its base at the end of the service day. Not included as part of vehicle hour are breaks, pre-trip inspection time, and scheduled and unscheduled maintenance periods (vehicle breakdowns). Vehicle hours between Manor Park and Ride Lot and Elgin Park and Ride Lot shall not be billed under this Supplement.

**ATTACHMENT SOS-7**  
**SCOPE OF SERVICES FOR CONTRACTED SERVICES SUPPLEMENT NO. 5**  
**TO MASTER REGIONAL MOBILITY AGREEMENT**

**Route 990 – Manor Express**

**1.0 GENERAL PURPOSE**

This Scope of Services for Contracted Services Supplement No. 5 to Master Regional Mobility Agreement (“Supplement”) documents the requirements related to the operation of Route 990 – Manor Express fixed route service (the “Contracted Service”). Capitalized terms not otherwise defined herein shall have the meanings designated for such terms in the Supplement.

CARTS shall provide an operationally dependable vehicle service for customer use, equipped for maximum customer comfort in a cost-effective manner, and continually maintained and operated in a safe condition as described herein.

CARTS shall obtain all required licenses and permits to operate in the CapMetro’s service area within the scope of this Contracted Service.

CARTS shall furnish all supervision, security protection, personnel, customer vehicles, fuel, materials, supplies, storage and maintenance facilities, tools, equipment, insurance, and incidentals (such as comfort stop identification) as required to perform an operationally dependable public transportation service. Fueling of vehicles shall not occur during revenue hours. Fueling, if needed may occur during shift changes or through vehicle exchanges at route terminal locations, provided that customers are not inconvenienced.

CARTS shall at all times comply and cause its assigned personnel and contractors to comply with CapMetro’s policies and procedures, as revised, supplemented, and updated from time to time. These policies and procedures include, but are not limited to, the documents found on CapMetro’s service provider extranet site located at [https://capmetro.sharepoint.com/sites/EXT\\_MOSP/PoliciesProcedures/Forms/AllItems.aspx?RootFolder=%2Fsites%2FEXT%5FMOSP%2FPoliciesProcedures](https://capmetro.sharepoint.com/sites/EXT_MOSP/PoliciesProcedures/Forms/AllItems.aspx?RootFolder=%2Fsites%2FEXT%5FMOSP%2FPoliciesProcedures). CARTS shall maintain documentation showing that its employees received a copy of these policies and procedures.

**2.0 DESCRIPTION OF CONTRACTED SERVICE**

CapMetro Route 990-Manor Express fixed route (“Contracted Service”) The route presently operates between downtown Austin and Manor Park and Ride Lot. The extension between Manor Park and Ride Lot and Elgin Park and Ride Lot is not a part of this Supplement or Agreement.

**3.0 VEHICLE HOURS**

Vehicle hours for the Contracted Service are provided below:

Estimated Total Hours Weekdays = 8.

Estimated Total Hours Annually = 2,046.

**4.0 VEHICLE REQUIREMENTS**

Two (2) peak vehicles are required.

## 5.0 SERVICE PERIOD

CARTS will operate the service on weekdays, approximately 5:00 a.m. — 9:30 p.m. (times may vary within this window, based on the specific route schedule).

## 6.0 SERVICE SCHEDULE

CARTS shall provide Contracted Service in a safe, courteous, reliable manner and in accordance with trip schedules provided by CapMetro. CapMetro service changes occur three times per year during the months of January, June, and August. CARTS shall follow the prescribed routes and schedules as established by CapMetro and communicate any route detours or route delays with CapMetro.

## 7.0 VEHICLES

Vehicles shall have adequate heating and air conditioning; two-way radios, not on citizen band frequency; provision for CapMetro to install a Genfare fare box; installation of a manual fare box for fares collected between Manor and Elgin; adequate interior lighting; interior and exterior signage; and padded, comfortable seating for customers. All vehicles shall be accessible for mobility devices, capable of handling two (2) mobility device positions.

All vehicles shall be painted in accordance with CapMetro's graphic program. CapMetro shall supply logos for the vehicles. Vehicles shall bear no other logos, emblems or identification unless required by law or approved by CapMetro. CapMetro logos shall be promptly removed at the end of the Supplement term.

All vehicles shall be cleaned inside daily prior to being placed into service. Vehicle exteriors and windows shall be washed every day, weather permitting. Vehicle interiors shall at all times be kept free of exhaust fumes and engine odors. The interior of the vehicles shall be maintained free from roaches and other vermin at all times that the bus is utilized in Contracted Service. CARTS is strictly prohibited from using any vermin control product that would be hazardous to the health and well-being of the customers and operator of the bus. Exterminations or vermin spray shall be scheduled to assure there are no offensive odors during Contracted Service hours.

Vehicles shall have illuminated destination signs that are highly visible and in compliance with ADA regulations and programmed with proper route and safety designations as defined by CapMetro. All destination signs shall be illuminated for night operation.

Vehicles shall be equipped with customer notice holders, and customer discharge bells.

Vehicle bodies, frames, and components shall be in sound condition, and free of all damage that compromises the safe operation of the vehicle. Vehicles shall comply with safety and mechanical standards of all state, federal and local governments. All mechanical, electrical, and hydraulic securement systems shall be maintained in proper working condition at all times.

At its discretion, CapMetro shall inspect vehicles assigned pursuant to the Supplement at any time. All determinations by CapMetro as to the appearance, cleanliness and condition of a vehicle shall

be final; however, CARTS shall not be relieved of its duty to maintain the vehicles in a safe and sound condition.

All vehicles shall be capable of comfortably seating a minimum of twelve (20) customers in fully padded forward facing seats. Vehicles shall be equipped with stanchions for standee use. CARTS shall not exceed the standee capacity designated for the vehicle.

All vehicles shall be equipped to permit inward and outward mobility device boarding. Ramps and lifts shall comply with ADA standards. Securement for mobility devices shall consist of wheel clamps, and four (4) securement belts. Additionally, a lap belt shall be required for customer preference.

The vehicles air conditioning system shall be of sufficient size and capacity to maintain a comfortable, constant temperature throughout the vehicle. The heating system shall have proportional controls and be of sufficient capacity to maintain a comfortable, constant temperature throughout the vehicle.

## 8.0 EQUIPMENT CONDITION

CARTS shall maintain each vehicle in a clean condition throughout, both interior and exterior, at all times that the vehicle is in service for CapMetro. All vehicles shall be swept, mopped, interiors wiped down (i.e., dashboards, stanchions, bars, etc.) prior to the bus going into service each day. Each bus shall be detailed at a minimum of once every ninety (90) days. The detailing shall include, but is not limited to:

- a) Removal of all graffiti.
- b) Cleaning of all side panels.
- c) Cleaning ceiling panels.
- d) Cleaning dome light covers.
- e) Cleaning of seats, including frames.
- f) Cleaning floors (i.e., gum removal).
- g) Exterior cleaning, repaint wheel rims, if necessary.
- h) Be free of body damage, have no missing or unpainted panels.
- i) Wheel rims shall be supplied by CARTS.
- j) Have all safety items fully operational (i.e., lights, brakes, horn, tires, etc.).

## 9.0 SPARE VEHICLES

Spare vehicles, fully meeting all vehicle requirements listed above in section 7.0, including but not limited to mobility device accessibility and graphic requirements, shall be maintained and dispatched for replacement purposes within one (1) hour of the time any the primary vehicle becomes inoperable or shall be removed from service for repairs.

## 10.0 MONTHLY REPORTS

CARTS shall provide ridership data and such other operating data in connection with the Contracted Service as may reasonably be requested by CapMetro, including but not limited to total daily number of boarding, as well as number of boarding by fare category. Data shall be provided

on a monthly basis along with CARTS invoice for that month. The following information shall be provided to the CapMetro Project Manager:

- a) Boarding for the entire month.
- b) Summary of vehicle and passenger accidents for the entire month.
- c) Late and missed trips for the entire month.
- d) Miles driven for the entire month.
- e) On-time performance for each week, as well as the monthly average.
- f) Road calls for the entire month.
- g) Security incidents.

Invoices. CARTS will submit monthly invoices to CMTA – Accounts Payable for the services purchased in the preceding month. Invoices shall be sent to the below address:

Accounts Payable  
Capital Metropolitan Transportation Authority  
P.O. Box 6308  
Austin, Texas 78762-6308  
Or via e-mail to: [ap\\_invoices@capmetro.org](mailto:ap_invoices@capmetro.org)

#### 11.0 GENERAL PROVISIONS FOR CONTRACTED SERVICE

CapMetro reserves the right to adjust Contracted Service at any time. Modifications to Contracted Service may include, but are not limited to, extending, deleting or adding route(s), or parts of route(s), and expanding or decreasing vehicle hours. Notice shall be given prior to service modifications.

In the event that actual annual vehicle hours fall below ninety percent (90%) or above one hundred and ten percent (110%) of the total projected annual vehicle hours, CapMetro reserves the right to negotiate a revised unit cost per vehicle hour with CARTS. Such renegotiations would also occur in the event that vehicles need to be added or deleted during the term of the Supplement.

CARTS may propose method of compensation for service expansion including adding vehicles.

CapMetro reserves the right, upon notification to CARTS to transfer portions or all of the Contracted Service to another service provider based on the operational needs of CapMetro. CARTS may also request a transfer of portions or all of the Contracted Service to another service provider by providing CapMetro at least six (6) months' notice in advance based on the operational needs of CARTS.

#### 12.0 HOLIDAY SCHEDULE

CapMetro reserves the right to operate modified schedules which it deems appropriate in conjunction with the holidays listed based on what is shown in the most current CapMetro Destinations schedule book which may be accessed here: <https://www.capmetro.org/destinations/>. CARTS should be prepared to ensure that Contracted Service are provided in accordance with such holiday schedules.

#### 13.0 TRAINING

All bus operators hired by CARTS shall attend, at a minimum, the following training:

- a) Six (6) hours of defensive driving training and two (2) hours of overview of CapMetro service. CARTS shall be responsible for providing a certified defensive driving course for all bus operators, prior to driving.
- b) CARTS shall be required every year to ensure all operating personnel associated with this Supplement receive a minimum of two (2) hours of refresher training.
- c) The cost of bus operator's wages during training shall be borne by CARTS.
- d) CARTS shall be required to ensure all bus operators are aware of proper customer communication practices required for polite customer assistance and participate in customer service training for at least two (2) hours annually.
- e) CARTS shall ensure all bus operators complete training prior to their operation of an in-service vehicle. CARTS shall also be responsible for providing additional training for any bus operator who demonstrates a lack of appropriate training.

Training subsequent to training for new hires, such as refresher training and retraining, shall be conducted by CARTS. CARTS shall be required to have a bus operator development program in place to address all bus operator related training needs. CapMetro shall inform CARTS in writing of any changes in operating procedures; CARTS shall be responsible for any training at their cost for existing bus operators which is needed as a result of changed procedures.

All training programs shall be subject to CapMetro approval.

#### 14.0 UNIFORM AND APPEARANCE STANDARDS

CARTS shall comply with CapMetro's uniform and appearance requirements. The uniform and appearance standards are available here:

[ALL Operating Procedure - CMTA Uniform and Appearance Standards v2025.3.pdf](#)

Any deviations from the uniform and appearance standards must be approved by CapMetro in its sole discretion.

#### 15.0 REMOVAL

CapMetro may require CARTS to immediately remove, pending investigation, any bus operator from CapMetro service for any one of, but not necessarily limited to, the following:

- a) Committing unsafe or inappropriate acts while providing service.
- b) Failure to follow CapMetro policies and procedures.
- c) Using a cell phone while operating CapMetro vehicle, including texting and use of Bluetooth devices.
- d) Revocation, suspension or non-renewal of a valid driver's license.
- e) A criminal conviction as set forth in the Master Agreement section entitled "Personnel Assignments".
- f) Violating the uniform and appearance standards without approval.
- g) Using any tobacco product on CapMetro vehicle or property, in accordance with the Tobacco Free policies of CapMetro.

- h) Failing to follow safety rules and regulations.
- i) Failing to follow security policies, guidelines, and procedures.
- j) Notification of an active warrant from any law enforcement or judicial agency; and/or
- k) Any conduct which puts CapMetro or its reputation at risk.

## 16.0 PERSONNEL

CARTS shall furnish all operators, mechanics, dispatchers, supervisors, administrative personnel and other personnel services necessary for providing the transportation service in accordance with the Supplement.

CARTS Assistant General Manager of Safety and Security shall be CARTS Project Manager for this Supplement. CapMetro's Program Manager, Bus Contracts shall be CapMetro's Project Manager for this Supplement.

## 17.0 SUPERVISION

CARTS shall utilize a CARTS transportation supervisor to monitor the Contracted Service. This supervision shall include conducting ride checks (on-board) to ensure bus operator adherence to procedures (i.e., on-time performance, customer relations, etc.). Such supervision shall also include prompt responses to all investigation of accidents. CapMetro reserves the right to provide similar investigations and adherence checks of its own without notice to ensure compliance with terms of the Supplement.

## 18.0 DISPATCHING & RADIO COMMUNICATION

CARTS shall be required to maintain dispatch and radio monitoring personnel to work during the hours of Contracted Service. CARTS shall be able to effectively dispatch assignments and provide prompt responses to bus operator and/or vehicle problems which could impact CARTS service. CARTS will work with CapMetro to allow for CapMetro's ability to monitor radio communications between CARTS dispatch office and CARTS bus operators regarding Contracted Service. CARTS would also have the option of having a supervisor on call to respond to questions or problems.

This communication shall be via two-way radios. Base station, tower and fixed vehicle radios to be provided by CARTS.

## 19.0 FARE COLLECTION

CARTS shall collect fares and charges established by CapMetro. Without CapMetro's approval, no free transportation service shall be provided to persons other than the following:

- a) CapMetro employees, contractors or dependents with valid identification.
- b) Seniors or persons with disabilities with the proper CapMetro issued identification card.
- c) K – 12 students, with valid ID.
- d) Ten (10) and younger must be accompanied by someone twelve (12) or older.
- e) UT students, faculty or employees presenting a valid UT identification card.
- f) Complimentary tickets or ticket passes.

CapMetro shall notify CARTS of changes in the fare structure.

All fare collection equipment shall be owned by and supplied by CapMetro and maintained by CapMetro or its contractors. CapMetro shall reimburse CARTS for time to have fare box maintained and cash collected at a location as defined by CapMetro based on the hourly rate defined in the SFP. CARTS is required to ensure that data and cash (if applicable) from any fare collection equipment is retrieved regularly, at a minimum of once per month by CapMetro designated personnel or contractors.

Fares collected from customers for travel between Manor and Elgin shall not be comingled in CapMetro's fare collection process and shall be collected separately in a manner determined by CARTS.

## 20.0 CUSTOMER COMPLAINTS

CARTS shall direct customers to file complaints with CapMetro via telephone, in person or written correspondence. Once CapMetro has forwarded the complaint for investigation to CARTS, CARTS shall contact each customer by telephone or by written correspondence to review the complaint. CARTS shall investigate and provide responses to complaints within four (4) days of receipt. CARTS shall be provided access to a CapMetro designated customer comment program (currently called Service One) to access all complaint information. At the end of the Supplement term access to this program shall be terminated.

## 21.0 NATIONAL TRANSIT DATABASE REPORTING

CARTS shall collect data, keep records and provide reports sufficient to enable CapMetro to meet its National Transit Database ("NTD") reporting requirements. CARTS is responsible for obtaining all pertinent NTD regulations and procedures to ensure that all required information is collected and reported in a timely fashion. CARTS shall submit the annual report to CapMetro by November 30.

## 22.0 PERFORMANCE SPECIFICATIONS

CARTS shall at all times strive to meet the performance standards listed below in order to provide the highest level of service possible. CapMetro reserves the right to monitor CARTS in its performance of the Contracted Service to be provided under the Supplement.

The following are the performance specifications:

- a) No more than eight (8) complaints per 10,000 customers.
- b) No more than three (3) vehicle accidents per 100,000 vehicle miles.
- c) No more than three (3) passenger accidents per 100,000 miles.
- d) Ninety percent (90%) of trips operating on time. (An on-time trip is one which departs 0 minutes early and no more than five (5) minutes late).

## 23.0 ON-TIME PERFORMANCE

CARTS operators must complete daily logs with scheduled times and actual times entered at all time points to record and measure on-time performance ("OTP"). An on-time trip is one which departs 0 minutes early and no more than five (5) minutes late. Sampling could be required if CCRS trended an increase because OTP issues. CapMetro personnel may also conduct checks.

## 24.0 MARKETING AND PUBLIC RELATIONS

CapMetro shall furnish all schedules, maps, tickets, transfers, passes and other printed materials required for marketing the Contracted Service. CARTS shall distribute CapMetro customer notices, cooperate and participate in marketing, promotion, advertising, public relations, and public education programs and projects undertaken by CapMetro from time to time. CapMetro shall be the exclusive public media spokesman in connection with the Contracted Service.

CARTS shall be responsible to market and promote the route between Manor and Elgin by measures determined by CARTS. CapMetro shall include the extension of the route beyond Manor in its marketing materials with an explanation that separate fares are required.

## 25.0 PERSONNEL QUALIFICATIONS/STANDARDS

CARTS shall ensure personnel meet the following standards to perform CapMetro Contracted Service as defined below:

- a) Be employees (full or part-time) of CARTS.
- b) Have a Texas Class B driver's license with passenger endorsement and air brakes, if operating a bus.
- c) Have the ability to read, write, and speak English.
- d) Be sensitive to customers' needs.
- e) Have the ability to handle complaints and problems as required.
- f) Pass a Department of Transportation ("DOT") physical and comprehensive drug screen.

## 26.0 DRUG AND ALCOHOL TESTING PROGRAM

CARTS agrees to establish and implement a drug and alcohol testing program that complies with 49 CFR Part 655, produce any documentation necessary to establish its compliance with 49 CFR Part 655, 49 CFR Part 40, and 49 CFR Part 29 and permit any authorized representative of the United States Department of Transportation or its operating administrations, the State Oversight Agency of the State of Texas or CapMetro, to inspect the facilities and records associated with the implementation of the drug and alcohol testing program as required under 49 CFR Part 655, 49 CFR Part 40, and 49 CFR Part 29 and review the testing process.

CARTS drug and alcohol policy for Contracted Service shall include zero tolerance for positive results and other violations of the policy. Employees of CARTS with a confirmed positive drug or alcohol test may not be used to perform work under the Supplement.

CARTS agrees further to certify annually its compliance with Part 655 before March 1st and to submit the Management Information System ("MIS") reports annually on or before February 28th to CapMetro.

CARTS agrees to submit a copy of its Policy Statement developed to implement its Drug and Alcohol Testing Program and consult with CapMetro on the selection of a certified laboratory, substance abuse professional, or Medical Review Officer, or the use of a consortium.

CARTS will adhere to the FTA training frequency requirements as outlined under 49 CFR.

## **27.0 SAFETY AND SECURITY**

CARTS shall develop, implement, and maintain a program to respond to emergencies and routine problems that may occur. CapMetro acknowledges that CARTS is participating in the State of Texas Grouped Safety Management Systems Plan (“SMS”) and CARTS shall ensure that the principles of SMS are included in the Contracted Service operation. CARTS shall provide CapMetro with a copy of such plan.

CARTS shall participate in periodic emergency readiness training and drills, at the direction of CapMetro.

CARTS shall be responsible for coordinating and providing security protection for customers, employees and assets regarding the Contracted Service. Coordinating means utilizing local law enforcement or other implementing any security measures necessary to respond to incidents that may occur regarding the Contracted Service.

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Board of Directors

Item #: AI-2025-1589

Agenda Date: 9/22/2025

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**SUBJECT:**

Approval of a resolution adopting the Fiscal Year 2026 Operating and Capital Budget and Five-Year Capital Improvement Plan.

**FISCAL IMPACT:**

Adoption of the proposed Fiscal Year (FY) 2026 budget will provide an appropriation of \$625,208,612 in FY2026 for operating and capital expenses that are supported by projected revenue and other funding sources.

**STRATEGIC PLAN:**

Strategic Goal Alignment:

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

**EXPLANATION OF STRATEGIC ALIGNMENT:** The proposed FY2026 budget includes funding to maintain CapMetro’s current services while also maintaining innovative mobility initiatives, customer service enhancements and building infrastructure needed to support the region’s current and future growth. The five-year capital improvement plan identifies projects that support the achievement of CapMetro’s strategic goals, ensures regulatory compliance and maintains assets in a state of good repair.

**BUSINESS CASE:** CapMetro has prepared a structurally balanced budget that provides the funding needed to continue delivering high-quality and efficient transportation services.

**COMMITTEE RECOMMENDATION:** This item will be presented to the full board on September 22, 2025.

**EXECUTIVE SUMMARY:**

The complete proposed FY2026 Operating and Capital Budget and Five-Year Capital Improvement Plan is available online at <https://www.capmetro.org/financial-info>.

The proposed FY2026 budget is structurally sound and balanced. Ongoing revenue is sufficient to fund operations and will also help provide funding for needed capital investments, including the replacement of transit assets nearing the end or at the end of life cycles.

The FY2026 budget is drafted with the intent to remain efficient and fiscally responsible. This budget enables CapMetro to continue improving our operations and service levels while also delivering crucial projects and commitments to Project Connect and our five-year capital improvement plan.

CapMetro proposes to spend \$442.4 million for operating expenses, \$5.9 million for commitments under interlocal agreements with local government entities for mobility programs and \$21.9 million to contribute to the Project Connect System Plan in FY2026.

CapMetro prepared a five-year capital improvement plan (CIP) for capital projects that support its strategic goals. The CIP is updated annually and addresses replacement or state of good repair, regulatory compliance and expansionary requirements for public transportation service in Central Texas. CapMetro plans to invest \$155 million in capital projects during FY2026.

It's meaningful that FY2026 marks CapMetro's 40th anniversary of serving Central Texas. For four decades, the organization has adapted, evolved, and grown while maintaining the core mission of connecting people to opportunities. This milestone reminds us that responsible stewardship and strategic focus have always been essential to the success of CapMetro. The disciplined approach reflected in this budget honors that legacy and ensures CapMetro will be here to serve the community for the next 40 years.

The proposed budget reflects the prudent use of projected revenue to provide funding for capital investments needed to maintain CapMetro's transit assets in a state of good repair or to support enhanced services. The proposed, structurally balanced FY2026 budget totals \$625.2 million and is comprised of the following funding and expense categories:

**Budget Summary**

<b>Funding</b>	<b>FY2026</b>
Sales Tax	\$398,989,672
Passenger Revenue	18,876,274
Freight Railroad Revenue	6,932,445
Miscellaneous Revenue	18,151,169
Operating Contributions and Grants	70,135,282
Capital Grants - Federal	31,082,990
Capital Grants - State	530,278
Other Capital Contributions	17,131,394
Fund Balance	63,379,108
<b>Total Funding</b>	<b>\$625,208,612</b>
<b>Expenses</b>	<b>FY2026</b>
Operating Expenses	\$442,432,699
Capital Project Expense	155,016,177
Austin Transit Partnership Contribution	21,854,540
Interlocal Agreements	5,905,196
<b>Total Expenses</b>	<b>\$625,208,612</b>

The proposed budget reflects fund balance projections of \$308.2 million by the end of FY2026 as outlined in the table that follows. Of this amount, CapMetro is estimating to set aside \$70 million in reserves for two months of operating expenses, which meets the level set forth by the Texas Legislature, \$35 million for the budget stabilization reserve, \$32.4 million for dedicated Project Connect funds, \$9.4 million for the Sustainability Capital Fund, \$3.9 million for city of Austin mobility programs, \$3.3 million for the Suburban Member Cities Transit Supportive Infrastructure Fund, \$2.3 million for a self-insurance reserve and \$151.9 million for future funding of the 5-year capital improvement plan as we look forward to future needs in the region.

**Projected Beginning Balance** **\$371,544,209**

**FY2026 Projected Activity:**

+ Revenue 561,829,504  
 - Operating Expenses 442,432,699  
 - Interlocal Agreements 5,905,196  
 - Contribution Toward Project Connect 21,854,540  
 - Capital Projects 155,016,177

**= Projected Ending Balance** **\$308,165,101**

**Breakdown of Ending Balance:**

Statutory Operating Reserve Requirement 69,995,295  
 Budget Stabilization Reserve 34,997,647  
 Project Connect - Dedicated Funds 32,374,911  
 Sustainability Capital Fund 9,435,440  
 Suburban Member Cities Transit Supportive Infrastructure Fund 3,322,739  
 City of Austin Mobility Programs 3,888,410  
 Self-Insurance Reserve 2,283,523  
 Funding for 5-Year Capital Improvement Plan 151,867,136

**= Projected Ending Balance** **\$308,165,101**

Senate Bill 650 requires CapMetro to prepare a five-year capital improvement plan, which is included in Appendix A of the budget document. This section provides additional information about each project category, including project descriptions, funding sources, project benefits and strategic objectives. The plan is updated annually and addresses replacement and expansion requirements for the delivery of public transportation services. The proposed FY2026 capital budget and capital improvement plan are outlined in the table that follows, summarized by project type and followed by projected funding sources.

Capital Project Type	FY2026	FY2027	FY2028	FY2029	FY2030	Total
Bus and Paratransit	\$ 11,076,708	\$ 51,980,940	\$ 6,987,000	\$ 34,122,314	\$ 6,757,000	\$ 110,923,962
Commuter Rail	4,788,714	3,864,504	2,126,470	1,426,470	1,476,471	13,682,629
Facilities	23,568,473	28,013,512	24,794,260	15,547,159	6,554,000	98,477,404
Information Technology	15,651,815	5,400,000	8,678,660	2,000,000	4,974,997	36,705,472
Other	25,790,262	26,133,835	4,845,825	5,461,825	5,998,136	68,229,881
Project Connect	33,334,507	5,571,022	-	-	-	38,905,529
Property and Asset Mgmt	40,805,693	52,841,639	43,537,500	80,000	80,000	137,344,832
<b>Total Capital Projects</b>	<b>155,016,177</b>	<b>173,805,452</b>	<b>90,969,715</b>	<b>58,637,768</b>	<b>25,840,604</b>	<b>504,269,716</b>
<b>Funding Sources</b>						
Grants/Contributions	48,744,662	28,295,321	18,718,770	12,599,743	7,924,299	116,282,805
Local Funding	106,271,515	145,510,131	72,250,945	46,038,025	17,916,305	387,986,916
<b>Total Funding Sources</b>	<b>\$ 155,016,177</b>	<b>\$ 173,805,452</b>	<b>\$ 90,969,715</b>	<b>\$ 58,637,768</b>	<b>\$ 25,840,604</b>	<b>\$ 504,269,716</b>

Over recent months, CapMetro provided information regarding the budget process and the proposed FY2026 budget in a variety of formats for the public and sought feedback using online engagement tools and virtual webinars. These outreach efforts included the following:

**Presentations to the Board of Directors and its Committees**

May 7, 2025, Finance, Audit and Administration Committee

May 7, 2025, Operations, Planning and Safety Committee

June 23, 2025, Board of Directors

July 16, 2025, Finance, Audit and Administration Committee

July 16, 2025, Operations, Planning and Safety Committee

September 10, 2025, Finance, Audit and Administration Committee

September 22, 2025, Board of Directors

**Board and Committee Meetings** on Microsoft Teams virtual meetings and available to the public and at Rosa Parks Board Room, 2910 East 5<sup>th</sup> Street, Austin, TX 78702.

Served by routes 4, 300, 800.

**Presentations to Access Advisory Committee**

June 4, 2025, 5:30 - 7:00 PM

August 6, 2025, 5:30 - 7:00 PM

Microsoft Teams virtual meetings and available to the public.

**Presentations to Customer Satisfaction Advisory Committee**

June 11, 2025, 6:00 - 7:30 PM

August 13, 2025, 6:00 - 7:30 PM

Microsoft Teams virtual meetings and available to the public.

**Presentations to Public Safety Advisory Committee**

June 27, 2025, 11:30 AM - 1:00 PM

August 29, 2025, 11:30 AM - 1:00 PM

Microsoft Teams virtual meetings and available to the public.

**Presentation to Project Connect Community Advisory Committee**

August 14, 2025, 5:00 - 7:00 PM

Microsoft Teams virtual meeting and available to the public and at Austin Transit Partnership, 203 Colorado Street, Austin, TX 78701.

Served by downtown routes.

**Proposed FY2026 Budget Document Available and Posted Online**

August 21, 2025

**Online Webinar**

Information made available to the public regarding the proposed FY2026 budget and five-year capital improvement plan.

YouTube virtual webinar available to the public, Spanish-translated, recorded and posted on YouTube, Facebook and Twitter.

**Public Hearing on Proposed FY2026 Budget**

September 10, 2025, 12:00 PM

Rosa Parks Board Room, 2910 East 5th Street, Austin, TX 78702

Served by routes 4, 300,800.

**Board of Directors Considers Adoption of Budget Proposal**

September 22, 2025, 12:00 PM

Rosa Parks Board Room, 2910 East 5th Street, Austin, TX 78702

Served by routes 4, 300, 800.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply.

RESPONSIBLE DEPARTMENT: Finance

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

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**AI-2025-1589**

WHEREAS, pursuant to Section 451.102 of Chapter 451 of the Texas Transportation Code, the budget for Fiscal Year 2026 was made available to the public on August 21, 2025, and a budget public hearing was held on September 10, 2025; and

WHEREAS, pursuant to Section 451.132(c), the Board of Directors has reevaluated the five-year capital improvement plan; and

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the Fiscal Year 2026 budget in the amount of \$625,208,612 is adopted.

BE IT FURTHER RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the five-year capital improvement plan for capital projects is amended.

BE IT FURTHER RESOLVED that the Capital Metropolitan Transportation Authority Board of Directors hereby requires the President & CEO to report at least quarterly on the operating expenses and capital project expenses of each major department in a financial report.

Date: \_\_\_\_\_

\_\_\_\_\_  
**Secretary of the Board  
Becki Ross**

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Board of Directors

Item #: AI-2025-1586

Agenda Date: 9/22/2025

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**SUBJECT:**

Approval of a resolution adopting the CapMetro Investment Policy.

**FISCAL IMPACT:**

This action has no fiscal impact.

**STRATEGIC PLAN:**

Strategic Goal Alignment:

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

**EXPLANATION OF STRATEGIC ALIGNMENT:** Annual review and approval of this policy is required to comply with the Texas Public Funds Investment Act. The policy was last reviewed in September 2024.

**BUSINESS CASE:** CapMetro is required to invest funds in accordance with the Texas Public Funds Investment Act. The governing body (the CapMetro Board) of an investing entity (CapMetro) is required to review its investment policy and investment strategies no less than annually. Per the Texas Public Funds Investment Act, the CapMetro Board shall adopt a written instrument stating that it has reviewed the investment policy and investment strategies and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies.

**COMMITTEE RECOMMENDATION:** This item was presented and recommended for approval by the Finance, Audit and Administration Committee on September 10, 2025.

**EXECUTIVE SUMMARY:** The proposed policy was reviewed by staff and PFM Asset Management LLC, under contract as CapMetro's investment advisory firm. Attached is a copy of the Investment Policy, which complies with the Public Funds Investment Act. A change to the Investment Policy in Section IV (d.) - Portfolio Diversification was made. PFM Asset Management LLC recommended that the investment type Commercial Paper limitation be updated from 30% to 35%.

Attached is a copy of CapMetro's Investment Policy which complies with the Texas Public Funds Investment Act.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply.

RESPONSIBLE DEPARTMENT: Finance

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

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**AI-2025-1586**

WHEREAS, Capital Metro is required to invest funds in accordance with the Texas Public Funds Investment Act;  
and

WHEREAS, the Texas Public Funds Investment Act requires an annual review of the Investment Policy and investment strategies and such review has been performed.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the attached Investment Policy, which includes Capital Metro’s investment strategies, has been reviewed and the revisions are recommended to the Investment Policy or strategies.

**Date:** \_\_\_\_\_

\_\_\_\_\_  
**Secretary of the Board  
Becki Ross**

## PREFACE

It is the policy of the Capital Metropolitan Transportation Authority (CapMetro) that all available funds shall be invested in conformance with these legal and administrative guidelines.

Effective cash management is recognized as essential to good fiscal management. An aggressive cash management and investment policy will be pursued to take advantage of investment interest as viable and material revenue to all operating and capital funds.

CapMetro's portfolio shall be designed and managed in a manner responsive to the public trust and consistent with state and federal law.

Investments shall be made with the primary objectives of:

- Preservation of capital and protection of principal
- Maintenance of sufficient liquidity to meet operating needs
- Security of CapMetro funds and investments
- Diversification of investments to avoid unreasonable or unavoidable risks
- Maximization of return on the portfolio

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**SECTION I****PURPOSE****I. PURPOSE****A. Authorization**

This Policy is to be authorized by the CapMetro Board of Directors in accordance with Section 2256.005 of the Public Funds Investment Act (Chapter 2256, Texas Government Code) which requires the adoption of a formal written Investment Policy.

**B. Scope**

This Policy shall govern the investment of all funds of CapMetro as entrusted to the Board of Directors and other authorized representatives in accordance with Section 451.101 of the Texas Transportation Code. In addition to this Policy, bond funds, including debt service and reserve funds, shall be managed by their governing resolution and federal law, including the Tax Reform Act of 1986 and subsequent legislation.

**C. Review and Amendment**

This Policy shall be reviewed annually. Amendments must be authorized by the CapMetro Board of Directors.

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## SECTION II

### INVESTMENT OBJECTIVES

#### II. INVESTMENT OBJECTIVES

##### A. Safety of Principal

CapMetro has as its foremost objective to ensure the safety of principal, considering the portfolio as a whole. The manner in which CapMetro ensures safety of principal is presented in Section IV.B., “Ensuring Safety of Principal”.

##### B. Maintenance of Adequate Liquidity

CapMetro’s investment portfolio must be structured in a manner which will provide the liquidity necessary to pay obligations as they become due. Maintenance of adequate liquidity is described in Section IV.C., “Ensuring Liquidity”.

##### C. Return on Investments

Consistent with State law, CapMetro shall seek to optimize return on investments within the constraints of safety and liquidity. Investments (excluding assets managed under separate investment programs, such as in arbitrage restrictive programs) shall be made in permitted obligations at yields equal to or greater than the bond equivalent yield on United States Treasury obligations of comparable maturity. Other appropriate performance measures will be established by the Investment Committee. Specific policies regarding investment rate of return are presented in Section IV.D., “Achieving Investment Return Objectives”.

For bond issues to which Federal yield or arbitrage restrictions apply, the primary objectives shall be to maximize retainable earnings and to minimize the costs associated with investment of such funds.

##### D. Prudence and Ethical Standards

The standard of prudence used by CapMetro shall be the “prudent person rule” and shall be applied in the context of managing the overall portfolio within the applicable legal constraints. The prudent person rule is restated below: “Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence would

exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.”

In determining whether the Investment Officer(s) or Investment Advisor under contract has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration the investment of all funds over which the Officer/Advisor had responsibility rather than a consideration as to the prudence of a single investment, and whether the investment decision was consistent with the written Investment Policy of CapMetro.

Specific policies describing CapMetro’s prudence and ethical standards are found in Section IV.E., “Responsibility and Controls”.

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**SECTION III**  
**INVESTMENT STRATEGY STATEMENT**

**III. INVESTMENT STRATEGY STATEMENT**

CapMetro maintains portfolios of operating and operating reserve funds. Investment strategies for operating and operating reserve funds have as their primary objective to assure that anticipated cash flows are matched with adequate investment liquidity. The secondary objective is to create a portfolio structure which will experience minimal volatility during economic cycles. This may be accomplished by purchasing quality, short- to medium-term securities that will complement each other in a laddered or barbell maturity structure. The dollar weighted average maturity of 548 days or less for the combined investment portfolios will be calculated using the stated final maturity dates of each security. Securities may not be purchased that have a final stated maturity date which exceeds five years. Additional guidelines for specific investment portfolios include:

- A. General Fund - All securities identified in IV. A. Eligible Investments are suitable for the General Fund. Securities purchased for the General Fund will be laddered out with an average maturity of no more than one year.
- B. Budget Stabilization Reserve - All securities identified in IV. A. Eligible Investments are suitable for the Budget Stabilization Reserve. The portfolio may be invested for a maximum average maturity of no more than two years.
- C. Statutory Operating Reserve - All securities identified in IV. A. Eligible Investments are suitable for the Statutory Operating Reserve. The portfolio may be invested for a maximum average maturity of no more than two years.
- D. Project Specific Accounts - Project specific investment portfolio may be created from time to time for the investment of specific capital projects. All securities identified in IV. A. Eligible Investments are suitable and all investments must be scheduled to mature before any forecast cash flow. Currently, the Austin Mobility Portfolio has been established as a specific investment portfolio.

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**SECTION IV**  
**INVESTMENT POLICIES**

**IV. INVESTMENT POLICIES**

**A. Eligible Investments**

Investments described below are those authorized by the Public Funds Investment Act (Chapter 2256, Texas Government Code), as amended, which is included and made a part of this Policy as Appendix A. The following list may not contain all of those securities that are authorized by state statutes, but only those that the Board of Directors wish to include in the CapMetro's portfolios. The purchase of specific issues may at times be further restricted or prohibited because of current market conditions. CapMetro funds governed by this Policy may be invested in:

1. Obligations of the United States or its agencies and instrumentalities.
2. Direct Obligations of the State of Texas.
3. Other obligations, the principal and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States or its agencies and instrumentalities.
4. Obligations of states, agencies, counties, cities and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent.
5. Bankers' Acceptances with a stated maturity of 270 days or less from the date of its issuance that will be, in accordance with its terms, liquidated in full at maturity; is eligible for collateral for borrowing from a Federal Reserve Bank; and is accepted by a bank organized and existing under the laws of the United States or any state, if the short-term obligations of the bank, or of a bank holding company of which the bank is the largest subsidiary, are rated not less than A-1 or P-1 or an equivalent rating by at least one nationally recognized credit rating agency.
6. Commercial paper with a stated maturity of 365 days or less from the date of its issuance that either:
  - a. Is rated not less than A-1, P-1, or the equivalent by at least two nationally recognized credit rating agencies; or,

- b. Is rated at least A-1, P-1, or the equivalent by at least one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state thereof.
7. Fully collateralized repurchase agreements having a defined termination date, placed through a primary government securities dealer, as defined by the Federal Reserve, or a bank domiciled in Texas, and secured by obligations described by 1 above (the principal and interest on which are guaranteed by the United States or any of its agencies), pledged with a third party selected or approved by CapMetro and having a market value (including accrued interest) of no less than the principal amount of the funds disbursed.
  8. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this State or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States.
  9. SEC-regulated, no load money market mutual funds with a dollar-weighted average stated portfolio maturity of 60 days or less and whose investment objectives include seeking to maintain a stable net asset value of \$1 per share. No more than 50% of CapMetro's average fund balance may be invested in money market mutual funds and may not invest funds under its control in an amount that exceeds 10% of the total assets of any individual money market mutual fund. Money market mutual funds are to be rated AAA-m or equivalent by on Nationally Recognized Statistical Rating Organization ("NRSRO").
  10. Local government investment pools organized in accordance with the Interlocal Cooperation Act (Chapter 791, Texas Government Act) as amended, whose assets consist exclusively of the obligations that are allowed as a direct investment for funds subject to the Public Funds Investment Act (Chapter 2256, Texas Government Code). A public funds investment pool must be continuously rated no lower than AAA, AAA-m or at an equivalent rating by at least one nationally recognized rating service and follow all applicable requirements of the Public Funds Investment Act.

Compensating balances may be held at CapMetro's depository institution provided that market conditions or other factors, such as the depository institution's earnings credit rate or cost of services, provides an economic benefit to CapMetro that helps to optimize return while maintaining adequate liquidity.

Investments in collateralized mortgage obligations are strictly prohibited. These securities are also disallowed for collateral positions. CapMetro will not be required to liquidate investments that were authorized investments at the time of purchase.

Settlement of all investment transactions, except those transactions involving investments in mutual funds or local government investment pools, must be made on a delivery versus payment basis.

## B. Ensuring Safety of Principal

Ensuring safety is accomplished through protection of principal and safekeeping.

### 1. Protection of Principal

CapMetro shall seek to control the risk of loss due to the failure of a security issuer or guarantor. Such risk shall be controlled by investing only in the safest types of securities as defined in the Policy, by qualifying the broker/dealer and financial institution with whom CapMetro will transact, by collateralization as required by law, by portfolio diversification and by limiting maturity.

CapMetro will seek to control the risk of loss due to failure of issuers of commercial paper by monitoring the ratings of portfolio positions to ensure compliance with the rating requirements imposed by the Public Funds Investment Act. Should an issuer experience a single step downgrade of its credit rating by a nationally recognized credit rating agency within 90 days of the position's maturity, the Investment Officer(s) may approve holding the paper to maturity. If the subject paper matures beyond the 90-day period or if the credit rating downgrade exceeds a single step, it will be CapMetro's policy to convene an emergency meeting of the Investment Committee to determine whether liquidation of the position is warranted. This meeting should take place within 24 hours of notification or discovery of the credit downgrade.

The purchase of individual securities shall be executed "delivery versus payment" ("DVP") through the Federal Reserve System. By so doing, CapMetro funds are not released until CapMetro has received, through the Federal Reserve wire, the securities purchased.

a. Approved Broker/Dealers/Financial Institutions

Investments shall only be made with those firms and institutions who have acknowledged receipt and understanding of CapMetro's Investment Policy. The "qualified representative" of the business as defined in Chapter 2256 of the Texas Government Code shall execute a written certification to acknowledge receipt of CapMetro's Investment Policy and to acknowledge that the organization has implemented reasonable procedures and controls to preclude imprudent investment activities arising out of the investment transactions conducted between the entity and CapMetro. Should CapMetro contract with an external investment advisor to execute the Authority's investment strategy, including the negotiation and execution of investment transactions, a managing officer of the investment advisory firm may sign the written certification in lieu of the broker/dealer firms. This certification must be included as part of the investment advisory contract.

Securities, certificates of deposit and share certificates shall only be purchased from those institutions included on CapMetro's list of broker/dealers, banks, savings banks and credit unions as approved by the Investment Committee. This list of approved investment providers must be reviewed at least annually by CapMetro's Investment Committee.

b. Master Repurchase Agreement

It is the policy of CapMetro to require each issuer of repurchase agreements to sign a copy of the CapMetro Master Repurchase Agreement. An executed copy of this agreement must be on file before CapMetro will enter into any repurchase agreement with an issuer. (See Appendix B "Master Repurchase Agreement.")

Note: CapMetro does not currently enter into repurchase agreements. The Master Repurchase Agreement previously attached to the Investment Policy expired in 2009. If CapMetro's investment officers and advisor recommend the use of repurchase agreements in the future, a new Master Purchase Agreement will be drafted and brought to the Board of Directors for consideration.

c. Collateralization

Consistent with the requirements of State law, CapMetro requires all banks, savings banks and credit union deposits to be federally insured or collateralized with eligible securities. Financial institutions serving as CapMetro Depositories will be required to sign an Agreement with CapMetro

and its safekeeping agent for the collateral, perfecting CapMetro's rights to the collateral in case of default, bankruptcy or closure. CapMetro shall not accept, as depository collateral, any security that is not specifically allowed to be held as a direct investment by the CapMetro portfolio (see W.A.). Repurchase agreements must also be collateralized in accordance with State law. Each issuer of repurchase agreements is required to sign a copy of CapMetro's Master Repurchase Agreement. An executed copy of this agreement must be on file before CapMetro will enter into any repurchase agreements with an issuer. (See Appendix B, "Master Repurchase Agreement".)

(1) Allowable Collateral

(a) Certificates of Deposit/Share Certificates

Eligible securities for collateralization of deposits are defined by the "Public Funds Collateral Act" (Chapter 2257, Texas Government Code) which is included and made a part of the Policy as Appendix A. The eligibility of specific issues may at times be restricted or prohibited because of current market conditions.

(b) Repurchase Agreements

Collateral underlying repurchase agreements is limited to U.S. government and agency obligations, which are eligible for wire transfer (i.e. book entry) to CapMetro's designated safekeeping agent through the Federal Reserve System.

(2) Collateral Levels

Collateral is valued at current market plus interest accrued through the date of valuation.

(a) Certificates of Deposit/Share Certificates

The market value of collateral pledged for certificates of deposit/share certificates must at all times be equal to or greater than the par value of the certificate of deposit plus accrued interest, less the amount insured by the FDIC, FSLIC or the National Credit Union Share Insurance Fund or their successors.

(b) Repurchase Agreements

The market value of collateral required to be pledged for repurchase agreements shall be a percentage of the par value of the agreement plus accrued interest and shall be maintained at the following levels:

<u>Collateral Maturity</u>	<u>U.S. Treasury Securities</u>	<u>U.S. Government Agency</u>
1 year or less	101%	101%
1 year to 5 years	102%	102%
Over 5 years	103%	104%

(3) Monitoring Collateral Adequacy

(a) Certificates of Deposit/Share Certificates

CapMetro requires monthly reports with market values of pledged securities from all financial institutions with which CapMetro has certificates of deposit/share certificates. CapMetro’s Investment Advisor will at least weekly monitor the adequacy of collateral.

(b) Repurchase Agreements

Weekly monitoring by CapMetro’s Investment Advisor of all collateral underlying repurchase agreements is required. More frequent monitoring may be necessary during periods of market volatility.

(4) Margin Calls

(a) Certificates of Deposit/Share Certificates

If the collateral pledged for a certificate of deposit or share certificate falls below the par value of the deposit, plus accrued interest less FDIC, FSLIC or National Credit Union Share Insurance, the institution will be notified by CapMetro or its Investment Advisor and will be required to pledge additional securities no later than the end of the next succeeding business day.

(b) Repurchase Agreements

If the value of the collateral underlying a repurchase agreement falls below the margin maintenance levels specified above, CapMetro or its Investment Advisor will make a margin call unless the repurchase agreement is scheduled to mature within five business days and the

amount is deemed to be immaterial.

(5) Collateral Substitution

Collateral investments, certificates of deposit and share certificates often require substitution of collateral. Any broker or financial institution requesting substitution must contact the Investment Officer(s) or the external Investment Advisor under contract for approval and settlement. The substituted collateral’s value will be calculated and substitution approved if its value is equal to or greater than the required value (See IV.B1.c(2)(b)). The Investment Officer(s) or Investment Advisor must give immediate notification of the decision to the bank or the safekeeping agent holding the collateral. Substitution is allowable for all transactions, but should be limited, if possible, to minimize potential administrative problems and transfer expense. The Investment Officer(s) or Investment Advisor may limit substitution and assess appropriate fees if substitution becomes excessive or abusive.

(6) Collateral Reductions

Should the collateral’s market value exceed the required amount, any broker or financial institution may request approval from the Investment Officer(s) or the external Investment Advisor under contract to reduce collateral. Collateral reductions may be permitted only if CapMetro’s records indicate that the collateral’s market value exceeds the required amount.

d. Portfolio Diversification

Risk of principal loss in the portfolio as a whole shall be minimized by diversifying investment types according to the following limitations. As discussed below, these limitations do not apply to bond proceeds.

Investment Type:	% of Portfolio
• Repurchase Agreements	50%
• Certificate of Deposit	20%
• Share Certificates	5%
• U.S. Treasury Notes/Bond/Bills	100%
• U.S. Agencies	60%
• Money Market Mutual Funds	50%
• Local Government Investment Pools	100%
• Commercial Paper	35%
• Banker’s Acceptance	15%

It is the policy of CapMetro to diversify its investment portfolio so that reliance on any one issuer or broker will not place an undue financial burden on CapMetro. Generally, CapMetro should limit its repurchase agreement exposure with a single firm to no more than 15% of the value of CapMetro's overall portfolio and its commercial paper and bankers' acceptance exposure with a single issuer to no more than 5% of the value of CapMetro's overall portfolio. To allow efficient and effective placement of proceeds from any bond sales, these limits may be exceeded for a maximum of five business days following the receipt of bond proceeds.

(1) Bond Proceeds

Proceeds of a single bond issue may be invested in. A single security or investment if the Investment Committee determines that such an investment is necessary to comply with Federal arbitrage restrictions or to facilitate arbitrage record keeping and calculation.

e. Limiting Maturity

In order to minimize risk of loss due to interest rate fluctuations, investment maturities will not exceed the anticipated cash flow requirements of the funds. Maturity guidelines by funds are as follows:

(1) General Funds

The dollar weighted average days to final stated maturity shall be 548 days or less. The Investment Advisor will monitor the maturity level and make changes as appropriate.

(2) Bond Proceeds, Bond Reserves, Debt Service Funds

The investment maturity of bond proceeds (including reserves and debt service funds) shall be determined considering:

- (a) the anticipated cash flow requirements of the funds, and;
- (b) the "temporary period" as defined by Federal tax law during which time bond proceeds may be invested at an unrestricted yield. After the expiration of the temporary period, bond proceeds subject to yield restriction shall be invested considering the anticipated cash flow requirements of the funds.

## 2. Safekeeping

### a. Safekeeping Agreement

CapMetro shall contract with a bank or banks for the safekeeping of securities either owned by CapMetro as a part of its investment portfolio or held as collateral to secure certificates of deposits, share certificates or repurchase agreements.

### b. Safekeeping of Certificate of Deposit/Share Certificate Collateral

All collateral securing bank, savings banks and credit union deposits must be held by a third party banking institution approved by CapMetro, or collateral may be held at the Federal Reserve Bank.

### c. Safekeeping of Repurchase Agreement Collateral

The securities which serve as collateral for repurchase agreements with dealers must be delivered to a third-party custodian with which CapMetro has established a third-party safekeeping agreement.

## C. Ensuring Liquidity

Liquidity shall be achieved by investing in securities with active secondary markets and by investing in eligible money market mutual funds (MNIMF's) and local government investment pools (LGIP's).

A security may be liquidated to meet unanticipated cash requirements, to re-deploy cash into other investments expected to outperform current holdings, or to otherwise adjust the portfolio.

## D. Achieving Investment Return Objectives

Investment selection for all funds shall be based on legality, appropriateness, liquidity, and risk/return considerations. The portfolios shall be actively managed to enhance overall interest income. Active management will take place within the context of the "Prudent Person Rule." (See Section MD.).

### 1. Securities Swaps

CapMetro will take advantage of security swap opportunities to improve portfolio yield. A swap which improves portfolio yield may be selected even if the transaction results in an accounting loss.

## 2. Competitive Bidding

It is the policy of CapMetro to require competitive bidding for all individual security purchases except for those transactions with money market mutual funds (MMMF's) and local government investment pools (LGIP's) which are deemed to be made at prevailing market rates, and for government securities purchased at issue through a primary dealer at auction price. Rather than relying solely on yield, investment in MMMF's and LGIP's shall be based on criteria determined by the Investment Committee, including adherence to Securities and Exchange Commission (SEC) guidelines for MMMF's when appropriate.

At least three bidders must be contacted in all transactions involving individual securities. Competitive bidding for security swaps is also required. Bids may be solicited in any manner provided by law. For those situations where it may be impractical or unreasonable to receive three bids for a transaction due to a rapidly changing market environment or to secondary market availability, documentation of a competitive market survey of comparable securities or an explanation of the specific circumstance must be included with the daily bid sheet. All bids received must be documented and filed for auditing purposes.

## 3. Methods of Monitoring Market Price

The methods/sources to be used to monitor the price of investments that have been acquired with public funds shall be from sources deemed reliable by the Investment Advisor, including primary or regional broker/dealers, market information vendors such as Bloomberg or Telerate and market pricing services.

## E. Responsibility and Controls

### 1. Authority to Invest

The authority to invest CapMetro funds and the execution of any documentation necessary to evidence the investment of CapMetro funds is granted to the Investment Advisory firm under current contract and those CapMetro personnel authorized as Investment Officers. The CapMetro Board of Directors will designate in writing those CapMetro personnel ("Investment Officers") authorized to invest on behalf of CapMetro.

### 2. Establishment of Internal Controls

The Chief Financial Officer will establish a system of internal controls over the investment activities of CapMetro and document such control in the Investment Procedures Manual.

### 3. Prudent Investment Management

The designated Investment Officers shall perform their duties in accordance with the adopted Investment Policy and procedures set forth in the Investment Procedures Manual. Investment Officers acting in good faith and in accordance with these Policies and Procedures shall be relieved of personal liability.

### 4. Standard of Ethics

The designated Investment Officers shall adhere to CapMetro's ethics policies.

### 5. Training and Education

In accordance with the Public Funds Investment Act (Chapter 2256, Texas Government Code), the designated Investment Officers, or those personnel authorized to execute investment transactions, shall attend at least one investment training session annually. State law requires that training relating to investment responsibilities must be provided by an independent source as approved by the Investment Committee. Personnel authorized to execute or approve investment transactions must receive at least 10 hours of investment training within each two-year period.

### 6. Investment Committee

An Investment Committee shall be established to determine investment guidelines, general strategies, and monitor performance. Members of the Investment Committee will include the Investment officers and a representative of the external investment advisory firm. The Committee may also include one additional member, as designated by the CapMetro Board of Directors. The Committee shall meet quarterly to review performance, strategy and procedures.

## F. Reporting

Investment performance is continually monitored and evaluated by the Investment Advisor. The Investment Advisor will provide detailed reports, as required by the Public Funds Investment Act (Chapter 2256, Texas Government Code), Section 2256.023, for the General Manager, the Chief Financial Officer, the Board of Directors and the Investment Committee on a quarterly basis.

The report will outline conformance to the restrictions of the Policy in the area of diversification and term of maturity. The report will also compare the performance of CapMetro's portfolio to appropriate benchmarks as determined by the Investment Committee. The report will include an economic summary discussing interest rate trends, investment strategy and any other information deemed appropriate by the Chief

Financial Officer or the Investment Committee.

#### G. Compliance Audit

In conjunction with its annual financial audit, CapMetro shall perform a compliance audit of management controls on investments and adherence to CapMetro's established Investment Policies. The results of the audit shall be reported to the Investment Committee and the CapMetro Board of Directors.

#### H. Certification

A copy of this Investment Policy will be provided to the senior management of any bank, dealer, broker or investment advisor wishing to transact investment business directly with CapMetro in order that it is apprised of the investment goals of CapMetro. Before business is transacted with the firm, a certification (Appendix C) must be signed by a senior member of a firm. Should CapMetro contract with an external investment advisor to execute the Authority's investment strategy, including the negotiation and execution of investment transactions, a managing officer of the investment advisory firm may sign the written certification in lieu of the broker/dealer firms. Certifications will be provided on an annual basis immediately following the re-adoption of this Investment Policy by the Board of Directors.

**APPENDIX**

- A. INVESTMENT LEGISLATION
- B. MASTER REPURCHASE AGREEMENT (repurchase agreements not currently utilized, see note in Section IV.B, Ensuring Safety of Principal).
- C. BROKER/DEALER CERTIFICATION

## PREFACE

It is the policy of the Capital Metropolitan Transportation Authority (CapMetro) that all available funds shall be invested in conformance with these legal and administrative guidelines.

Effective cash management is recognized as essential to good fiscal management. An aggressive cash management and investment policy will be pursued to take advantage of investment interest as viable and material revenue to all operating and capital funds.

CapMetro's portfolio shall be designed and managed in a manner responsive to the public trust and consistent with state and federal law.

Investments shall be made with the primary objectives of:

- Preservation of capital and protection of principal
- Maintenance of sufficient liquidity to meet operating needs
- Security of CapMetro funds and investments
- Diversification of investments to avoid unreasonable or unavoidable risks
- Maximization of return on the portfolio

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**B. Scope**

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**C. Review and Amendment**

This Policy shall be reviewed annually. Amendments must be authorized by the CapMetro Board of Directors.

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## SECTION II

### INVESTMENT OBJECTIVES

#### II. INVESTMENT OBJECTIVES

##### A. Safety of Principal

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CapMetro’s investment portfolio must be structured in a manner which will provide the liquidity necessary to pay obligations as they become due. Maintenance of adequate liquidity is described in Section IV.C., “Ensuring Liquidity”.

##### C. Return on Investments

Consistent with State law, CapMetro shall seek to optimize return on investments within the constraints of safety and liquidity. Investments (excluding assets managed under separate investment programs, such as in arbitrage restrictive programs) shall be made in permitted obligations at yields equal to or greater than the bond equivalent yield on United States Treasury obligations of comparable maturity. Other appropriate performance measures will be established by the Investment Committee. Specific policies regarding investment rate of return are presented in Section IV.D., “Achieving Investment Return Objectives”.

For bond issues to which Federal yield or arbitrage restrictions apply, the primary objectives shall be to maximize retainable earnings and to minimize the costs associated with investment of such funds.

##### D. Prudence and Ethical Standards

The standard of prudence used by CapMetro shall be the “prudent person rule” and shall be applied in the context of managing the overall portfolio within the applicable legal constraints. The prudent person rule is restated below: “Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence would

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exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.”

In determining whether the Investment Officer(s) or Investment Advisor under contract has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration the investment of all funds over which the Officer/Advisor had responsibility rather than a consideration as to the prudence of a single investment, and whether the investment decision was consistent with the written Investment Policy of CapMetro.

Specific policies describing CapMetro’s prudence and ethical standards are found in Section IV.E., “Responsibility and Controls”.

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**SECTION III**  
**INVESTMENT STRATEGY STATEMENT**

**III. INVESTMENT STRATEGY STATEMENT**

CapMetro maintains portfolios of operating and operating reserve funds. Investment strategies for operating and operating reserve funds have as their primary objective to assure that anticipated cash flows are matched with adequate investment liquidity. The secondary objective is to create a portfolio structure which will experience minimal volatility during economic cycles. This may be accomplished by purchasing quality, short- to medium-term securities that will complement each other in a laddered or barbell maturity structure. The dollar weighted average maturity of 548 days or less for the combined investment portfolios will be calculated using the stated final maturity dates of each security. Securities may not be purchased that have a final stated maturity date which exceeds five years. Additional guidelines for specific investment portfolios include:

- A. General Fund - All securities identified in IV. A. Eligible Investments are suitable for the General Fund. Securities purchased for the General Fund will be laddered out with an average maturity of no more than one year.
- B. Budget Stabilization Reserve - All securities identified in IV. A. Eligible Investments are suitable for the Budget Stabilization Reserve. The portfolio may be invested for a maximum average maturity of no more than two years.
- C. Statutory Operating Reserve - All securities identified in IV. A. Eligible Investments are suitable for the Statutory Operating Reserve. The portfolio may be invested for a maximum average maturity of no more than two years.
- D. Project Specific Accounts - Project specific investment portfolio may be created from time to time for the investment of specific capital projects. All securities identified in IV. A. Eligible Investments are suitable and all investments must be scheduled to mature before any forecast cash flow. Currently, the Austin Mobility Portfolio has been established as a specific investment portfolio.

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**SECTION IV**  
**INVESTMENT POLICIES**

**IV. INVESTMENT POLICIES**

A. Eligible Investments

Investments described below are those authorized by the Public Funds Investment Act (Chapter 2256, Texas Government Code), as amended, which is included and made a part of this Policy as Appendix A. The following list may not contain all of those securities that are authorized by state statutes, but only those that the Board of Directors wish to include in the CapMetro's portfolios. The purchase of specific issues may at times be further restricted or prohibited because of current market conditions. CapMetro funds governed by this Policy may be invested in:

1. Obligations of the United States or its agencies and instrumentalities.
2. Direct Obligations of the State of Texas.
3. Other obligations, the principal and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States or its agencies and instrumentalities.
4. Obligations of states, agencies, counties, cities and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent.
5. Bankers' Acceptances with a stated maturity of 270 days or less from the date of its issuance that will be, in accordance with its terms, liquidated in full at maturity; is eligible for collateral for borrowing from a Federal Reserve Bank; and is accepted by a bank organized and existing under the laws of the United States or any state, if the short-term obligations of the bank, or of a bank holding company of which the bank is the largest subsidiary, are rated not less than A-1 or P-1 or an equivalent rating by at least one nationally recognized credit rating agency.
6. Commercial paper with a stated maturity of 365 days or less from the date of its issuance that either:
  - a. Is rated not less than A-1, P-1, or the equivalent by at least two nationally recognized credit rating agencies; or,

- b. Is rated at least A-1, P-1, or the equivalent by at least one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state thereof.
7. Fully collateralized repurchase agreements having a defined termination date, placed through a primary government securities dealer, as defined by the Federal Reserve, or a bank domiciled in Texas, and secured by obligations described by 1 above (the principal and interest on which are guaranteed by the United States or any of its agencies), pledged with a third party selected or approved by CapMetro and having a market value (including accrued interest) of no less than the principal amount of the funds disbursed.
  8. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this State or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States.
  9. SEC-regulated, no load money market mutual funds with a dollar-weighted average stated portfolio maturity of 60 days or less and whose investment objectives include seeking to maintain a stable net asset value of \$1 per share. No more than 50% of CapMetro's average fund balance may be invested in money market mutual funds and may not invest funds under its control in an amount that exceeds 10% of the total assets of any individual money market mutual fund. Money market mutual funds are to be rated AAA-m or equivalent by on Nationally Recognized Statistical Rating Organization ("NRSRO").
  10. Local government investment pools organized in accordance with the Interlocal Cooperation Act (Chapter 791, Texas Government Act) as amended, whose assets consist exclusively of the obligations that are allowed as a direct investment for funds subject to the Public Funds Investment Act (Chapter 2256, Texas Government Code). A public funds investment pool must be continuously rated no lower than AAA, AAA-m or at an equivalent rating by at least one nationally recognized rating service and follow all applicable requirements of the Public Funds Investment Act.

Compensating balances may be held at CapMetro's depository institution provided that market conditions or other factors, such as the depository institution's earnings credit rate or cost of services, provides an economic benefit to CapMetro that helps to optimize return while maintaining adequate liquidity.

Investments in collateralized mortgage obligations are strictly prohibited. These securities are also disallowed for collateral positions. CapMetro will not be required to liquidate investments that were authorized investments at the time of purchase.

Settlement of all investment transactions, except those transactions involving investments in mutual funds or local government investment pools, must be made on a delivery versus payment basis.

## B. Ensuring Safety of Principal

Ensuring safety is accomplished through protection of principal and safekeeping.

### 1. Protection of Principal

CapMetro shall seek to control the risk of loss due to the failure of a security issuer or guarantor. Such risk shall be controlled by investing only in the safest types of securities as defined in the Policy, by qualifying the broker/dealer and financial institution with whom CapMetro will transact, by collateralization as required by law, by portfolio diversification and by limiting maturity.

CapMetro will seek to control the risk of loss due to failure of issuers of commercial paper by monitoring the ratings of portfolio positions to ensure compliance with the rating requirements imposed by the Public Funds Investment Act. Should an issuer experience a single step downgrade of its credit rating by a nationally recognized credit rating agency within 90 days of the position's maturity, the Investment Officer(s) may approve holding the paper to maturity. If the subject paper matures beyond the 90-day period or if the credit rating downgrade exceeds a single step, it will be CapMetro's policy to convene an emergency meeting of the Investment Committee to determine whether liquidation of the position is warranted. This meeting should take place within 24 hours of notification or discovery of the credit downgrade.

The purchase of individual securities shall be executed "delivery versus payment" ("DVP") through the Federal Reserve System. By so doing, CapMetro funds are not released until CapMetro has received, through the Federal Reserve wire, the securities purchased.

a. Approved Broker/Dealers/Financial Institutions

Investments shall only be made with those firms and institutions who have acknowledged receipt and understanding of CapMetro’s Investment Policy. The “qualified representative” of the business as defined in Chapter 2256 of the Texas Government Code shall execute a written certification to acknowledge receipt of CapMetro’s Investment Policy and to acknowledge that the organization has implemented reasonable procedures and controls to preclude imprudent investment activities arising out of the investment transactions conducted between the entity and CapMetro. Should CapMetro contract with an external investment advisor to execute the Authority’s investment strategy, including the negotiation and execution of investment transactions, a managing officer of the investment advisory firm may sign the written certification in lieu of the broker/dealer firms. This certification must be included as part of the investment advisory contract.

Securities, certificates of deposit and share certificates shall only be purchased from those institutions included on CapMetro’s list of broker/dealers, banks, savings banks and credit unions as approved by the Investment Committee. This list of approved investment providers must be reviewed at least annually by CapMetro’s Investment Committee.

b. Master Repurchase Agreement

It is the policy of CapMetro to require each issuer of repurchase agreements to sign a copy of the CapMetro Master Repurchase Agreement. An executed copy of this agreement must be on file before CapMetro will enter into any repurchase agreement with an issuer. (See Appendix B “Master Repurchase Agreement.”)

Note: CapMetro does not currently enter into repurchase agreements. The Master Repurchase Agreement previously attached to the Investment Policy expired in 2009. If CapMetro’s investment officers and advisor recommend the use of repurchase agreements in the future, a new Master Purchase Agreement will be drafted and brought to the Board of Directors for consideration.

c. Collateralization

Consistent with the requirements of State law, CapMetro requires all banks, savings banks and credit union deposits to be federally insured or collateralized with eligible securities. Financial institutions serving as CapMetro Depositories will be required to sign an Agreement with CapMetro

and its safekeeping agent for the collateral, perfecting CapMetro's rights to the collateral in case of default, bankruptcy or closure. CapMetro shall not accept, as depository collateral, any security that is not specifically allowed to be held as a direct investment by the CapMetro portfolio (see W.A.). Repurchase agreements must also be collateralized in accordance with State law. Each issuer of repurchase agreements is required to sign a copy of CapMetro's Master Repurchase Agreement. An executed copy of this agreement must be on file before CapMetro will enter into any repurchase agreements with an issuer. (See Appendix B, "Master Repurchase Agreement".)

(1) Allowable Collateral

(a) Certificates of Deposit/Share Certificates

Eligible securities for collateralization of deposits are defined by the "Public Funds Collateral Act" (Chapter 2257, Texas Government Code) which is included and made a part of the Policy as Appendix A. The eligibility of specific issues may at times be restricted or prohibited because of current market conditions.

(b) Repurchase Agreements

Collateral underlying repurchase agreements is limited to U.S. government and agency obligations, which are eligible for wire transfer (i.e. book entry) to CapMetro's designated safekeeping agent through the Federal Reserve System.

(2) Collateral Levels

Collateral is valued at current market plus interest accrued through the date of valuation.

(a) Certificates of Deposit/Share Certificates

The market value of collateral pledged for certificates of deposit/share certificates must at all times be equal to or greater than the par value of the certificate of deposit plus accrued interest, less the amount insured by the FDIC, FSLIC or the National Credit Union Share Insurance Fund or their successors.

(b) Repurchase Agreements

The market value of collateral required to be pledged for repurchase agreements shall be a percentage of the par value of the agreement plus accrued interest and shall be maintained at the following levels:

<u>Collateral Maturity</u>	<u>U.S. Treasury Securities</u>	<u>U.S. Government Agency</u>
1 year or less	101%	101%
1 year to 5 years	102%	102%
Over 5 years	103%	104%

(3) Monitoring Collateral Adequacy

(a) Certificates of Deposit/Share Certificates

CapMetro requires monthly reports with market values of pledged securities from all financial institutions with which CapMetro has certificates of deposit/share certificates. CapMetro’s Investment Advisor will at least weekly monitor the adequacy of collateral.

(b) Repurchase Agreements

Weekly monitoring by CapMetro’s Investment Advisor of all collateral underlying repurchase agreements is required. More frequent monitoring may be necessary during periods of market volatility.

(4) Margin Calls

(a) Certificates of Deposit/Share Certificates

If the collateral pledged for a certificate of deposit or share certificate falls below the par value of the deposit, plus accrued interest less FDIC, FSLIC or National Credit Union Share Insurance, the institution will be notified by CapMetro or its Investment Advisor and will be required to pledge additional securities no later than the end of the next succeeding business day.

(b) Repurchase Agreements

If the value of the collateral underlying a repurchase agreement falls below the margin maintenance levels specified above, CapMetro or its Investment Advisor will make a margin call unless the repurchase agreement is scheduled to mature within five business days and the

amount is deemed to be immaterial.

(5) Collateral Substitution

Collateral investments, certificates of deposit and share certificates often require substitution of collateral. Any broker or financial institution requesting substitution must contact the Investment Officer(s) or the external Investment Advisor under contract for approval and settlement. The substituted collateral’s value will be calculated and substitution approved if its value is equal to or greater than the required value (See IV.B1.c(2)(b)). The Investment Officer(s) or Investment Advisor must give immediate notification of the decision to the bank or the safekeeping agent holding the collateral. Substitution is allowable for all transactions, but should be limited, if possible, to minimize potential administrative problems and transfer expense. The Investment Officer(s) or Investment Advisor may limit substitution and assess appropriate fees if substitution becomes excessive or abusive.

(6) Collateral Reductions

Should the collateral’s market value exceed the required amount, any broker or financial institution may request approval from the Investment Officer(s) or the external Investment Advisor under contract to reduce collateral. Collateral reductions may be permitted only if CapMetro’s records indicate that the collateral’s market value exceeds the required amount.

d. Portfolio Diversification

Risk of principal loss in the portfolio as a whole shall be minimized by diversifying investment types according to the following limitations. As discussed below, these limitations do not apply to bond proceeds.

Investment Type:	% of Portfolio
• Repurchase Agreements	50%
• Certificate of Deposit	20%
• Share Certificates	5%
• U.S. Treasury Notes/Bond/Bills	100%
• U.S. Agencies	60%
• Money Market Mutual Funds	50%
• Local Government Investment Pools	100%
• Commercial Paper	35%
• Banker’s Acceptance	15%

It is the policy of CapMetro to diversify its investment portfolio so that reliance on any one issuer or broker will not place an undue financial burden on CapMetro. Generally, CapMetro should limit its repurchase agreement exposure with a single firm to no more than 15% of the value of CapMetro's overall portfolio and its commercial paper and bankers' acceptance exposure with a single issuer to no more than 5% of the value of CapMetro's overall portfolio. To allow efficient and effective placement of proceeds from any bond sales, these limits may be exceeded for a maximum of five business days following the receipt of bond proceeds.

(1) Bond Proceeds

Proceeds of a single bond issue may be invested in. A single security or investment if the Investment Committee determines that such an investment is necessary to comply with Federal arbitrage restrictions or to facilitate arbitrage record keeping and calculation.

e. Limiting Maturity

In order to minimize risk of loss due to interest rate fluctuations, investment maturities will not exceed the anticipated cash flow requirements of the funds. Maturity guidelines by funds are as follows:

(1) General Funds

The dollar weighted average days to final stated maturity shall be 548 days or less. The Investment Advisor will monitor the maturity level and make changes as appropriate.

(2) Bond Proceeds, Bond Reserves, Debt Service Funds

The investment maturity of bond proceeds (including reserves and debt service funds) shall be determined considering:

- (a) the anticipated cash flow requirements of the funds, and;
- (b) the "temporary period" as defined by Federal tax law during which time bond proceeds may be invested at an unrestricted yield. After the expiration of the temporary period, bond proceeds subject to yield restriction shall be invested considering the anticipated cash flow requirements of the funds.

## 2. Safekeeping

### a. Safekeeping Agreement

CapMetro shall contract with a bank or banks for the safekeeping of securities either owned by CapMetro as a part of its investment portfolio or held as collateral to secure certificates of deposits, share certificates or repurchase agreements.

### b. Safekeeping of Certificate of Deposit/Share Certificate Collateral

All collateral securing bank, savings banks and credit union deposits must be held by a third party banking institution approved by CapMetro, or collateral may be held at the Federal Reserve Bank.

### c. Safekeeping of Repurchase Agreement Collateral

The securities which serve as collateral for repurchase agreements with dealers must be delivered to a third-party custodian with which CapMetro has established a third-party safekeeping agreement.

## C. Ensuring Liquidity

Liquidity shall be achieved by investing in securities with active secondary markets and by investing in eligible money market mutual funds (MNIMF's) and local government investment pools (LGIP's).

A security may be liquidated to meet unanticipated cash requirements, to re-deploy cash into other investments expected to outperform current holdings, or to otherwise adjust the portfolio.

## D. Achieving Investment Return Objectives

Investment selection for all funds shall be based on legality, appropriateness, liquidity, and risk/return considerations. The portfolios shall be actively managed to enhance overall interest income. Active management will take place within the context of the "Prudent Person Rule." (See Section MD.).

### 1. Securities Swaps

CapMetro will take advantage of security swap opportunities to improve portfolio yield. A swap which improves portfolio yield may be selected even if the transaction results in an accounting loss.

## 2. Competitive Bidding

It is the policy of CapMetro to require competitive bidding for all individual security purchases except for those transactions with money market mutual funds (MMMF's) and local government investment pools (LGIP's) which are deemed to be made at prevailing market rates, and for government securities purchased at issue through a primary dealer at auction price. Rather than relying solely on yield, investment in MMMF's and LGIP's shall be based on criteria determined by the Investment Committee, including adherence to Securities and Exchange Commission (SEC) guidelines for MMMF's when appropriate.

At least three bidders must be contacted in all transactions involving individual securities. Competitive bidding for security swaps is also required. Bids may be solicited in any manner provided by law. For those situations where it may be impractical or unreasonable to receive three bids for a transaction due to a rapidly changing market environment or to secondary market availability, documentation of a competitive market survey of comparable securities or an explanation of the specific circumstance must be included with the daily bid sheet. All bids received must be documented and filed for auditing purposes.

## 3. Methods of Monitoring Market Price

The methods/sources to be used to monitor the price of investments that have been acquired with public funds shall be from sources deemed reliable by the Investment Advisor, including primary or regional broker/dealers, market information vendors such as Bloomberg or Telerate and market pricing services.

## E. Responsibility and Controls

### 1. Authority to Invest

The authority to invest CapMetro funds and the execution of any documentation necessary to evidence the investment of CapMetro funds is granted to the Investment Advisory firm under current contract and those CapMetro personnel authorized as Investment Officers. The 'CapMetro Board of Directors will designate in writing those CapMetro personnel ("Investment Officers") authorized to invest on behalf of CapMetro.

### 2. Establishment of Internal Controls

The Chief Financial Officer will establish a system of internal controls over the investment activities of CapMetro and document such control in the Investment Procedures Manual.

### 3. Prudent Investment Management

The designated Investment Officers shall perform their duties in accordance with the adopted Investment Policy and procedures set forth in the Investment Procedures Manual. Investment Officers acting in good faith and in accordance with these Policies and Procedures shall be relieved of personal liability.

### 4. Standard of Ethics

The designated Investment Officers shall adhere to CapMetro's ethics policies.

### 5. Training and Education

In accordance with the Public Funds Investment Act (Chapter 2256, Texas Government Code), the designated Investment Officers, or those personnel authorized to execute investment transactions, shall attend at least one investment training session annually. State law requires that training relating to investment responsibilities must be provided by an independent source as approved by the Investment Committee. Personnel authorized to execute or approve investment transactions must receive at least 10 hours of investment training within each two-year period.

### 6. Investment Committee

An Investment Committee shall be established to determine investment guidelines, general strategies, and monitor performance. Members of the Investment Committee will include the Investment officers and a representative of the external investment advisory firm. The Committee may also include one additional member, as designated by the CapMetro Board of Directors. The Committee shall meet quarterly to review performance, strategy and procedures.

## F. Reporting

Investment performance is continually monitored and evaluated by the Investment Advisor. The Investment Advisor will provide detailed reports, as required by the Public Funds Investment Act (Chapter 2256, Texas Government Code), Section 2256.023, for the General Manager, the Chief Financial Officer, the Board of Directors and the Investment Committee on a quarterly basis.

The report will outline conformance to the restrictions of the Policy in the area of diversification and term of maturity. The report will also compare the performance of CapMetro's portfolio to appropriate benchmarks as determined by the Investment Committee. The report will include an economic summary discussing interest rate trends, investment strategy and any other information deemed appropriate by the Chief

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Financial Officer or the Investment Committee.

#### G. Compliance Audit

In conjunction with its annual financial audit, CapMetro shall perform a compliance audit of management controls on investments and adherence to CapMetro's established Investment Policies. The results of the audit shall be reported to the Investment Committee and the CapMetro Board of Directors.

#### H. Certification

A copy of this Investment Policy will be provided to the senior management of any bank, dealer, broker or investment advisor wishing to transact investment business directly with CapMetro in order that it is apprised of the investment goals of CapMetro. Before business is transacted with the firm, a certification (Appendix C) must be signed by a senior member of a firm. Should CapMetro contract with an external investment advisor to execute the Authority's investment strategy, including the negotiation and execution of investment transactions, a managing officer of the investment advisory firm may sign the written certification in lieu of the broker/dealer firms. Certifications will be provided on an annual basis immediately following the re-adoption of this Investment Policy by the Board of Directors.

**APPENDIX**

- A. INVESTMENT LEGISLATION
- B. MASTER REPURCHASE AGREEMENT (repurchase agreements not currently utilized, see note in Section IV.B, Ensuring Safety of Principal).
- C. BROKER/DEALER CERTIFICATION

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Board of Directors

Item #: AI-2025-1571

Agenda Date: 9/22/2025

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**SUBJECT:**

Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute an amendment to the Interlocal Agreement with Austin Transit Partnership for capital reimbursement of the Expo Center and Pleasant Valley MetroRapid Projects for the Project Connect System Plan.

**FISCAL IMPACT:**

This action reimburses CapMetro for expenses incurred.

**STRATEGIC PLAN:**

Strategic Goal Alignment:

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

**EXPLANATION OF STRATEGIC ALIGNMENT:** The Expo Center and Pleasant Valley MetroRapid Projects significantly expand service options in portions of the CapMetro service area that have been traditionally underserved by rapid bus service and will allow for greater connectivity from east Austin to the larger CapMetro network.

**BUSINESS CASE:** This action allows for the continued funding by ATP of capital expenses related to the design and construction of the Expo Center and Pleasant Valley MetroRapid Projects.

**COMMITTEE RECOMMENDATION:** This item was presented and recommended for approval by the Finance, Audit and Administration Committee on September 10, 2025.

**EXECUTIVE SUMMARY:** In 2022, CapMetro and ATP entered into an interlocal agreement to provide capital funding for a significant piece of the CapMetro Components of Project Connect - the Expo Center and Pleasant Valley MetroRapid Projects. These bus rapid transit lines are primarily funded by Federal Transit Administration Small Starts Capital Improvement Grant funds, with ATP providing the local match in a total amount not to exceed \$35,635,829.00. CapMetro initiated service on these lines in February 2025, and will launch full service in 2026. The parties exercised the sole extension option on the ILA in September 2024. This action will extend the ILA another year through Fiscal Year 2026 to allow for continued reimbursement of capital project expenses as they continue to roll in.

DBE/SBE PARTICIPATION: Does not apply

PROCUREMENT: Does not apply

RESPONSIBLE DEPARTMENT: Capital Construction, Engineering & Design

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

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**AI-2025-1571**

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and CapMetro Management recognize the commitment to build the Expo Center and Pleasant Valley MetroRapid bus rapid transit lines in accordance with the contract with the voters and Joint Powers Agreement between the City, CapMetro and ATP, and has committed funding for the projects in its current fiscal year budget and its 5-year Capital Improvement Plan; and

WHEREAS, CapMetro and ATP entered into an interlocal agreement (ILA) whereby ATP provides capital reimbursement of the Expo Center and Pleasant Valley MetroRapid Project; and

WHEREAS, the CapMetro Board of Directors and CapMetro Management recognize the need to amend the ILA to allow for continued reimbursement of capital costs for the Expo Center and Pleasant Valley lines by ATP.

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 amendment to the interlocal agreement with Austin Transit Partnership (ATP) for the capital reimbursement of the Expo Center and Pleasant Valley MetroRapid Projects for the Project Connect System Plan to extend the term of ILA through September 30, 2026.

**Date:** \_\_\_\_\_

\_\_\_\_\_  
**Secretary of the Board  
Becki Ross**

**AMENDMENT TO  
INTERLOCAL COOPERATION AGREEMENT  
BETWEEN  
AUSTIN TRANSIT PARTNERSHIP AND  
CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY FOR  
CAPITAL REIMBURSEMENT OF THE EXPO CENTER AND PLEASANT VALLEY  
METRO RAPID PROJECTS OF THE PROJECT CONNECT SYSTEM PLAN**

**THIS AMENDMENT AGREEMENT** (“Amendment”) is entered into by and between Austin Transit Partnership, a local government corporation created under Chapter 431 of the Texas Transportation Code (“ATP”), and Capital Metro Transportation Authority, a transportation authority and political subdivision of the State of Texas organized under Chapter 451 of the Texas Transportation Code (“CapMetro”) to be effective upon approval by the governing bodies of both Parties (the “Effective Date”). Each of ATP and CapMetro are sometimes referred to herein individually as a “Party” and collectively as the “Parties”. Reference is hereby made to that certain Interlocal Cooperation Agreement for capital reimbursement of the Expo Center and Pleasant Valley MetroRapid Projects for the Project Connect System Plan entered into by the Parties and fully effective July 25, 2022 (the “Agreement”). Capitalized terms used herein and not otherwise defined shall have the meaning given in the Agreement.

**BACKGROUND:**

A. The Parties entered into the Agreement in accordance with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code (the “Interlocal Cooperation Act”), for purposes of funding the MetroRapid Projects and for the limited purposes of establishing terms and conditions of payment by ATP and CapMetro in order to encourage transparency and financial accountability, and to establish the terms and conditions for the reimbursement by ATP for certain capital costs incurred by CapMetro for the planning, development, design, construction and equipping of the MetroRapid Projects.

B. The Parties previously exercised the extension option set forth in Section 6.1 of the Agreement to extend the term of the Agreement to September 30, 2025.

C. Because work on the MetroRapid Projects is still ongoing, the Parties recognize the need to extend the term of the Agreement for an additional 12 months through September 30, 2026.

D. The Parties have properly authorized this Amendment in accordance with the Interlocal Cooperation Act.

**ACCORDINGLY**, in consideration of the foregoing and the covenants, agreements, representations and warranties set forth in this Amendment, the Parties hereby agree as follows:

**Section 1. Amendment to the Agreement.** Section 6.1 of the Agreement is amended to read in its entirety as follows:

**Section 6.1 Term.** The term of this Agreement is from the Effective Date through September 30, 2026.

Except as expressly modified in this Section 1, the Agreement shall continue to remain in full force and effect in accordance with the provisions thereof.

**Section 2. Counterparts; e-Signatures.** This Amendment may be signed in as many counterparts as may be convenient or required. It shall not be necessary that the signature and acknowledgment of, or on behalf

of, each party, or that the signature and acknowledgment of all persons required to bind any party, appear on each counterpart. All counterparts shall collectively constitute a single instrument. It shall not be necessary in making proof of this Amendment to produce or account for more than a single counterpart containing the respective signatures and acknowledgment of, or on behalf of, each of the parties hereto. Any signature and acknowledgment page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures and acknowledgments thereon and thereafter attached to another counterpart identical thereto except having attached to it additional signature and acknowledgment pages. The Parties agree that digital or facsimile signatures shall be given the same legal effect as original signatures, and the Parties hereby agree to accept delivery of digital signatures by e-mail in "pdf" form, or *via* DocuSign, Adobe Sign, or any similar means of digital delivery.

The undersigned have signed and delivered this Amendment as of the last date set forth below to be effective as of the Effective Date.

**AUSTIN TRANSIT PARTNERSHIP**, a Texas nonprofit local government corporation

**CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY**, a transportation authority and political subdivision of the State of Texas

By: \_\_\_\_\_  
Greg Canally, Executive Director

By: \_\_\_\_\_  
Dottie Watkins, President & CEO

Date: \_\_\_\_\_, 2025

Date: \_\_\_\_\_, 2025

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Board of Directors

Item #: AI-2024-1277

Agenda Date: 9/22/2025

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**SUBJECT:**

Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute an Interlocal Agreement with the Austin Transit Partnership to provide reimbursement of capital costs for certain CapMetro Components of Project Connect through Fiscal Year 2031, in a total amount not to exceed \$148,600,000.

**FISCAL IMPACT:**

This action reimburses Capital Metro for expenses incurred.

**STRATEGIC PLAN:**

**Strategic Goal Alignment:**

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

**EXPLANATION OF STRATEGIC ALIGNMENT:** This Interlocal Agreement (ILA) will help ensure capital funding for critical components of Project Connect and allow CapMetro to continue to add and maintain service for the community and fulfill the will of the voters in approving Project Connect.

**BUSINESS CASE:** The ILA establishes a framework for funding certain CapMetro Components of Project Connect under which the Austin Transit Partnership (ATP) will provide funding to CapMetro for capital construction related to these critical components of Project Connect.

**COMMITTEE RECOMMENDATION:** This item was presented and recommended for approval by the Finance, Audit and Administration Committee on September 10, 2025.

**EXECUTIVE SUMMARY:** CapMetro and ATP have entered into ILAs previously to provide funding for certain components of Project Connect, such as capital construction costs for the McKalla rail station and capital construction costs for the Expo Center and Pleasant Valley CapMetro Rapid lines. This ILA provides funding for certain additional CapMetro Components of Project Connect for which a specific ILA is not currently in place. Specifically, the ILA provides funding for construction of the Goodnight Ranch and Expo Center Park and Rides serving the new Rapid lines, including end-of-line charging for battery electric buses, and a new South Base Demand Response facility. CapMetro has already expended funds on these projects, and the ILA includes reimbursement to CapMetro for these funds as well as ongoing expenses for these projects through the term of the ILA. In addition, this ILA clarifies that CapMetro will use its financial contribution dedicated to Project

Connect directly on operations and maintenance expenses for CapMetro Components, rather than transferring those funds to ATP. Through FY2031, total capital costs of the CapMetro Components covered by the ILA are estimated to be \$148.6 million, which includes \$37.6 million for the park and rides and \$111 million for the South Base Demand Response facility. The parties further commit to working together in good faith to extend this ILA for additional years or enter into additional agreements as needed to ensure continued delivery and funding of CapMetro Components of Project Connect into the future.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply.

RESPONSIBLE DEPARTMENT: Finance

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

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**AI-2024-1277**

WHEREAS, the CapMetro Board of Directors and Austin City Council approved the Project Connect System Implementation Plan in 2020, including bus rapid transit lines, park and rides, and facilities, which CapMetro is primarily responsible for implementing (the “CapMetro Components”);

WHEREAS, the CapMetro Board of Directors approved a resolution in August 2020 committing to the community its available financial resources in support of the Implementation Plan (“CapMetro Contribution”);

WHEREAS, the voters of the City of Austin approved a referendum in November 2020 to fund projects in the Implementation Plan;

WHEREAS, CapMetro is committed to building and operating the CapMetro Components in accordance with the contract with the voters and Joint Powers Agreement between the City, CapMetro and Austin Transit Partnership (ATP), and has committed CapMetro Contribution funding for the projects in its current fiscal year budget and its 5-year Capital Improvement Plan;

WHEREAS, the Federal Transit Administration provided Small Starts Capital Improvement Grant funds for the Expo Center and Pleasant Valley CapMetro Rapid lines, which grants include obligations to provide a certain minimum level of service on these lines, and funding from ATP is critical in meeting these obligations;

WHEREAS, CapMetro and the City of Austin created ATP, a joint local government corporation, to assist in the financing, funding and construction of the Implementation Plan and which will provide a significant portion of the funding for the CapMetro Components;

WHEREAS, CapMetro and ATP entered into an interlocal agreement (ILA) for Support Services and Program Funding related to the Project Connect program in February 2021, which ILA expired at the end of fiscal year 2024, and subsequently entered into ILAs providing for funding for certain specific CapMetro Components, namely construction of the McKalla commuter rail station and capital construction for the Expo Center and Pleasant Valley CapMetro Rapid lines;

WHEREAS, it is necessary for CapMetro and ATP to now enter into a new ILA to provide funding for certain additional CapMetro Components for which an ILA is not currently in place, namely the Goodnight Ranch and Expo Center Park and Rides and a new South Base Demand Response facility;

WHEREAS, this ILA requires CapMetro to deliver specified CapMetro Components and ATP to provide capital funding to CapMetro and further clarifies that CapMetro will use the CapMetro Contribution toward operating expenses, and other costs, for the CapMetro Components; and

WHEREAS, pursuant to the terms of this ILA, ATP's funding contribution is in an amount not to exceed \$148,600,000 through Fiscal Year 2031;

NOW, THEREFORE, BE IT RESOLVED that the President & CEO, or her designee, is authorized to finalize and execute an interlocal agreement with the Austin Transit Partnership to provide reimbursement of capital costs for certain CapMetro Components of Project Connect through Fiscal Year 2031, in a total amount not to exceed \$148,600,000.

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**Secretary of the Board**  
**Becki Ross**

**Date:** \_\_\_\_\_

**INTERLOCAL COOPERATION AGREEMENT  
BETWEEN AUSTIN TRANSIT PARTNERSHIP LOCAL GOVERNMENT CORPORATION  
AND CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY  
To  
FUND CERTAIN CAPMETRO COMPONENTS OF PROJECT CONNECT  
THROUGH FISCAL YEAR 2031**

This interlocal cooperation agreement (this "**Agreement**") is dated and entered into as of October 1, 2025 (the "**Effective Date**"), pursuant to Chapter 791 of the Texas Government Code, between **AUSTIN TRANSIT PARTNERSHIP LOCAL GOVERNMENT CORPORATION** ("**ATP**"), a public nonprofit local government corporation formed pursuant to Chapter 431 of the Texas Transportation Code, and **CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY** ("**CapMetro**"), a transportation authority and political subdivision of the State of Texas organized and existing under Chapter 451 of the Texas Transportation Code. ATP and CapMetro are referred to herein individually as a "**Party**" and collectively as the "**Parties**".

**Background:**

The Joint Powers Agreement made by CapMetro, the City of Austin (the "City"), and ATP effective as of December 17, 2021, and supplemented and amended in 2023 and 2024 respectively (the "**Joint Powers Agreement**"), establishes certain roles and responsibilities for implementation of the Project Connect System Plan previously approved by CapMetro and the City and amended by the Austin Light Rail Implementation Plan. The Joint Powers Agreement provides in part that CapMetro shall be responsible for the financing, design, engineering, construction, and implementation of certain components of the Project Connect System Plan, which are defined in the Joint Powers Agreement and referred to in this Agreement as the "**CapMetro Components**." The Joint Powers Agreement further provides that the Parties shall work together to ensure long-term planning for funding commitments or obligations of CapMetro that are payable or reimbursable from ATP funds.

The Parties intend through this Agreement to establish terms and conditions under which ATP will appropriate funds and provide reimbursement for capital expenses incurred by CapMetro through FY 2031 for the two CapMetro Components projects described in **Exhibit A**: (i) the CapMetro Rapid 800 Pleasant Valley and 837 Expo Line end of line park and rides, including electrification, located at the Travis County Expo Center and Goodnight Ranch; and (ii) the South Base Demand Response facility located at 5315 E. Ben White Blvd (each a "**Project**," and collectively the "**Projects**").

**ACCORDINGLY**, in consideration of the mutual covenants and agreements set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confirmed, ATP and CapMetro agree to the following:

**Article 1**  
**General Terms; Roles and Responsibilities; Purpose and Scope**

**Section 1.1 Defined Terms.** Capitalized terms used in this Agreement and not otherwise defined have the meaning given in the Joint Powers Agreement.

**Section 1.2 Purpose and Scope of This Agreement.**

- (a) The purpose and scope of this Agreement is to establish the terms and conditions for the joint capital funding of the Projects through FY 2031, as described in this Agreement.
- (b) This Agreement does not address: (i) the Operating Costs of the CapMetro Components, (ii) capital costs for CapMetro Components not addressed in this Agreement, or (iii) the Austin Light Rail component of Project Connect.

**Section 1.3 Collaboration and Communication Between the Parties.** CapMetro and ATP agree to:

(a) share financial and operating information, data, and reports concerning expenditure of public funds for the CapMetro Components, including information relevant to the expenditure of the property tax revenue as authorized by Proposition A; and (b) support each other's annual budget processes, annual comprehensive financial reports, compliance with applicable federal requirements, and ATP's issuance of debt obligations in accordance with federal securities laws. Both Parties agree that their respective staffs shall work to support any such request for this information, data, and reports.

**Section 1.4 Cooperation of the Parties.** The Parties acknowledge their respective obligations and commitments in this Agreement and agree to cooperate in good faith to accomplish the completion of the Project(s).

## **Article 2**

### **Capital Funding Commitments of the Parties**

**Section 2.1 CapMetro's Contributions.**

- (a) CapMetro will complete the Projects listed in **Exhibit A** in accordance with applicable laws and in a professional and workmanlike manner, and in accordance with the applicable annual budget approved by CapMetro's governing body.
- (b) CapMetro will initially fund the design and construction of the Projects, subject to reimbursement by ATP as provided for in this Agreement.
- (c) Through its Funding and Commitment Resolution for Project Connect, CapMetro has committed to allocate funds toward the expenses associated with Project Connect (the "**CapMetro Contribution**"). The Parties agree that, throughout the term of this Agreement, CapMetro will retain and apply the CapMetro Contribution to cover the operating expenses related to the CapMetro Components. Additionally, CapMetro may utilize the CapMetro Contribution for any other expenses associated with the CapMetro Components. The CapMetro Contribution is a commitment of CapMetro's current revenues only, contingent upon appropriation by CapMetro's governing body. ATP agrees not to take any action that is inconsistent with CapMetro's ownership of the CapMetro Contribution and will not assert any ownership interest in the CapMetro Contribution. Furthermore, CapMetro will have no obligation or liability to ATP with respect to the CapMetro Contribution.

**Section 2.2 ATP's Funding Contribution.** Subject to the terms and conditions set forth in this Agreement, ATP agrees to reimburse CapMetro for capital costs associated with the Projects in a total amount not to exceed **\$148,600,000** through FY2031 (the "**ATP Funding Contribution**") in accordance with the appropriation schedule set forth in **Exhibit "B"** (the "**Appropriation Schedule**"). The terms for the payment of the ATP Funding Contribution are set forth in Article 4 hereof. The ATP Funding Obligation is a commitment of current revenues only, subject to appropriation by ATP's governing body.

**Section 2.3 Capital Costs and Contributions; Updates.** The CapMetro Chief Financial Officer and the ATP Chief Financial Officer have negotiated in good faith the Project Costs and the Appropriation Schedule applicable through September 30, 2031. Upon approval by the governing bodies of the Parties: (i) the Project Costs and/or the Appropriation Schedule may be periodically updated, supplemented or amended; and (ii) the Project Costs for the Term may be updated, supplemented, or amended. The Chief Financial Officers of CapMetro and ATP shall meet in August and February of each year to review estimated budgets for the following year and to review a mid-year check-in before the next budget cycle starts.

### **Article 3**

#### **Covenants and Obligations of CapMetro**

**Section 3.1 Use of the ATP Funding Contribution.** CapMetro shall use the ATP Funding Contribution solely for purposes of paying for property acquisition necessary for the Projects and the capital costs of designing, constructing, and implementing the Projects (any such use defined as an "**Authorized Use**"), and for no other purpose. Specifically, the ATP Funding Contribution shall not be used to pay operating costs relating to the Projects or any other CapMetro Components. CapMetro shall maintain accurate records relating to the expenditure of the ATP Funding Contribution and shall ensure that no part of the ATP Funding Contribution is misappropriated or otherwise converted for any purpose other than an Authorized Use.

**Section 3.2 Performance and Payment for Project Work.** CapMetro assumes all responsibility for the procurement, design, permitting, construction, inspection, and completion of the Projects (the "**Project Work**") in a good and workmanlike manner in compliance with all applicable federal, state, and local laws, rules and regulations, and in compliance with this Agreement.

- (a) CapMetro shall not be responsible for any inability to provide the Projects or any delay in doing so to the extent that such inability or delay is the result or failure of ATP to provide, or any delay in providing, the ATP Funding Contribution necessary for CapMetro to deliver the Projects.
- (b) **EXCEPT FOR THE WARRANTIES AND UNDERTAKINGS EXPLICITLY SET FORTH HEREIN, (i) THERE ARE NO WARRANTIES BY CAPMETRO WITH RESPECT TO THE PROJECTS AND (ii) ALL WARRANTIES, STIPULATIONS AND UNDERTAKINGS AND ALL TERMS AND CONDITIONS (INCLUDING ANY IMPLIED BY STATUTE OR OTHERWISE) WITH RESPECT TO THE PROJECTS (WHETHER AS TO MERCHANTABILITY, QUALITY, DESCRIPTION, SATISFACTORY QUALITY, SUITABILITY, FITNESS FOR A PARTICULAR PURPOSE WHERE MADE KNOWN OR NOT, CARE, SKILL OR OTHERWISE) ARE HEREBY EXCLUDED AND WAIVED.**

- (A) CapMetro shall timely pay all contractor-submitted invoices for the Project Work based on work completed in accordance with the approved plans and specifications in accordance with the Tex. Gov't Code Chapter 2251.

**Section 3.4 Audit Rights.** The representatives of ATP, shall, upon reasonable written notice and during reasonable business hours, have access and the right to audit, examine, or reproduce, all records of CapMetro related to the performance under this Agreement. CapMetro must retain all such records for a period of three (3) years after final payment under this Agreement or until all audit and litigation matters that ATP has brought to the attention of CapMetro are resolved, whichever is longer. The Parties agree that audit rights hereunder shall survive termination of this Agreement.

**Section 3.5 Project Reporting.** CapMetro shall maintain appropriate records relating to the expenditure of the ATP Funding Contribution in accordance with applicable Cap Metro Board of Director financial policies. Beginning with the 2025-26 fiscal year, CapMetro shall provide ATP's Chief Financial Officer with a quarterly report on each Project as of the end of that quarter. The quarterly report shall be provided no later than 30 days following the end of the quarter on which it reports. Each quarterly report shall include the following information: (i) a narrative description of the status of the Project; (ii) any change in CapMetro's cost estimate for the Project; (iii) any change in CapMetro's schedule for completing the Project; (iv) the percentage of completion of the Project; (v) a list of any new contracts for goods or services for the Project entered into by CapMetro during the quarter with a contract amount in excess of \$500,000.00; and (vi) a discussion of any material risk identified by CapMetro to completing the Project on time and within budget. Provided, however, that any failure by CapMetro to provide the information as required in this Section shall not constitute a default or breach under Section 6.4 of this Agreement, and shall not constitute grounds to suspend contributions to CapMetro under Section 6.4.c.i. of this Agreement, if cured by CapMetro within 30 days after receiving notice from ATP of any such failure.

**Section 3.6 CapMetro General Responsibilities.** Except as hereinafter provided, CapMetro shall undertake all actions required for the procurement, design, construction, and execution of the Projects, including all required real property acquisitions; utility relocations and adjustments; the design, permitting, construction, equipping, and commissioning of any facilities. CapMetro shall provide a project manager for the Projects who will be responsible for the delivery of the project, including managing all aspects of the Projects and supervising and managing consultants, contractors, and vendors providing services to CapMetro for the completion of the Projects. CapMetro shall comply with applicable federal, state, and City of Austin requirements (as determined by CapMetro) for the Projects. CapMetro shall be fully responsible for, as applicable:

- (a) conducting all real property acquisitions necessary for the Projects, whether through donation, negotiation, or condemnation,
- (b) ensuring that all environmental permits, issues, and commitments are addressed in its Projects design,
- (c) addressing field changes for potential environmental impacts and obtaining any necessary environmental permits, issues, and commitments for such field changes,
- (d) selection of consultants, construction managers, engineers, architects, surveyors, testing engineers and laboratories, inspecting engineers, geotechnical engineers and scientists,

suppliers, contractors, subcontractors, vendors, insurers, and other parties retained in connection with the design or construction of the Projects,

- (e) commencement, sequencing and timing of design and construction activities and other work,
- (f) design of the Projects and all features thereof,
- (g) ensuring that all construction plans are signed, sealed and dated by a professional engineer duly licensed and registered by the Texas Board of Professional Engineers and Land Surveyors to engage in the practice of engineering in the State of Texas,
- (h) securing construction oversight and inspection, as well as materials testing, and for safety, safety inspections and any related certifications required by the Federal Transit Administration (FTA),
- (i) quality control and quality assurance and the acceptance or rejection of work or other deliverables,
- (j) investigations and risk assessments, site safety and security,
- (k) negotiation, bidding, letting and management of contracts for the Projects,
- (l) resolution of any disputes under such contracts,
- (m) testing and commissioning of the Projects prior to commencement of revenue service,
- (n) public information requests and communications relating to the Projects,
- (o) complying with applicable City of Austin utility requirements,
- (p) operational readiness of the Projects, and
- (q) preparing and submitting reports to the extent required by the FTA and Projects Management Plan.

**Section 3.7 Required Program Compliance.** CapMetro hereby represents and warrants to ATP, and further covenants that all contracts entered into by CapMetro for the planning, development, design, construction, and equipping of the Projects comply with, and shall in the future comply with, the following:

- (a) **Better Builder Program.** For all contracts for the performance of construction services, contractors shall comply with the Better Builder Program or similar program as required for Project Connect for all construction workers, including City of Austin hiring goals as allowed by federal law and regulations, completion of OSHA ten-hour training, workers' compensation, on-site monitoring independent of construction companies and their affiliates, and in compliance with all state, federal, and local laws.
- (b) **Disadvantaged Business Enterprise (DBE) Program.** CapMetro shall include the Disadvantaged Business Enterprise Program (the "**DBE Program**") requirements in all

procurement solicitations for future contracts for the implementation of Project Connect, and shall ensure that contractors comply with the terms and conditions of the DBE Program in accordance with 49 CFR Part 26, as they may be amended from time to time, which are incorporated herein by this reference.

- (c) **Living Wage Program.** For all contracts for the implementation of Project Connect, contractors shall comply with the City of Austin Living Wage program in effect at the time of the contract, or the Davis-Bacon Act of 1931, whichever is higher, for wages and benefits for workers employed on the Project(s).

## **Article 4**

### **Payment of ATP's Funding Contribution**

**Section 4.1 General.** ATP agrees to pay or reimburse CapMetro for the Projects, subject to and in accordance with the terms and conditions in this Agreement.

**Section 4.2 Concurrent Appropriation.** Subject to approval by its governing body, ATP will make a budget appropriation during its 2025-26 fiscal year as detailed in **Exhibit B**. For fiscal years after 2025-26, ATP will make an annual budget appropriation in the amount of the appropriation allocated for the applicable fiscal year as set forth in **Exhibit B** to this Agreement.

**Section 4.3 Subordination.** CapMetro acknowledges and agrees that notwithstanding any present or future appropriation of funds by ATP to fulfill its payment obligations hereunder, all payment obligations of ATP to CapMetro under this Agreement shall constitute unsecured contractual obligations of ATP payable from current funds, and shall be expressly subject and subordinate to any present or future pledge by ATP of its revenues securing any lien for the repayment of its public securities, credit or liquidity agreements or other debt obligations of ATP for the financing of all components or any component of Project Connect. CapMetro agrees to deliver any additional instruments, estoppels or other assurances as may be reasonably required by ATP, any trustee, ATP investors or credit/liquidity providers to evidence timing or subordination constraints, subject to the requirements of this Agreement. In the event of any conflict between this Agreement and any Public Security Authorization, as defined in Section 1201.002(3) of the Texas Government Code, the Public Security Authorization shall prevail.

**Section 4.4 Invoicing.** Within thirty (30) days after the Effective Date of this Agreement, CapMetro shall submit to ATP an invoice including all reimbursable expenditures for each of the Projects that were incurred by CapMetro prior to the Effective Date. Thereafter, by the 15<sup>th</sup> of each month, CapMetro shall submit to ATP an invoice including all reimbursable expenditures for each of the Projects and including ACH or wiring instructions (full Routing Number and last four digits of the Account Number). Along with the invoice, CapMetro shall provide ATP supporting documentation that provides the following information for each transaction covered by the invoice:

- (i) Payee
- (ii) Invoice number or journal ledger number
- (iii) Date of payment

- (iv) Period covered by payment
- (v) Description of service provided
- (vi) Amount of payment
- (vii) Related Project, if applicable

**Section 4.5 Invoice Corrections.** In the event of an incorrect invoice for any reason, the adjustment may be applied to the next invoice. CapMetro may, but is not expected nor required to, issue a supplemental invoice for the adjustment amount.

**Section 4.6 Processing Payments.** ATP will process payments from within thirty (30) days of receipt of a complete and accurate invoice in accordance with Chapter 2251 of the Texas Government Code (the “**Prompt Payment Act**”).

**Section 4.7 Payment Method.** ATP shall make payments using electronic funds transfer.

## **Article 5**

### **Additional Agreements of the Parties**

**Section 5.1 Insurance Requirements.** Before any part of the services is commenced, CapMetro and its contractors, consultants, and vendors providing services for the Project(s) shall, at their sole cost, cause to be issued and maintained, insurance policies providing for not less than the minimum levels of insurance coverage set forth below:

(a) **Commercial General Liability (CGL)**

Insurance Services Office Form CG 00 01 covering CGL on an “occurrence” basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

**Automobile Liability Insurance**

Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Contractor has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.

(b) **Workers’ Compensation**

Workers’ Compensation Insurance providing statutory limits in accordance with the Texas Workers’ Compensation Act and/or other State or Federal law as may be applicable to the work being performed under this contract. Employer Liability Insurance with minimum limits of One Million Dollars and No/100 Dollars (\$1,000,000).

- (c) **Professional Liability (Errors and Omissions)** Insurance appropriate to the Contractor's profession, with limit no less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate.

**Section 5.2 Insurance Certificates.** CapMetro shall be responsible for maintaining copies of all insurance certificates and surety bonds required from its consultants, contractors and vendors, for the time period required pursuant to standard FTA grant requirements.

## **Article 6**

### **Term and Termination**

**Section 6.1 Term.** The term of this Agreement is from the Effective Date through the later of September 30, 2031, or until ATP has reimbursed all Project Costs that were incurred under this Agreement through September 30, 2031. The term may be extended upon approval of the governing bodies of the Parties. The Parties commit to working together in good faith to extend this agreement or enter into separate agreements, as necessary, to ensure continued delivery and funding of the CapMetro Components beyond the term of this Agreement.

**Section 6.2 Termination for Cause.** Either Party may terminate this Agreement in whole or in part for cause if the other Party has committed an Event of Default that has not been cured within the required Cure Period. In the event of termination for cause, ATP shall contribute compensation for undisputed Project invoices rendered and amounts owed.

**Section 6.3 Termination by Agreement.** If the Parties mutually determine that it is in the best interest of both Parties, the Parties may mutually agree, in a writing signed by both Parties, to terminate this Agreement prior to the expiration of the Term for any cause or no cause whatsoever either immediately or within an agreed timeframe.

**Section 6.4 Event of Default.** A Party shall not be in breach or default under the terms of this Agreement for any act, omission, or failure to perform hereunder except as expressly provided in this Section.

- (a) Prior to declaring an Event of Default, a Party must first deliver written notice to the other Party's Chief Financial Officer and General Counsel, specifying the events and circumstances regarding such alleged breach and specifying any action which the notifying party desires the receiving Party to take to remedy such alleged breach ("**Default Advisory Notice**"). The receiving Party shall work in good faith with the notifying Party to resolve the matter within a reasonable amount of time but in any event no less than sixty (60) days.
- (b) If after delivering a Default Advisory Notice, the alleged breach is not resolved to the reasonable satisfaction of the notifying Party within sixty (60) days, then the notifying Party may declare an Event of Default against the receiving Party by delivering written notice thereof to the defaulting Party (a "**Default Notice**"); provided, however, that no Party shall be authorized to deliver a Default Notice unless the governing body of the notifying Party has taken official action declaring the defaulting Party to be in material breach under the terms of this Agreement in an open meeting (an "**Event of Default**") and directing staff to deliver such Default Notice to the defaulting Party. After receiving a

Default Notice, the defaulting Party shall have an additional sixty (60) days to cure such Event of Default or such additional amount time as may be reasonably necessary to cure such Event of Default, but only so long as such defaulting Party is diligently seeking to cure such Event of Default the ("**Cure Period**").

- (c) **Remedies.** After providing a Default Advisory Notice and Default Notice and to the extent the material breach is not resolved during the Cure Period in accordance with this Article 6:
- i. CapMetro agrees that ATP may suspend contributions under this Agreement if CapMetro has materially breached, failed to comply with, or violated the terms of this Agreement. ATP's rights under this Section 6.4(c) are without prejudice to its right to terminate and other remedies under this Agreement and at law.
  - ii. CapMetro reserves its right to pursue ATP for failure to contribute under this Agreement if ATP has materially breached, failed to comply with, or violated the terms of this Agreement in addition to any other remedies under this Agreement and at law. CapMetro's rights under this Section 6.4(c) shall include, to the extent allowed by law, the right to interest on any amounts owed, up to 18% annually (or the maximum amount allowed by law).

**Section 6.5 Material Breach.** The Parties agree that a breach, failure, or violation by CapMetro with respect to this Agreement which cannot be cured and jeopardizes the delivery of either of the Projects under this Agreement will be deemed a material breach for the purposes of Article 6 of this Agreement. Third-party delays such as with City of Austin zoning, platting and permitting, eminent domain process, and Chapter 26 processes shall not be considered a material breach for purposes of Article 6 of this Agreement. CapMetro shall provide immediate written notice to ATP: (a) if any change in circumstances or event adversely affects CapMetro's ability to carry out its obligations under this Agreement or any related agreement.

## **Article 7**

### **General Provisions**

**Section 7.1 Obligations Subject to Appropriation.** Any payment obligations of either Party under this Agreement may be subject to appropriation from year to year in accordance with State law. The Parties further acknowledge and agree, notwithstanding anything else in this Agreement to the contrary, that ATP's obligation with respect to the Project(s) reimbursement compensation is subject to, and governed by, Article 11, Section 5 of the Texas Constitution and must be paid only out of ATP's current revenues or any other funds lawfully available therefore (and appropriated for such purpose) in accordance with Article 11, Section 5 of the Texas Constitution. ATP must make the described payments from current revenues available to ATP. Neither Party will be entitled to a refund of amounts previously contributed or owed in the event of a termination of this Agreement for lack of funding.

**Section 7.2 Compliance with Prevailing Law.**

- (a) Neither Party shall be required to perform any act or refrain from performing any act under this Agreement if that performance or non-performance would constitute a violation of the Constitution or laws of the State of Texas or federal law or regulation.
- (b) CapMetro will cause its consultants, contractors and vendors performing Project Work to comply with all federal state and local laws, ordinances, statutes and regulations applicable to the Project and the services performed pursuant to this Agreement and in effect at the time such services are performed.

**Section 7.3 No Agency Relationship.** Nothing in this Agreement shall authorize the officers, representatives, agents or employees of either Party to bind the other Party or to make any commitments or representations on behalf of the other Party.

**Section 7.4 Governmental Purpose Statement.** ATP is entering into this Agreement in its capacity as a public, nonprofit local government corporation organized by the City and CapMetro to accomplish governmental purposes of the City and CapMetro pursuant to Chapter 431 of the Texas Transportation Code, as amended and in accordance with ATP's articles of incorporation. CapMetro is entering into this Agreement in its capacity as a transportation authority and political subdivision for the State of Texas organized and existing under Chapter 451 of the Texas Transportation Code, as amended.

**Section 7.5 Records Retention.** CapMetro shall manage all files pertaining to the Projects regardless of the format in accordance with its Records Retention Schedule and applicable FTA requirements. At a minimum, CapMetro shall maintain records required under the terms of this Agreement in accordance with 49 CFR 18.36(i), which requires project-related documents to be retained for 3 years following project completion.

**Section 7.6 Ownership of Work Product.** CapMetro contracted with third-party vendors for the Projects and ATP will jointly fund a portion of the Project through the invoicing process outlined in this Agreement. Ownership of the CapMetro Component assets will reside with CapMetro; and CapMetro will operate and maintain the Projects in accordance with this Agreement or any other subsequent agreement between the Parties. Such ownership does not create a gift of public funds because this Agreement is entered into in furtherance of, and for the fulfillment of, the purpose for which ATP was created, namely, to deliver Project Connect.

**Section 7.7 Limitation on Liability.** To the extent allowed by Texas law, the Parties agree that each Party is responsible for its own proportionate share of any liability for the negligent or grossly negligent acts or omissions of its employees, agents, contractors or subcontractors arising out of, connected with, or as a consequence of its performance under this Agreement. **THE PARTIES ACKNOWLEDGE AND AGREE THAT THE AGGREGATE LIABILITY OF THE PARTIES FOR ANY CLAIMS ARISING UNDER THIS AGREEMENT SHALL BE LIMITED TO THE AGGREGATE AMOUNT OF PROJECT COSTS ACTUALLY OWED. FURTHERMORE, NEITHER PARTY SHALL BE LIABLE FOR PUNITIVE, CONSEQUENTIAL, INCIDENTAL, OR SPECIAL DAMAGES IN ANY FORM OR AMOUNT TO THE OTHER PARTY FOR CLAIMS ARISING UNDER THIS AGREEMENT.**

**Section 7.8 Effect on Other Agreements.** Subject to the provisions of Section 7.14, neither Party shall be justified or otherwise permitted, by virtue of an Event of Default of the other Party hereunder,

to withhold performance, or suspend performance of its obligations or responsibilities under this Agreement or any other agreement between the Parties, including without limitation, the Joint Powers Agreement.

**Section 7.9 No Waiver of Sovereign Immunity.** Neither Party waives or releases its rights and privileges, if any, it may have in any proceeding before any court or tribunal in any jurisdiction to assert the affirmative defense of sovereign immunity based upon their status as a governmental entity with respect to the adjudication of any claim arising or relating to this Agreement, including but limited to any breach of this Agreement.

**Section 7.10 Resolution of Disputes.** Upon request of either Party, an informal attempt shall be made to negotiate a resolution of any dispute arising under this Agreement. Such request shall be in writing and shall seek a meeting between representatives of each Party within 14 calendar days after receipt of the request or such later period as agreed by the Parties. Each Party shall provide for the meeting, at a minimum, one senior level individual with decision-making authority regarding the dispute. The purpose of this and any subsequent meeting is to attempt in good faith to negotiate a resolution of the dispute. If, within 30 calendar days after such meeting, the Parties have not succeeded in negotiating a resolution of the dispute, they shall proceed directly to mediation as described below. Informal negotiation may be waived by a written agreement signed by both Parties, in which event the Parties shall proceed directly to mediation as described below.

- a. The mediation shall take place in Austin, Travis County, Texas. The Parties shall select a mediator within 30 calendar days of the written waiver, or within sixty 60 calendar days of the informal negotiation meeting. The Parties 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. If the time period for selecting the mediator has expired with no agreement on the mediator, 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 30 calendar days from the date of the first mediation session. The Parties will share the costs of mediation equally.
- b. Nothing in this Section 7.10 shall limit either Party's right to terminate this Agreement for cause; provided, however, this Section 7.10 shall survive termination of this Agreement.

**Section 7.11 Waiver of Attorneys' Fees.** The Parties do hereby knowingly and intentionally waive their rights to attorney's fees under §271.153, Texas Local Government Code, in any administrative proceeding, alternative dispute resolution proceeding, or litigation arising out of or connected to this Agreement.

**Section 7.12 Notices.** Any notice, demand, statement, request or consent made hereunder shall be in writing and may be personally served or sent by mail or courier service and shall be deemed to have been given when delivered by mail or by courier service to the addresses set forth below. Notices delivered by email to the Parties' designated representatives shall also be deemed to have been delivered only if receipt is expressly and personally acknowledged in writing by the recipient.

- a. **ATP Address.** The address of ATP for all purposes under this Agreement and for all notices:

Bryan Rivera (or successor)  
Chief Financial Officer  
203 Colorado Street  
Austin, Texas 78701  
Email: bryan.rivera@atptx.org

With additional copy to:

Lee Crawford (or successor)  
General Counsel  
203 Colorado Street  
Austin, Texas 78701  
Email: lee.crawford@atptx.org

- b. **CapMetro Address.** The address of CapMetro for all purposes under this Agreement and for all notices:

Kevin Conlan (or successor)  
Interim Executive Vice President, Chief Financial Officer  
3100 E. 5th Street  
Austin, Texas 78702  
Email: Kevin.Conlan@capmetro.org

With additional copy to:

Brad Bowman (or successor)  
Chief Counsel  
3100 E. 5th Street  
Austin, Texas 78702  
Email: [brad.bowman@capmetro.org](mailto:brad.bowman@capmetro.org)

- c. **Change of Address.** Each Party may change the address for notice to it by giving written notice of the change. Any change of address by a Party, including a change in the Party's authorized representative, must be reported to the other Parties within twenty (20) days of the change.

**Section 7.13 Waiver.** Any claim or right arising out of a breach of the Agreement cannot be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is in writing signed by the aggrieved Party. No waiver by either Party of any one or more events of default by the other Party shall operate as, or be construed to be, a permanent waiver of any rights or obligations under the Agreement, or an express or implied acceptance of any other existing or future default or defaults, whether of a similar or different character.

**Section 7.14 Excusable Delay/Force Majeure.** Neither Party shall be in default because of any failure to perform under the terms of this Agreement if the failure arises from causes beyond the control and without the fault of the Party. Examples of these causes are: (1) acts of God or of the public enemy, (2) acts of the state or federal government in either their sovereign or contractual capacity, (3) fires, (4)

floods and/or hurricanes, (5) epidemics and/or pandemics, (6) quarantine restrictions, (7) unforeseen strikes or labor shortages, (8) freight embargoes, (9) unusually severe weather, (10) court orders (*i.e.*, those causes generally recognized under Texas law as constituting unforeseeable and impossible conditions), (11) supply chain disruptions, (12) extended and unusual delays caused by third parties, such as the City of Austin regarding permit approvals or right-of-way agreements, and (13) shortages of materials or equipment (“**Excusable Delay/Force Majeure Event**”). Each Party will endeavor to notify the other Party of an Excusable Delay/Force Majeure Event within 10 calendar days of the occurrence of the event. The Parties shall continue to make Semi-annual contributions if there is an Excusable Delay/ Force Majeure Event and CapMetro is able to continue performing.

**Section 7.15 Governing Law and Venue.** This Agreement is governed by the laws of the State of Texas and all obligations under this agreement are performable in Travis County, Texas. Venue for any cause of action arising under the terms of this Agreement shall be exclusively in the federal and district courts of Travis County, Texas.

**Section 7.16 Binding Effect, Successors and Assigns.** This Agreement shall be binding upon and shall inure to the exclusive benefit of, Parties and their respective successors and assigns, if applicable. There are no third-party beneficiaries to this Agreement. Neither party may assign any part or all of its rights, interests or obligations under this Agreement without the prior written consent of the other Party, and any assignment made by either Party without the prior written consent of the other Party or against applicable law shall be null, void and of no force or effect.

**Section 7.17 Severability.** If any agreement, condition, covenant or term hereof or any application hereof should be held by a court of competent jurisdiction to be invalid, void or unenforceable, in whole or in part, all agreements, conditions, covenants and terms hereof and all applications thereof not held invalid, void or unenforceable shall continue in full force and effect and shall in no way be affected, impaired or invalidated thereby.

**Section 7.18 Survival.** The rights and obligations of the Parties under this Agreement will survive the termination of this Agreement to the extent necessary to ensure ATP’s reimbursement of accrued Project Costs in accordance with Section 2.3 above.

**Section 7.19 Entire Agreement; Amendment; Controlling Language.** This Agreement represents the final, entire agreement among the Parties and supersedes any and all prior commitments, agreements, representations and understandings, whether written or oral, relating to the subject matter hereof and thereof and may not be contradicted or varied by evidence of prior, contemporaneous or subsequent oral agreements or discussions of the Parties hereto. There are no unwritten oral agreements among the parties hereto. The provisions hereof may be amended or waived only by an instrument in writing signed by the Parties. To the extent that any provisions of this Agreement contradict or are not in alignment with the Joint Powers Agreement or the Contract with Voters, the language of the Joint Powers Agreement and ultimately the Contract with Voters controls.

**Section 7.20 Counterparts; e-Signatures.** This Agreement may be signed in as many counterparts as may be convenient or required. It shall not be necessary that the signature and acknowledgment of, or on behalf of, each party, or that the signature and acknowledgment of all persons required to bind any Party, appear on each counterpart. All counterparts shall collectively constitute a single instrument. It shall not be necessary in making proof of this Agreement to produce or account for more than a single counterpart containing the respective signatures and acknowledgment of, or on behalf of, each of

the Parties hereto. Any signature and acknowledgment page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures and acknowledgments thereon and thereafter attached to another counterpart identical thereto except having attached to it additional signature and acknowledgment pages. The Parties agree that digital or facsimile signatures shall be given the same legal effect as original signatures, and the Parties hereby agree to accept delivery of digital signatures by e-mail in "pdf" form, or via DocuSign, Adobe Sign, or any similar means of digital delivery.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their authorized executives and effective as of the date first set forth above.

**CAPITAL METROPOLITAN  
TRANSPORTATION AUTHORITY**

**AUSTIN TRANSIT PARTNERSHIP**

By: \_\_\_\_\_  
Dottie Watkins  
President and Chief Executive Officer

By: \_\_\_\_\_  
Greg Canally  
Executive Director

Date: \_\_\_\_\_, 2025

Date: \_\_\_\_\_, 2025

**EXHIBIT A**  
**FUNDED PROJECTS THROUGH FY 2031**

Expo Center and Pleasant Valley End of Line Charging and Park and Ride Facility

- **ATP Funding Contribution through FY2031: \$37,600,000**
- **Anticipated Completion Date:** Summer 2026
- **Responsible Department:** Capital Construction Engineering and Design (CCED)
- **Description of Project:** CapMetro is designing and constructing three Park and Ride facilities to serve the termini of CapMetro’s federally funded Bus Rapid Transit lines: Expo Center Park & Ride, Goodnight Ranch Park & Ride, and Delco Center Park & Ride. The projects included as reimbursable under this agreement are the Expo Center Park & Ride and Goodnight Ranch Park & Ride along with the end of line charging improvements.

The Expo Center Park & Ride is designed to enhance public transportation accessibility and connectivity in Central Texas. Strategically located near the Travis County Expo Center, this facility will provide commuters with a convenient and efficient transit hub, alleviating congestion and improving mobility in the region. Project features & amenities include but are not limited to:

- **Capacity & Parking:** The facility includes bus bays, designated pick-up/drop-off zones, and ample parking for commuters.
- **Electric Bus Infrastructure:** The site is equipped with End-of-Line (EOL) charging stations to support CapMetro’s growing fleet of electric buses, promoting sustainability.
- **Enhanced Pedestrian Access:** ADA-compliant pathways and covered waiting areas ensure a safe and comfortable experience for riders.
- **Traffic & Connectivity Improvements:** Infrastructure upgrades, including new driveways, traffic signals, and pedestrian crossings, will streamline entry and exit for transit users.
- **Sustainability Initiatives:** Green infrastructure elements, such as stormwater management systems and energy-efficient lighting, are incorporated into the design.

The Goodnight Ranch Park & Ride is designed to enhance transit accessibility, support the growing Goodnight Ranch community, and provide greater transit connections to serve the Central Texas community. The project is a key part of CapMetro’s expansion plans to provide sustainable, reliable, and efficient transit options for residents and commuters in the region. Project features include but are not limited to:

- **Bus Transit Hub:** Serves as a key connection point for CapMetro bus routes, improving service coverage in the southeast region of CapMetro’s service area.
- **Electric Bus Charging Infrastructure:** Includes end-of-line (EOL) charging for CapMetro’s zero-emission electric bus fleet, supporting the agency’s sustainability goals.
- **Parking Facilities:** Offers dedicated parking for commuters using public transit.

- **Bike and Pedestrian Connectivity:** Features bike racks, pedestrian walkways, and ADA-compliant facilities for multimodal access.
- **Sustainable Design Elements:** Incorporates green infrastructure, energy-efficient lighting, and environmentally friendly construction materials.

South Base Demand Response Facility (Support Facility)

- **ATP Funding Contribution through FY 2031: \$111,000,000**
- **Anticipated Completion Date:** Fall 2031
- **Responsible Department:** CCED
- **Description of Project:** Located at 5315 E. Ben White Blvd, CapMetro acquired ~11 acres of land in southeast Austin to be the home for the new South Demand Response operations and maintenance facility. The existing commercial buildings will be demolished to make way for the new project, which includes site utility upgrades as needed. The project includes a bus yard for transit vehicles, an administrative building, a maintenance garage, a vehicle service and fueling building, training functions for operators & mechanics. Due to the constrained site, a parking deck will be provided for employee parking. Sustainability features will be incorporated.
- **Note:** The total cost of this project is estimated to be \$185,795,947.00, which includes an FTA-required contingency of 40%.

**EXHIBIT B**  
**APPROPRIATION SCHEDULE THROUGH FY 2031**

Projects	FY 26	FY 27	FY 28	FY 29	FY 30	FY 31	Total
<b>Park and Ride</b>	\$37,600,000	\$0	\$0	\$0	\$0	\$0	37,600,000
<b>South Demand Response Center</b>	13,500,000	\$0	\$0	30,000,000	30,000,000	37,500,000	111,000,000

**\*Amounts include costs incurred in prior fiscal years, to be reimbursed in the fiscal year indicated in this Schedule.**

Board of Directors

Item #: AI-2025-1590

Agenda Date: 9/22/2025

**SUBJECT:**

Approval of a resolution authorizing the President & CEO, or her designee, to implement the January 2026 Service Changes.

**FISCAL IMPACT:**

Funding for this action is available in the FY2026 Operating Budget.

**STRATEGIC PLAN:**

Strategic Goal Alignment:

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

**EXPLANATION OF STRATEGIC ALIGNMENT:**

The service change process is guided by and in accordance with CapMetro’s Board-approved Service Standards and Guidelines.

**BUSINESS CASE:**

Service changes provide CapMetro with the opportunity to adjust 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:**

The item was presented and recommended for approval by the Operations, Planning and Safety Committee on September 10, 2025.

**EXECUTIVE SUMMARY:**

The following is a high-level summary of the proposed service changes for January 2026. Future service changes could include more substantial adjustments as we progress the development of our long-range plan update, Transit Plan 2035, and the full vision of Rapid 800 Pleasant Valley and 837 Expo Center.

- **Realignment of Route 485 Night Owl Cameron** - The proposed realignment would enable late-night connections to the dense active nightlife on East 6th, transfers to Greyhound Bus service (at Eastside Bus Plaza) that occur before dawn, and improved connectivity within Mueller. These areas show high propensity for late-night ridership, and community feedback has demonstrated strong interest in late-

night service near the eastside entertainment district and additional portions of Airport Boulevard. Additionally, the stops that would no longer be served have minimal ridership (0-1 average daily customers).

- **Realignment of Route 935 Tech Ridge Express** - The proposed realignment would shift non-stop service from IH-35 to MoPac to proactively respond to ongoing construction and traffic impacts, as well as remove an unproductive segment along Riverside Drive. Previously, this segment served the TxDOT Riverside campus; however, these offices have closed with staff relocating to other locations. The travel-time savings aim to assist with transportation demand management and reduce emissions and congestion associated with IH-35 construction. This proposed change was developed in collaboration with the City of Austin and other key stakeholders as part of an implementation item under the Climate Pollution Reduction Grants (CPRG).
- **Pickup Zone Adjustments** - In coordination with regional member cities, proposed expansions in Lago Vista and Manor Pickup zones will expand boundaries minimally to increase access and improve customer experience without impacting resources. Due to the operational flexibility with Pickup, this adjustment would be implemented in a timely manner (subsequently after Board approval, as described below). These proposed adjustments were developed in collaboration with member city stakeholders and informed by community and customer feedback.
- **Minor Bus and Rail Schedule Adjustments** - To improve on-time performance, reliability and better serve customers, select routes may receive minor adjustments to their schedules and/or bus stop locations. 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 and more closely reflects available resources. Once available, additional details on the proposed minor schedule adjustments will be available on our webpage and in the subsequent memo.

Under CapMetro's policy, which aligns with the FTA circular, these changes are not a major service change and thus do not require a Title VI analysis. However, CapMetro acknowledges that the changes on Route 935 Tech Ridge Express and Route 485 Night Owl Cameron involve a shift from one corridor to another. Equity is consistently considered in the process to ensure we are meeting our community's needs.

If approved, these changes would start on Sunday, January 11, 2026, with Night Owl adjustments starting on Monday, January 12, 2026. Due to operational flexibility, the minor Pickup zone adjustments would be implemented in advance in October 2025 (which would be after approval by the Board and earlier than the implementation date for the overall January 2026 Service Changes).

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply.

RESPONSIBLE DEPARTMENT: Strategic Planning and Development

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

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**AI-2025-1590**

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, matching service with demand improves service to overall customers; and

WHEREAS, CapMetro is committed to ensuring that its transit services, including fares and service planning, do not discriminate based on race, color, or national origin; and

WHEREAS, under CapMetro's Title VI policy, which aligns with Federal Transit Administration Circular 4702.1B, these proposed changes are not considered a Major Service Change, as defined in the policy, and thus do not require a Title VI equity analysis; and

WHEREAS, a public hearing was held on Wednesday, September 10, 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 the January 2026 Service Changes described in the attached document beginning Sunday, January 11, 2026.

**Date:** \_\_\_\_\_

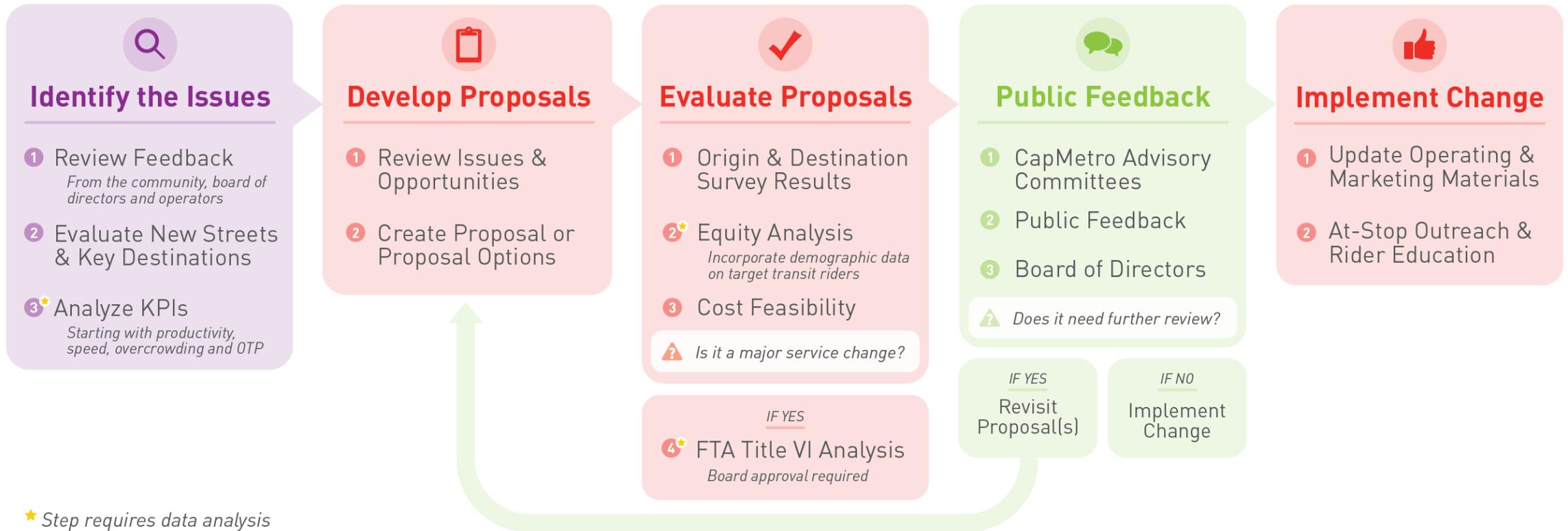
\_\_\_\_\_  
**Secretary of the Board  
Becki Ross**

# CapMetro

## Proposed January 2026 Service Changes

*September 2025 Board Meeting*

# Service Evaluation Process



\* Step requires data analysis



# Proposed January 2026 Service Changes



Realignment of Route 485 Night Owl Cameron – enable late-night connections to active nightlife on East 6th and transfers to Greyhound Bus service at Eastside Bus Plaza



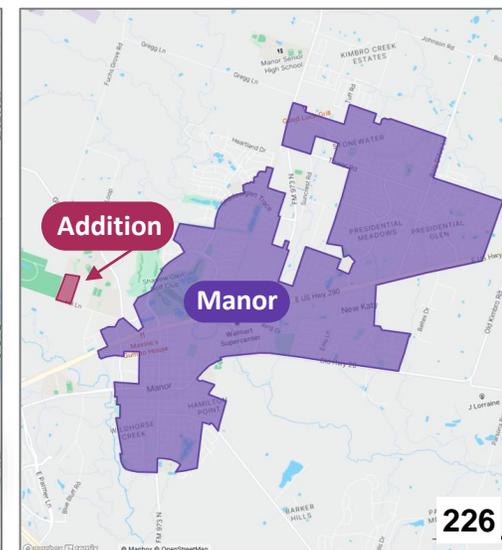
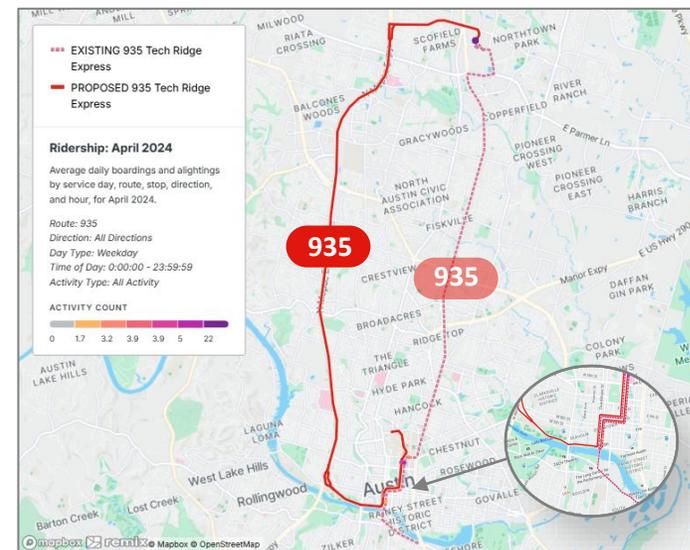
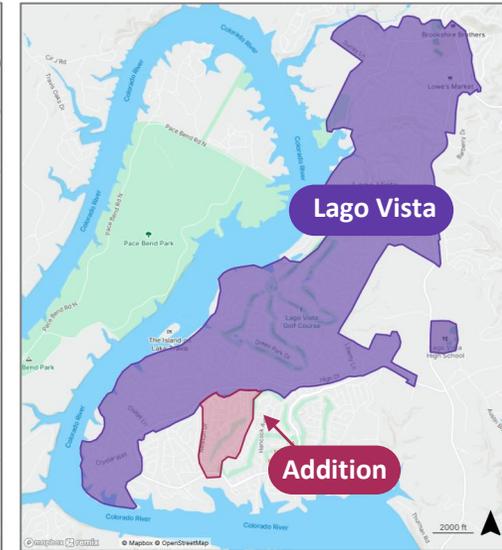
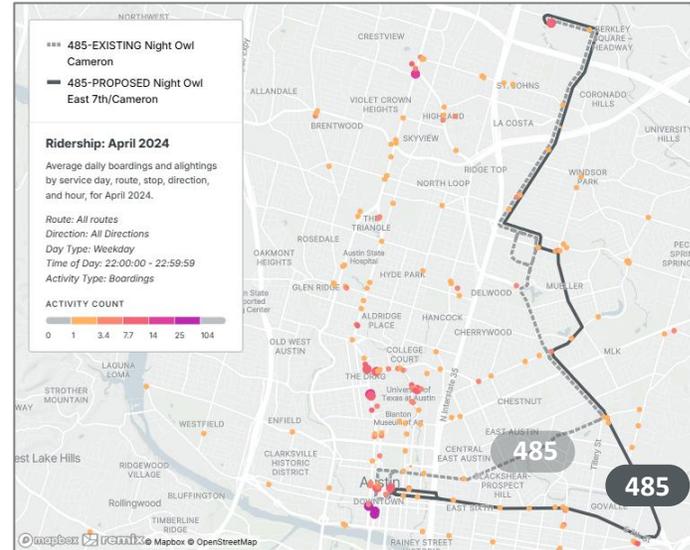
Realignment of Route 935 Tech Ridge Express – shifts non-stop service from IH-35 to MoPac to proactively respond to ongoing construction and traffic impacts



Pickup Zone Adjustments – in coordination with regional member cities, proposed boundary expansions in Lago Vista and Manor zones (implemented in advance in October 2025)



Minor Schedule Adjustments – select routes may receive minor adjustments to their schedules and/or bus stop locations to better serve customers

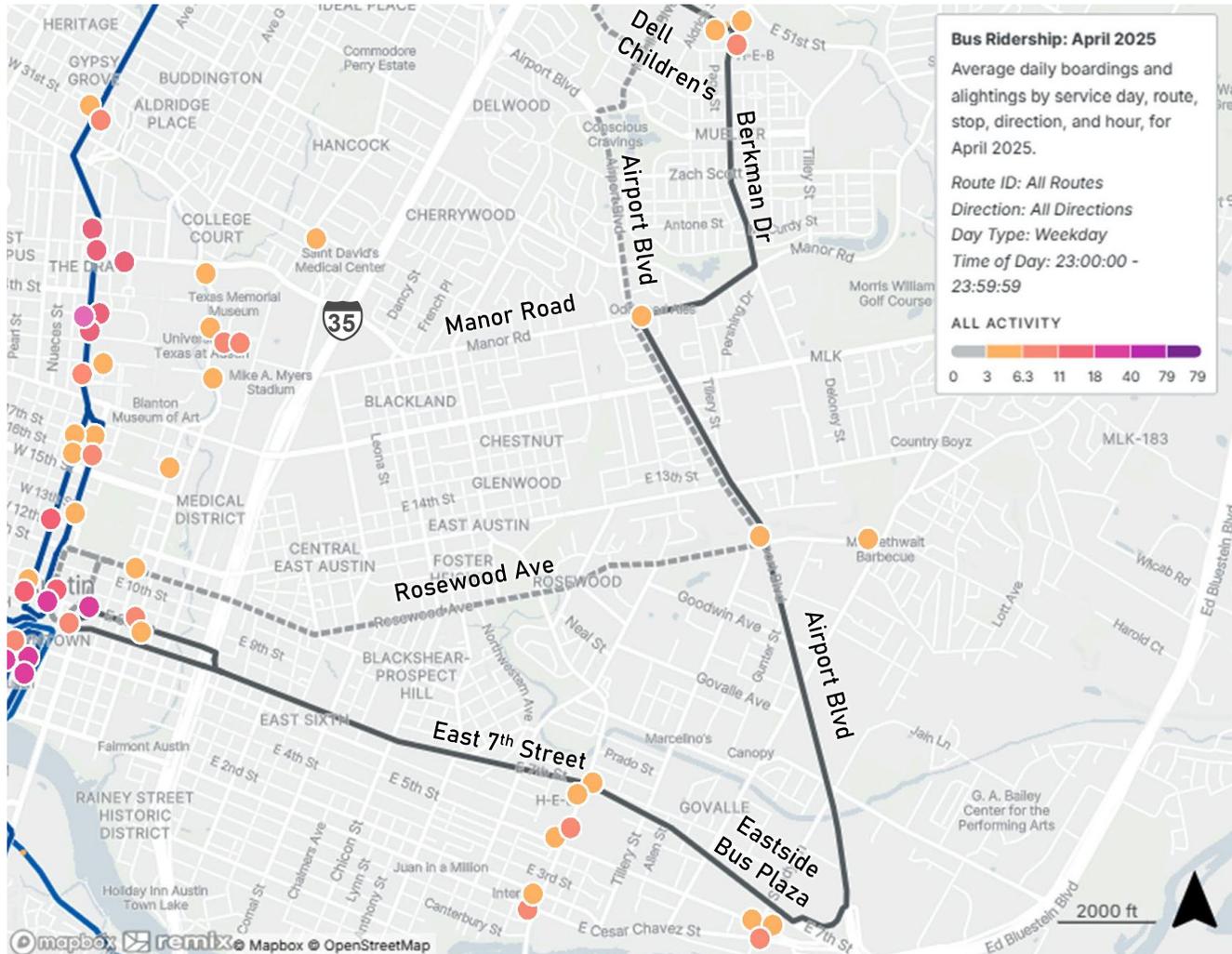


If approved, changes would be implemented on Sunday, January 11th



# Proposed Realignment of Route 485 Night Owl Cameron

# Proposed Realignment of Route 485 Night Owl Cameron



- Provides late-night service in areas with high potential ridership that are currently not served
- Near-term opportunity to close a gap for late-night employees, customers and visitors
- Connects with the active entertainment district near East 6th and transfer opportunities to Greyhound Bus service

# Requests for Late-Night Service



“Would love to see more services on East 7th or Plaza Saltillo, especially on weekends, late-nights, and during SXSW”



“There needs to be a Night Owl that services more of Airport Boulevard.”



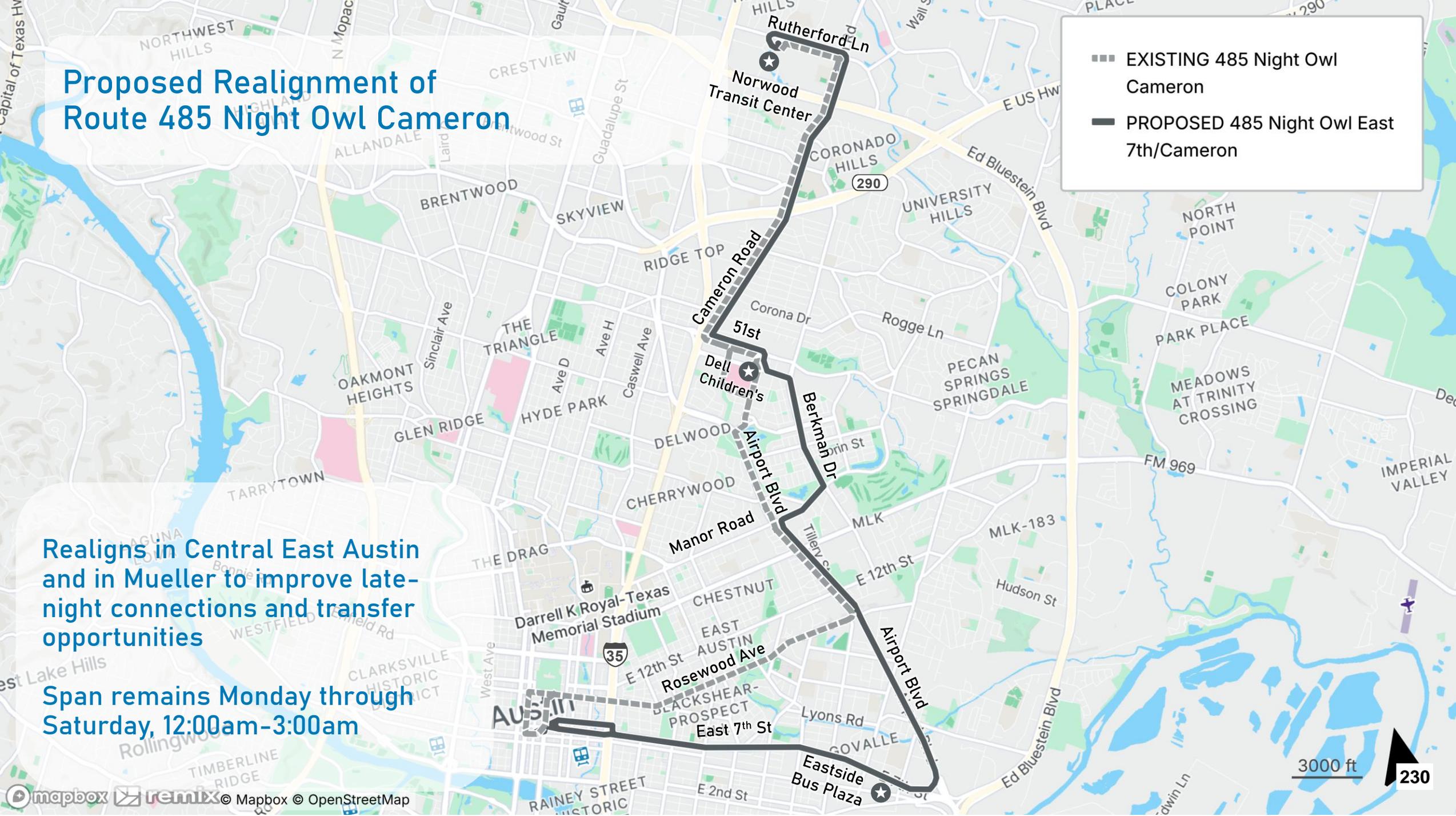
“Route 4 (7th Street) serves the world-renowned entertainment districts of our city. I wish we had service during the peak entertainment hours after midnight. It could be one of the highest performing lines in the system.”

# Proposed Realignment of Route 485 Night Owl Cameron

Realigns in Central East Austin and in Mueller to improve late-night connections and transfer opportunities

Span remains Monday through Saturday, 12:00am-3:00am

- EXISTING 485 Night Owl Cameron
- PROPOSED 485 Night Owl East 7th/Cameron





# Proposed Realignment of Route 935 Tech Ridge Express

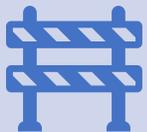
# Approach to Major Construction Projects



Identifying potential service adjustments based on upcoming construction with strategic monitoring

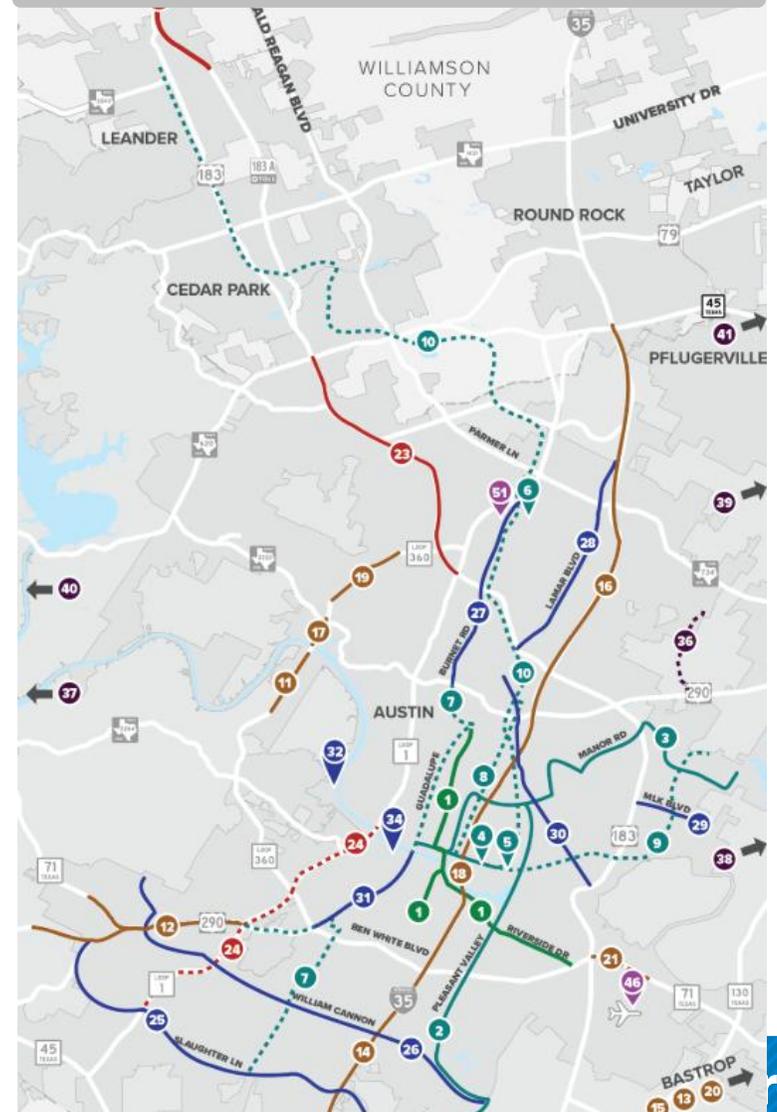


Coordinating with project stakeholders throughout the region to align on projects and timelines



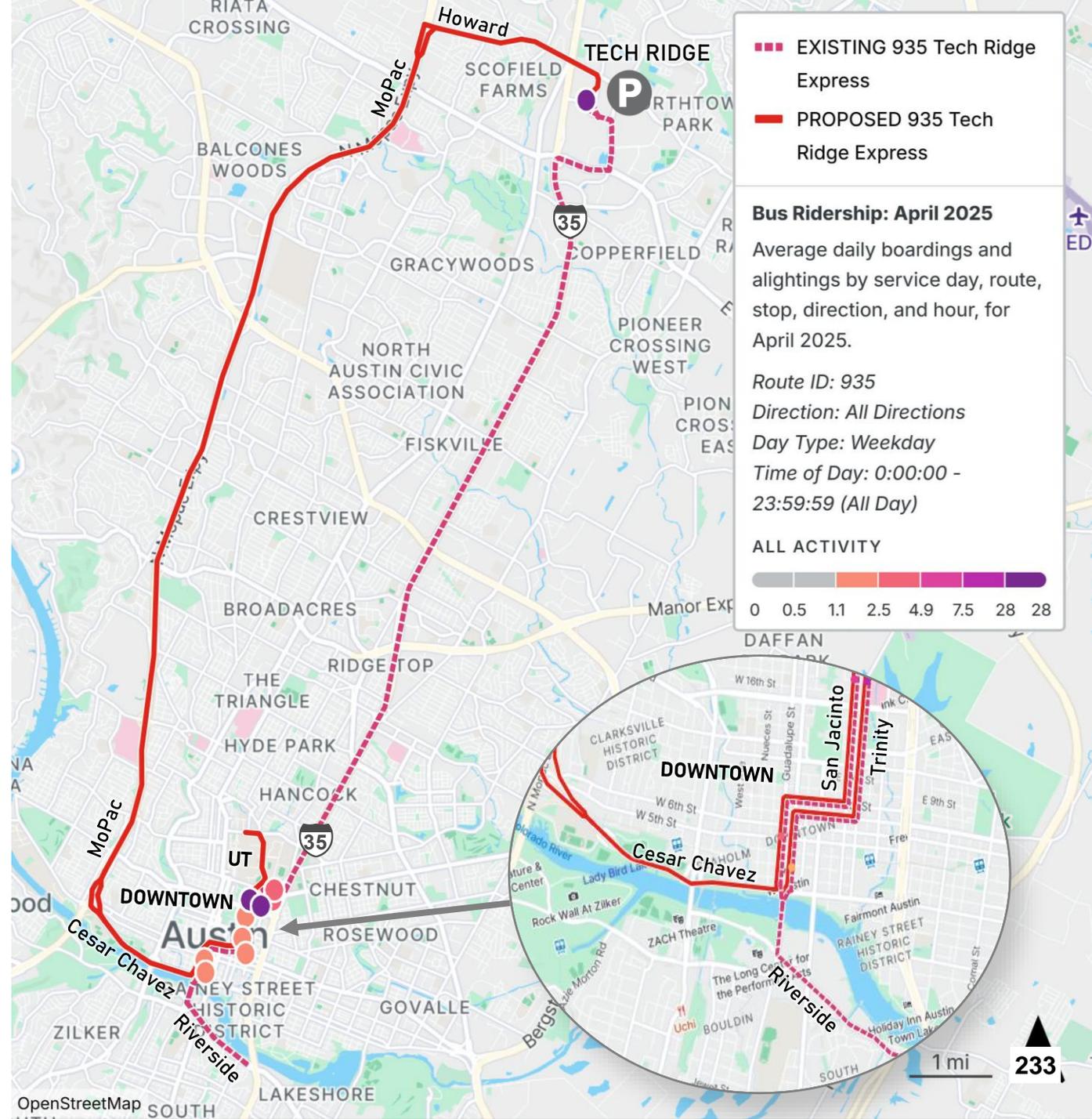
Managing day-to-day current operations with agility and nimbleness

Major infrastructure projects around Central Texas



# Proposed Route 935 Realignment

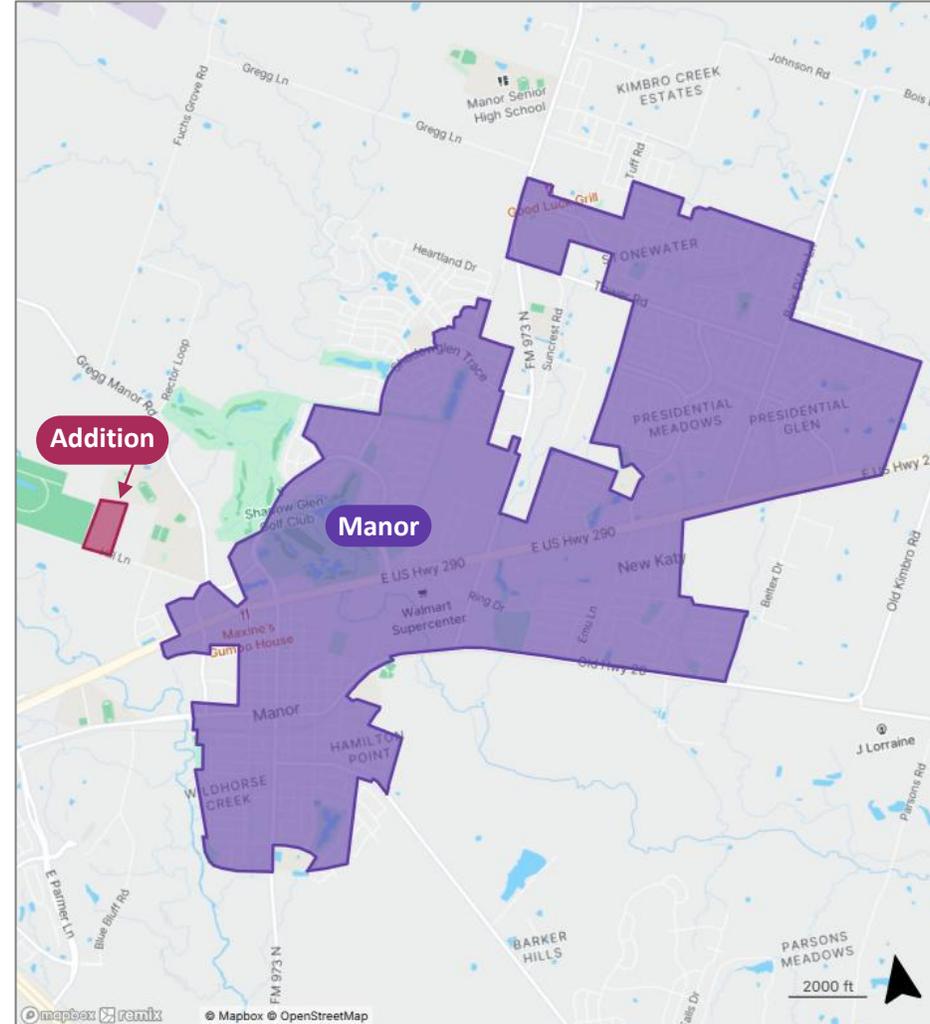
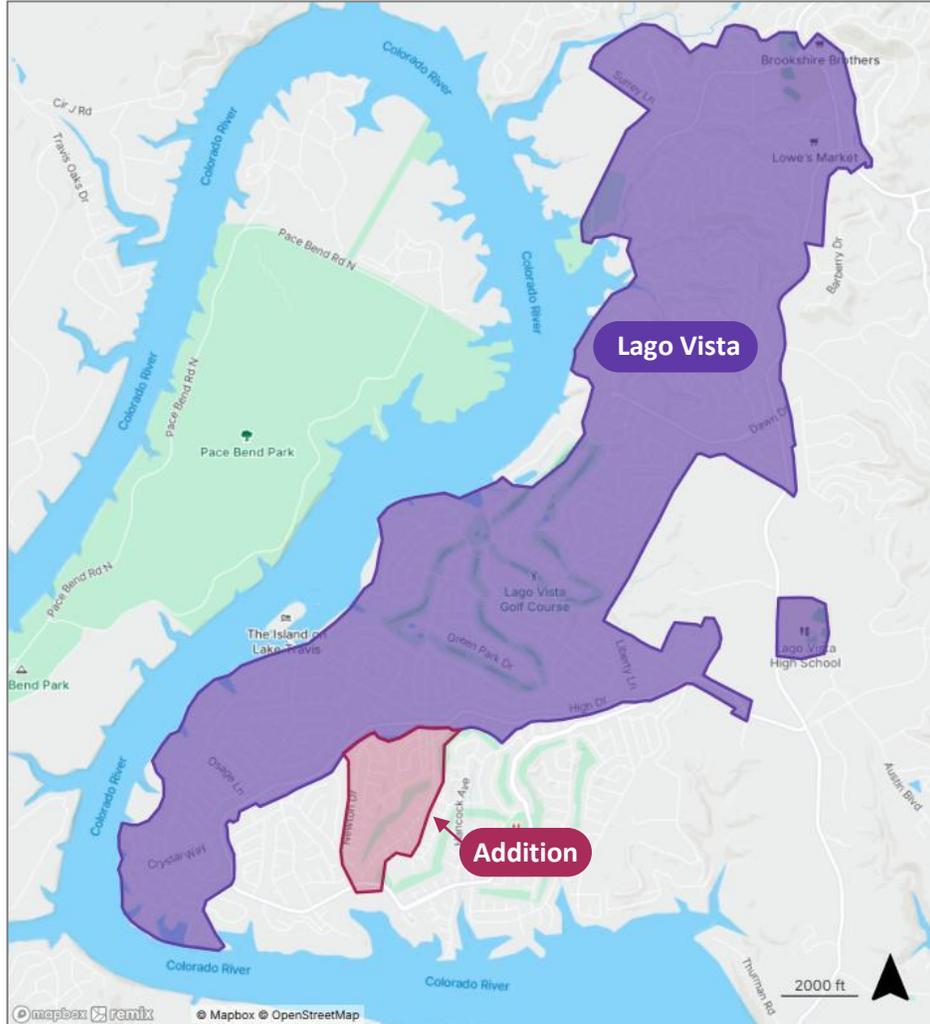
- Shifts non-stop service from IH-35 to MoPac
- Removes an unproductive segment along Riverside Drive due to office closures
- Provides travel-time savings and reduces congestion associated with IH-35 construction





# Proposed Pickup Adjustments

# Proposed Pickup Zone Adjustments



If approved, these resource-neutral changes would be implemented in October 2025 due to Pickup's operational flexibility



# Proposed Minor Schedule Adjustments

# Potential Minor Schedule Adjustments



## Scheduled Time

- Route 1 North Lamar/South Congress
- Route 2 Rosewood/Cesar Chavez
- Route 3 Burnet/Menchaca
- Route 4 7th Street
- Route 325 Metric/Rundberg
- Route 465 MLK/University of Texas
- Route 656 Intramural Fields
- Route 661 Far West
- Route 672 Lakeshore
- Rapid 801 North Lamar/South Congress
- Rapid 803 Burnet/South Lamar



## Additional Trip(s)

- Two additional evening trips for Route 271 Del Valle Feeder in coordination with Travis County
- Additional trips in the afternoon for Rapid 801 North Lamar/South Congress to assist with passenger loads



## Minor Routing and/or Bus Stop Adjustments

- Ongoing discussions with Del Valle ISD regarding Route 271's Del Valle High School bus stops



# Public Engagement

# Outreach & Public Feedback

*Coincides with Transit Plan 2035 Engagement*



## August

- Board Memo
- At-Stop Outreach
- On-Board Outreach
- Meetings and Presentations (in coordination with Transit Plan 2035)
- Operator Notices
- Service Change Website with Comment Box

## Sept.

- Signage at Specific Stops
- Posters at Key Locations
- CapMetro Customer Satisfaction Advisory Committee
- CapMetro Access Committee
- On-Bus Brochure
- On-Board Pickup Signage
- CapMetro Alerts
- Social Media and Emails
- Public Hearing
- Board Memo
- Board Approval

# Regional Coordination



- Facilitating engagement opportunities and ongoing communication with all cities within CapMetro's service area
- Discussing scheduling and service planning needs in the near-term and longer-term throughout Transit Plan 2035

CapMetro

Thank you!



# Capital Metropolitan Transportation Authority

2910 East 5th Street  
Austin, TX 78702

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Board of Directors

**Item #:** AI-2025-1608

**Agenda Date:** 9/22/2025

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Memo: Updates on the Proposed January 2026 Service Changes (September 15, 2025)

To: CapMetro Board of Directors  
From: Sharmila Mukherjee, EVP, Chief Strategic Planning and Development Officer  
Date: September 15, 2025  
Re: Updates on the Proposed January 2026 Service Changes

CapMetro staff provided a [memo](#) to the Board outlining our proposed January 2026 Service Changes and corresponding community engagement work. This memo provides an update on those activities and includes the minor schedule adjustments currently under evaluation.

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 Sunday, August 10, 2025, and a public hearing for the proposed service change was held on Wednesday, September 10, 2025.

This outreach period partially coincided with engagement for [Transit Plan 2035](#), where community members reviewed and commented on the [Draft Network](#). Transit Plan 2035 also shared the proposed realignments for Route 485 Night Owl Cameron and Route 935 Tech Ridge Express, providing the community with an additional opportunity to comment on this change.

During the public engagement period, CapMetro staff spoke with customers, operators and residents about the proposed January 2026 Service Change during at-stop and on-board outreach. The community also had an opportunity to comment on the [webpage](#), participate in the public hearing, and engage through other channels specified in the appendices of this memo.

Feedback on the service change has been positive and has reflected interest in the new or improved connectivity options, such as:

- "Love late-night access to Eastside Bus Plaza for the 3:00AM Greyhound."
- "Happy about late-night bus service to areas like East 4th-7th Street."
- "I like the proposals, and I am very happy for the change in my area in my community. All the information was great."

A community member requested more details on the proposed stop locations for the service change. [An interactive map](#) with precise stop locations was added to the webpage and will be specified in future webpages. The webpage also includes a detailed list of the minor schedule adjustments currently under evaluation, further specified in the appendices of this memo.

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. The CapMetro Board of Directors will consider approval of the proposal on Monday, September 22, 2025. If approved, these changes would start on Sunday, January 11, 2026, with Night Owl adjustments starting on Monday, January 12, 2026. Due to operational flexibility, the minor Pickup zone adjustments would be

implemented in advance in October 2025 (which would be after approval by the Board and earlier than the implementation date for the overall January 2026 Service Changes).

Should Board Members have any questions regarding the proposed changes, they should contact [Ed.Easton@capmetro.org](mailto:Ed.Easton@capmetro.org).

## Appendix A: Engagement for the Proposed January 2026 Service Changes

The following is a list of all engagement efforts conducted for the proposed January 2026 Service Changes, including tailored outreach to ensure customers potentially affected by the proposed changes are informed and able to provide feedback.

- **Regional Meetings with our Member Cities (June 5, 2025 – Ongoing)**
  - Collaborated with our member cities to proactively discuss service change concepts and feedback.
- **Board Memo (August 5, 2025)**
- **Service Change Webpage with Comment Box (August 10, 2025 – September 10, 2025)**
  - The CapMetro [webpage](#) provides details of the proposed service changes and included an opportunity to provide comments and sign-up to speak at the scheduled public hearing.
- **CapMetro Alerts Text Messages (August 18, 2025 - Ongoing)**
  - Email and text went out to all subscribers.
- **Email to CapMetro’s Contact List and Listserv (August 18, 2025 - Ongoing)**
  - Email updates were provided to 10,725 customers, stakeholders and interested members via our contact list and listserv.
- **Operator Communications (August 20, 2025 - Ongoing)**
  - All operators with Keolis and MTM received notice of the proposed change through flyers in their mailboxes, flyers posted in the breakrooms and mailrooms, and TimePoint TV.
  - Discussed the proposed changes with operators during at-stop, on-board outreach, and Transit Plan 2035 engagement activities.
- **Public Hearing Notice (August 24, 2025)**
- **At-Stop Outreach with Flyers (August 25, 2025 – August 30, 2025)**
  - Discussed the proposed service changes with 746 customers and operators during at-stop and late-night on-board outreach. Customers and operators were provided a double-sided one-page flyer in English and Spanish.
- **Flyers Placed at Select Community Locations (August 25, 2025 – Ongoing)**
  - Flyers were placed at select community locations to notify residents about proposed changes.
- **Social Media Posts (August 26, 2025 – Ongoing)**
- **Rack Cards (August 27, 2025 – Ongoing)**
  - Brochures are available onboard at the front of buses.
- **Message Centers (August 27, 2025 – Ongoing)**
  - Signage was placed onboard directly behind drivers’ seats.
- **Late-Night On-Board Outreach for Route 485 Night Owl Cameron (August 28, 2025 – August 30, 2025)**
  - Conducted late-night on-board outreach on Route 485 Night Owl Cameron and discussed the proposed service changes.
- **At-Stop Signage (August 29, 2025 – Ongoing)**
- **CapMetro Advisory Committees (September 3, 2025 – September 10, 2025)**
  - Presented at the CapMetro Access Advisory Committee on September 3, 2025, and the CapMetro Customer Satisfaction Advisory Committee (CSAC) on September 10, 2025.
- **Public Hearing (September 10, 2025)**
- **Upcoming Board Meeting (September 22, 2025)**

## Appendix B: Email Sent to Customers on the January 2026 Service Changes

**Subject:** Proposed Service Changes for January 2026

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.

The proposed service changes for January 2026 include:

- Realignment of Route 485 Night Owl Cameron
- Realignment of Route 935 Tech Ridge Express
- Pickup Zone Adjustments for Manor Pickup and
- Pickup Zone Adjustments for Lago Vista Pickup
- Minor Bus and Rail schedule adjustments.

If approved by the CapMetro Board on September 22nd, 2025, the minor Pickup Zone adjustments would be implemented in October 2025, realignment of Route 935 and minor bus and rail schedule adjustments on January 11th, 2026, and Night Owl Adjustments on January 12th, 2026

More information about the changes including maps of the proposed changes, can be found [here](#).

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Share your Feedback or Questions in our comment box [here](#) or by attending a Public Hearing.

Public Hearing: On September 10th at CapMetro Headquarters (2910 E 5th St.), which is served by Routes 2, 4, 300, 800 and Pickup. Speakers may sign up by emailing [boardofdirectors@capmetro.org](mailto:boardofdirectors@capmetro.org), or by calling (512) 369-6040 and leaving a message with your name and telephone number. The deadline to sign up to speak remotely is 8 a.m. on September 10th, 2025. Instructions on how to participate virtually will be provided via email or phone just after 8 a.m. on the day of the hearing. For in-person participation, please arrive at least 15 minutes before the hearing to sign up to speak.

*Reasonable modifications and equal access to communications including auxiliary aids and services are provided upon request. Please provide notice at least two days in advance by contacting [engage@capmetro.org](mailto:engage@capmetro.org).*

For additional questions contact [engage@capmetro.org](mailto:engage@capmetro.org).

Thank you!

CapMetro Team

-

### En español

Estimados miembros de la comunidad,

CapMetro realiza cambios planificados en nuestro servicio tres veces al año para mejorar su experiencia de viaje y responder a los cambios en cómo nuestros clientes utilizan el servicio.

Los cambios de servicio propuestos para enero de 2026 incluyen:

- Realineación de la Ruta 485 Night Owl Cameron
- Realineación de la Ruta 935 Tech Ridge Express
- Ajustes en la zona de Manor Pickup
- Ajustes en la zona de Lago Vista Pickup
- Ajustes menores en los horarios de autobús y tren

Si son aprobados por la junta directiva de CapMetro el 22 de septiembre de 2025, los ajustes menores de las zonas de Pickup se implementarían en octubre de 2025, la realineación de la Ruta 935 y los ajustes menores de los horarios de autobuses y tren el 11 de enero de 2026, y los ajustes de Night Owl el 12 de enero de 2026.

[Aquí](#) encontrará información detallada, incluyendo mapas de los cambios propuestos.

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Comparte tus preguntas y/o comentarios en nuestra caja de comentarios [aquí](#) o asistiendo a una Audiencia Pública.

Audiencia Pública: Asista a una audiencia pública el 10 de septiembre en la sede de CapMetro (2910 E 5th St.), que está servida por las Rutas 2, 4, 300, 800 y Pickup. Los oradores pueden inscribirse enviando un correo electrónico a [boardofdirectors@capmetro.org](mailto:boardofdirectors@capmetro.org), o llamando al (512) 369-6040 y dejando un mensaje con su nombre y número de teléfono. La fecha límite para registrarse para hablar de manera remota es a las 8 a.m. del 10 de septiembre de 2025. Las instrucciones sobre cómo participar virtualmente se enviarán por correo electrónico o teléfono justo después de las 8 a.m. el día de la audiencia. Para la participación en persona, por favor llegue al menos 15 minutos antes de la audiencia para registrarse para hablar.

*Se ofrecen modificaciones razonables y acceso igualitario a las comunicaciones, incluyendo ayudas y servicios auxiliares, previa solicitud. Por favor, notifique con al menos dos días de anticipación a [engage@capmetro.org](mailto:engage@capmetro.org).*

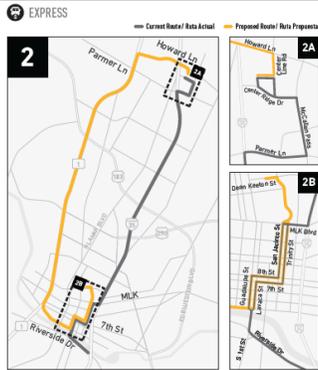
Para preguntas adicionales, contacte a [engage@capmetro.org](mailto:engage@capmetro.org).

¡Gracias!

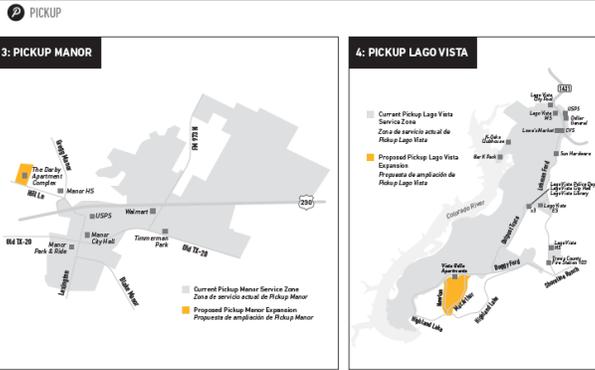
Equipo de CapMetro

# Appendix C: Brochure for the January 2026 Service Changes

## MAP 2, 2A & 2B Realignment of Route 935 Tech Ridge Express Cambio de recorrido de la Ruta 935 Tech Ridge Express



## MAP 3 & 4 Pickup Zone Adjustments Ajustes de Zonas Pickup



### CONTACT INFORMATION

CapMetro Web Site: capmetro.org  
 Customer Service: 912-474-1200  
 Routes & Schedules/GO Line: 912-852-7272  
 CapMetro Access: 1-800-VAN 4WORK  
 CapMetro Vanpool: 1-800-VAN 4WORK  
 CapMetro Administration: 912-389-7480  
 CapMetro Transit Store: 912-389-7484  
 Administration Office: 1705 Guadalupe Street

### INFORMACIÓN DE CONTACTO

Sitio Web de CapMetro: capmetro.org  
 Servicio al Cliente: 912-474-1200  
 Rutas y Horarios/GO Line: 912-852-7272  
 CapMetro Access: 1-800-VAN 4WORK  
 CapMetro Vanpool: 1-800-VAN 4WORK  
 CapMetro Administración: 912-389-7480  
 Oficina de Administración: 1705 Guadalupe Street

Objetos Perdidos y Encontrados: 912-474-1200  
 CapMetro paradas de autobús que se reprograman a CapMetro: 912-474-1200  
 Llamada gratuita al 1-800-VAN 4WORK para obtener más información.

**PROPOSED JANUARY 2026**  
PROPUUESTO ENERO DE 2026

PROPOSED  
JANUARY 2026  
SERVICE CHANGE

Cambios de servicio  
propuestos para  
enero de 2026

**CapMetro**  
912.474.1200 | capmetro.org

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, these changes will start on Sunday, January 11 with Route 485 adjustments starting Monday, January 12.**

Due to operational flexibility, the minor Pickup zone adjustments would be implemented in advance in October 2025.

Future service changes could include more substantial adjustments as we progress the development of our long-range plan update, [Transit Plan 2035](#), and the full vision of [Eastside, Pleasant Valley](#), and [227 Expo Center](#).

### PROPOSED SERVICE CHANGES

#### REALIGNMENT OF ROUTE 485 NIGHT OWL CAMERON

The realignment would enable late-night connections to the active nightlife on East 4th, transfers to early morning Greyhound Bus service at Eastside Bus Plaza and improved connectivity within Mueller. The stops that would no longer be served have minimal ridership (0-1 average daily customers).

#### REALIGNMENT OF ROUTE 935 TECH RIDGE EXPRESS

The realignment would shift non-stop service from IH-35 to MoPac to proactively respond to ongoing construction and traffic impacts. We would remove the segment that serves the TxDOT Riverside campus because these offices have closed. The travel time savings aim to manage demand and reduce traffic associated with IH-35 construction.

This proposed change was developed in collaboration with the City of Austin and other key stakeholders as part of an implementation item under the Climate Pollution Reduction Grants (CPRG). **See map 2, 2A and 2B for details.**

### PICKUP ZONE ADJUSTMENTS

In coordination with regional member cities, proposed zone adjustments to **Pickup Lago Vista** and **Manor** will expand boundaries in targeted areas to increase access and improve customer experience without impacting resources. Due to the operational flexibility with PickUp, this adjustment would be implemented in October 2025. These adjustments were developed in collaboration with member city stakeholders and informed by community and customer feedback.

### MINOR SCHEDULE ADJUSTMENTS

To improve on-time performance and reliability, select routes may receive minor adjustments to their schedules and/or bus stop locations. Minor schedule adjustments are determined later in the service changes process to accurately respond to evolving traffic conditions and construction. This timing makes sure the schedule best serves customers, more closely reflects available resources and improves on-time performance. The details of these schedule adjustments will be posted on the webpage once available.

### ATTEND A PUBLIC HEARING

The community will have an opportunity to comment on the proposed service changes at a public in-person hearing on

September 10 at noon at [CapMetro Headquarters, 2910 E 5th St, Served by Routes 2, 4, 200, 800 and Bus Bay East ATX.](#)

Reasonable modifications and equal access to communications are provided upon request at least two days in advance. Call [Martin Karanthi at 912.389.7282](#) or send an email to [pkaranthi@capmetro.org](#) for more details or to request the info in another format.

CapMetro realiza cambios planificados en nuestro servicio tres veces al año con el fin de mejorar su experiencia de viaje y responder a las variaciones en la forma en que nuestros clientes utilizan el servicio. **Si se aprueban, estos cambios comenzarán el domingo 11 de enero, con los ajustes a la Ruta 485 a partir del lunes 12 de enero.**

Por temas de flexibilidad operativa, los pequeños ajustes en las zonas de pickup se implementarán antes, en octubre de 2025.

En el futuro, podrían realizarse ajustes más significativos conforme avanzamos con la actualización de nuestro plan a largo plazo, [Transit Plan 2035](#), y la visión completa de las rutas rápidas [Rapid 800 Pleasant Valley](#) y [227 Expo Center](#).

### PROPUESTA DE CAMBIOS AL SERVICIO

**CAMBIO DE RECORRIDO DE LA RUTA 485 NIGHT OWL CAMERON**  
 Este cambio permitiría conexiones nocturnas con la vida nocturna activa en East 4th, transbordos al servicio temprano

de Greyhound en Eastside Bus Plaza y una mejor conectividad dentro de Mueller. Las paradas que dejaron de tener servicio registrarán muy poco uso (0 a 1 personas en promedio al día).

### CAMBIO DE RECORRIDO DE LA RUTA 935 TECH RIDGE EXPRESS

El recorrido sin paradas se trasladaría de la IH-35 a MoPac para adelantarnos a las obras y el tráfico que se anticipa. También se eliminaría el tramo que va al campus de TxDOT Riverside ya que esas oficinas han cerrado. El objetivo de ahorrar tiempo de viaje es manejar la demanda y reducir el tráfico relacionado con las obras de la IH-35. Esta propuesta se elaboró en conjunto con la Ciudad de Austin y otros socios clave como parte de una acción del programa Climate Pollution Reduction Grants (CPRG).

### AJUSTES DE ZONAS PICKUP

En coordinación con las ciudades miembro de la región, se proponen cambios en los zonas de **Pickup Lago Vista** y **Pickup Manor** para ampliar los límites en áreas específicas, aumentando el acceso y mejorando la experiencia de los clientes sin usar más recursos. Gracias a la flexibilidad operativa de Pickup, estos cambios se implementarán en octubre de 2025. Estos ajustes se desarrollaron en colaboración con representantes de las ciudades miembro y tomando en cuenta los comentarios de la comunidad y de los clientes.

### A JUSTES MENORES DE HORARIOS

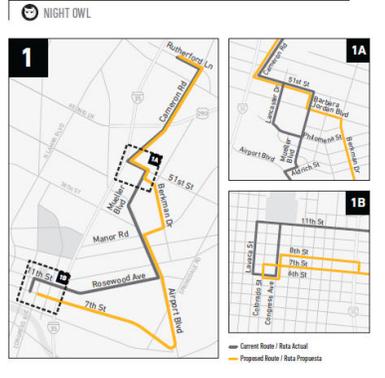
Para mejorar el desempeño y la fiabilidad en cuanto a la puntualidad, es posible que se realicen ajustes menores en los horarios y ubicaciones de las paradas de autobús de determinadas rutas. Los ajustes menores de horarios se determinan más adelante en el proceso de cambios de servicio para responder con precisión a las condiciones cambiantes del tráfico y la construcción. Este calendario garantiza que el horario se adapte mejor a los clientes, refleje más fielmente los recursos disponibles y mejore la puntualidad. Los detalles de estos ajustes de horarios se publicarán en la página web una vez estén disponibles.

### ASISTA A UNA AUDIENCIA PÚBLICA

La comunidad tendrá la oportunidad de comentar sobre los cambios de servicio propuestos en una audiencia pública presencial el **10 de septiembre al mediodía en la sede de CapMetro, 2910 E 5th St, donde pasan las Rutas 2, 4, 200, 800 y Pickup East ATX.**

Se podrán realizar modificaciones razonables y brindar igualdad de acceso a las comunicaciones previa solicitud con al menos dos días de antelación. Llame a [Martin Karanthi al 912.389.7282](#) o envíe un correo electrónico a [mkaranthi@capmetro.org](#) para obtener más información o solicitar información en un otro formato.

## MAP 1, 1A & 1B Realignment of Route 485 Night Owl Cameron Cambio de recorrido de la Ruta 485 Night Owl Cameron



## Appendix D: Proposed Minor Schedule Adjustments

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 January 2026 Service Changes.

<b><i>Proposed Minor Schedule Adjustments</i></b>	<b>Details</b>	<b>Routes under Evaluation</b>
<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"> <li>• Route 1</li> <li>• Route 2</li> <li>• Route 3</li> <li>• Route 4</li> <li>• Route 325</li> <li>• Route 465</li> <li>• Route 656</li> <li>• Route 661</li> <li>• Route 672</li> <li>• Rapid 801</li> <li>• Rapid 803</li> </ul>
<i>Additional Trip(s)</i>	May add individual scheduled trip(s) in response to passenger demand and need.	<ul style="list-style-type: none"> <li>• Two additional evening trips for Route 271 Del Valle Feeder in coordination with Travis County</li> <li>• Additional trips in the afternoon for Rapid 801 North Lamar/South Congress to assist with passenger loads</li> </ul>
<i>Minor Routing Adjustments &amp; Updated Bus Stops</i>	May include minor routing and/or minor bus stop location adjustments.	<ul style="list-style-type: none"> <li>• Ongoing discussions with Del Valle ISD regarding Route 271's Del Valle High School bus stops</li> </ul>



# Capital Metropolitan Transportation Authority

2910 East 5th Street  
Austin, TX 78702

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Board of Directors

**Item #:** AI-2025-1575

**Agenda Date:** 8/25/2025

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Memo: Proposed January 2026 Service Changes (August 5, 2025)

To: CapMetro Board of Directors  
From: Sharmila Mukherjee, EVP, Chief Strategic Planning and Development Officer  
Date: August 5, 2025  
Re: Proposed January 2026 Service Changes

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Service changes provide CapMetro with the opportunity to adjust 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.

The service change process is guided by the Board-approved [Service Standards and Guidelines](#). Additional information about how service changes are developed, evaluated, approved and ultimately implemented is available on our website at [capmetro.org/servicechange](http://capmetro.org/servicechange).

### Summary of Proposed Changes & Process

The following is a high-level summary of the proposed service changes for January 2026. Future service changes could include more substantial adjustments as we progress the development of our long-range plan update, [Transit Plan 2035](#), and the full vision of [Rapid 800 Pleasant Valley](#) and [837 Expo Center](#).

- **Realignment of Route 485 Night Owl Cameron** – The proposed realignment would enable late-night connections to the dense active nightlife on East 6th, transfers to Greyhound Bus service (at Eastside Bus Plaza) that occur before dawn, and improved connectivity within Mueller. These areas show high propensity for late-night ridership, and community feedback has demonstrated strong interest in late-night service near the eastside entertainment district and additional portions of Airport Boulevard. Additionally, the stops that would no longer be served have minimal ridership (0-1 average daily customers).
- **Realignment of Route 935 Tech Ridge Express** – The proposed realignment would shift non-stop service from IH-35 to MoPac to proactively respond to ongoing construction and traffic impacts, as well as remove an unproductive segment along Riverside Drive. Previously, this segment served the TxDOT Riverside campus; however, these offices have closed with staff relocating to other locations. The travel-time savings aim to assist with transportation demand management and reduce emissions and congestion associated with IH-35 construction. This proposed change was developed in collaboration with the City of Austin and other key stakeholders as part of an implementation item under the Climate Pollution Reduction Grants (CPRG).
- **Pickup Zone Adjustments** – In coordination with regional member cities, proposed expansions in Lago Vista and Manor Pickup zones will expand boundaries minimally to expand access and improve customer experience without impacting resources. Due to the operational flexibility with Pickup, this adjustment would be implemented in a timely manner

(subsequently after Board approval, as described below). These proposed adjustments were developed in collaboration with member city stakeholders and informed by community and customer feedback.

- **Minor Bus and Rail Schedule Adjustments** – To improve on-time performance, reliability and better serve customers, select routes may receive minor adjustments to their schedules and/or bus stop locations. 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 and more closely reflects available resources. Once available, additional details on the proposed minor schedule adjustments will be available on our webpage and in the subsequent memo.

Under CapMetro's policy, which aligns with the FTA circular, these changes are not a major service change and thus do not require a Title VI analysis. However, CapMetro acknowledges that the changes on Route 935 Tech Ridge Express and Route 485 Night Owl Cameron involve a shift from one corridor to another, and staff evaluated the impacts and benefits to vulnerable populations associated with these changes. The change resulted in no significant impact on minority or low-income populations.

A detailed overview of the proposed changes is provided in *Appendix A*. If approved, these changes would start on Sunday, January 11, 2026, with Night Owl adjustments starting on Monday, January 12, 2026. Due to operational flexibility, the minor Pickup zone adjustments would be implemented in advance in October 2025 (which would be after approval by the Board and earlier than the implementation date for the overall January 2026 Service Changes). The proposed changes outlined are in accordance with CapMetro's proposed FY 2026 budget.

## Engagement

The proposed January 2026 Service Changes process includes a public involvement plan to notify key stakeholders and communities and solicit input from potentially impacted riders. Community engagement will kick off on Sunday, August 10, 2025, and will partially coincide with the engagement for [Transit Plan 2035](#). Input will also be solicited from CapMetro's Advisory Committees, customers, school communities, operators, among others. As part of our commitment to public involvement, the community will have an additional opportunity to engage by providing a formal comment opportunity on the proposed service changes during a scheduled public hearing on Wednesday, September 10, 2025, before the board considers action on this item. Engagement efforts will be summarized, and community feedback will be reviewed prior to bringing the service change proposal to the board for approval on Monday, September 22, 2025. Once the proposed changes are finalized after board review, we will promote final decisions on service through communications and marketing materials.

## Regional Coordination

CapMetro's Strategic Plan 2030 identifies Regional Significance as a critical result to guide CapMetro for the next five years and beyond. Collaborating with regional partners, member cities, and non-member municipalities alike is essential to achieving CapMetro's vision; together, we are endeavoring to address mobility gaps, assess service access and effectiveness, and work toward shaping a prosperous transit landscape for our region. The proposed January 2026 Service Changes aim to improve day-to-day service throughout our system, ensuring the service reflects regional feedback and conditions.

The CapMetro Government Affairs and Regional Planning teams, in close coordination with Planning and Development and Operations staff, continue to facilitate engagement opportunities and ongoing communication with all cities within CapMetro's service area. Staff recently engaged with our member cities and regional partners to discuss scheduling and service planning needs in the near-term and the longer-term through Transit Plan 2035. Staff will continue proactively engaging with each member city to discuss potential concepts for future service changes, review current service performance, and facilitate any emerging feedback or suggestions within respective communities. These member city efforts are in alignment with staff's ongoing administration of CapMetro's Build Central Texas program by providing either service or dollars for transit-supportive projects equal to the value of member city annual sales tax contributions, so they are made whole.

CapMetro staff is informing the Board about minor but important proposed changes to Pickup service in Lago Vista and Manor, scheduled to take effect starting in October 2025 to swiftly respond to member city feedback for service adjustments. After engaging with City of Lago Vista leadership about potential future adjustments to service, CapMetro staff recommends a 0.3-square-mile zone boundary expansion in the southern portion of the existing Pickup Lago Vista zone (as shown in *Figure 4*). The proposed expansion would provide Pickup service to a section of the city with higher residential density that is well suited for sustainable Pickup zone expansion. In addition, staff propose a 0.03 square-mile zone expansion to Pickup Manor to provide service to multiple individuals with mobility needs at the Darby Apartment complex (as shown in *Figure 5*). The expanded portion of both proposed zone adjustments are entirely within the CapMetro service area and would be cost neutral to effectuate. Upon receiving requests for expanded service, CapMetro staff evaluated the feasibility of expansion, and through technical analysis and customer feedback, found that the zones can be expanded with minimal impact to existing wait times or resources.

Figure 4: Zone Adjustment in Pickup Lago Vista

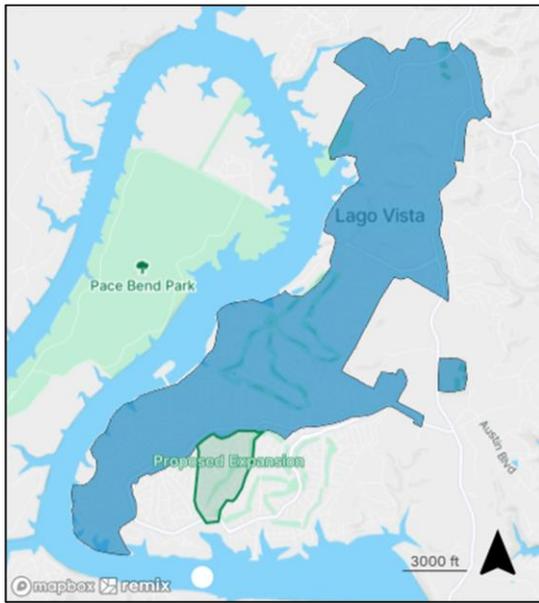
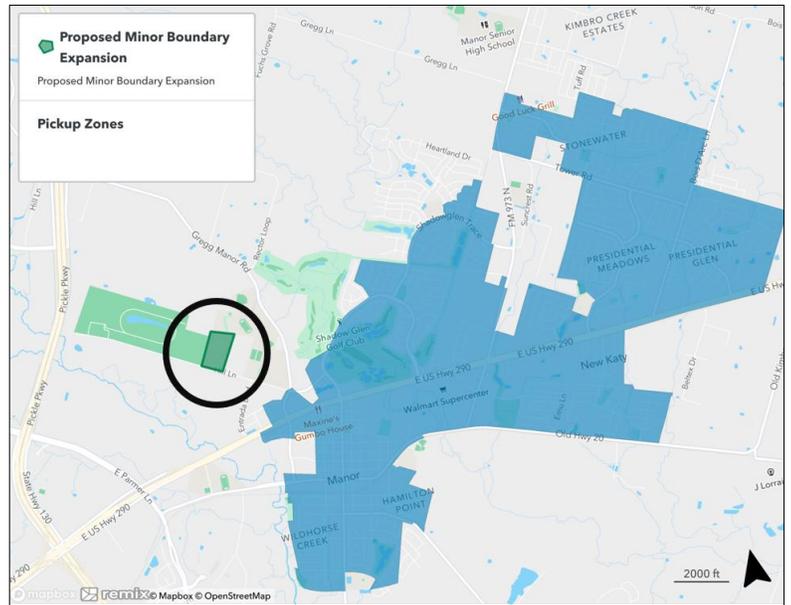


Figure 5: Zone Adjustment in Pickup Manor



Should Board Members have any questions regarding the proposed changes, they should contact [Ed.Easton@capmetro.org](mailto:Ed.Easton@capmetro.org).

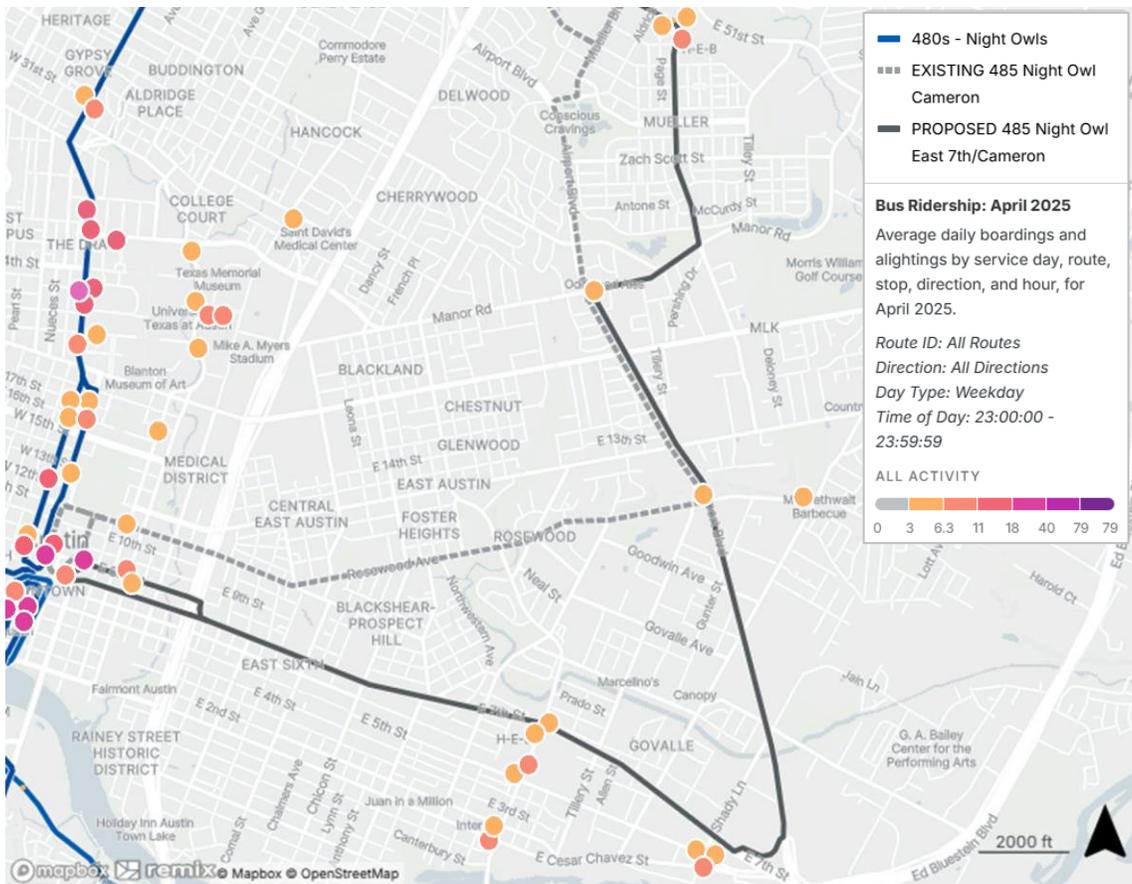
## Appendix A: Detailed Overview of Proposed Changes

### Realignment of Route 485 Night Owl Cameron

As part of the service change process, CapMetro staff reviewed the [Night Owl system](#) to identify potential near-term improvements for customers. Staff reviewed late-night ridership throughout the system between 11:00 p.m. and 12:00 a.m. as an indicator of potential Night Owl ridership in areas that it currently does not serve (*Figure 1 displays average weekday ridership during these hours*).

The East Sixth, East Cesar Chavez and Govalle neighborhoods demonstrated higher-than-average late-night usage via portions of [Route 4 \(7th Street\)](#), [Route 2 \(Rosewood/Cesar Chavez\)](#) and [Route 350 \(Airport Blvd\)](#). These high propensity segments are not currently covered by Night Owl services. The current Route 485 Night Owl Cameron alignment covers Central East Austin and Rosewood neighborhoods, which demonstrated minimal late-night usage (0-1 average daily customers).

Figure 1: Late-Night Ridership on Weekdays (11:00 p.m. to 12:00 a.m.)



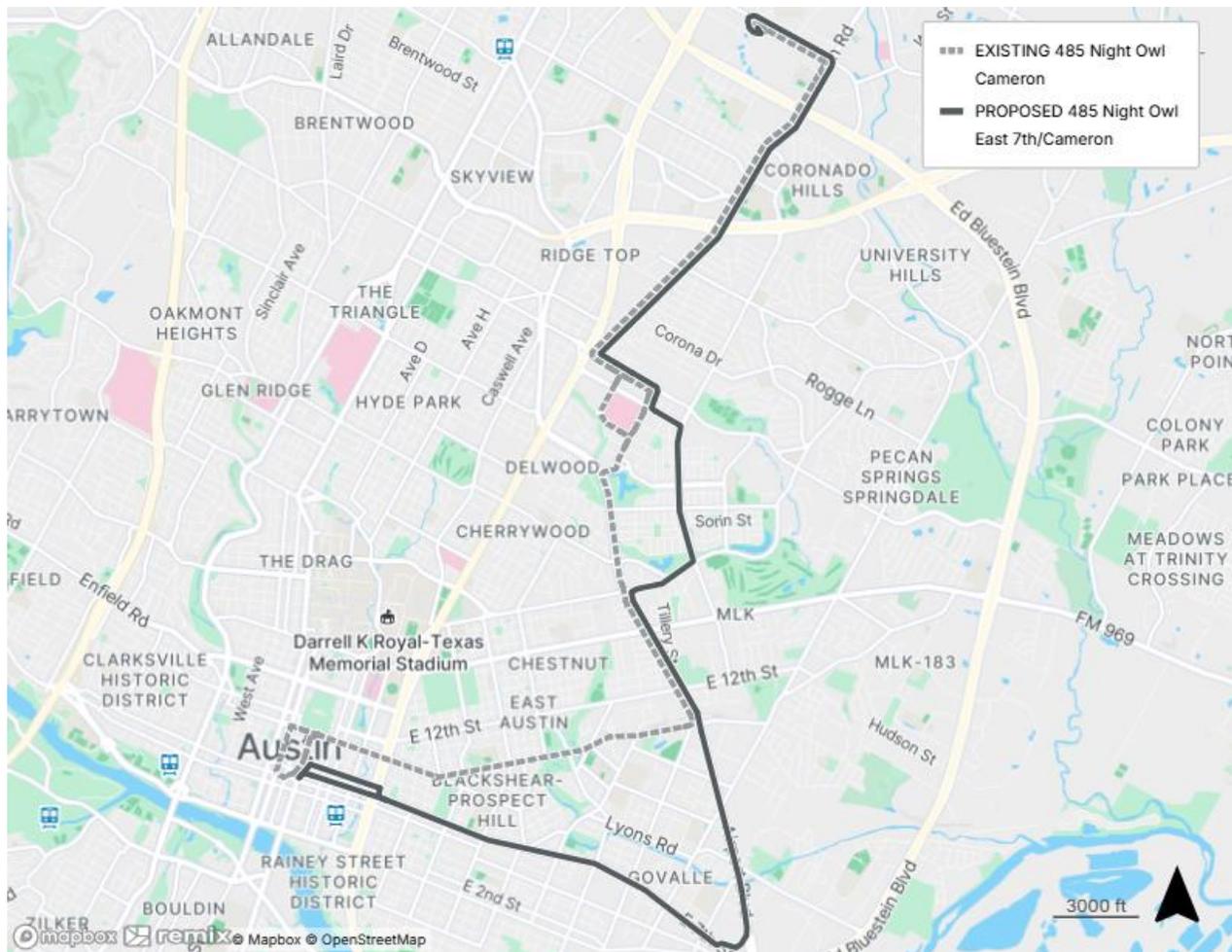
CapMetro staff also reviewed community feedback and requests for late-night service. The feedback demonstrated strong interest in providing late-night connections to the eastside entertainment district. Below are some comments we received from the public:

- “Would love to see more services on East 7th or Plaza Saltillo, especially on weekends, late-nights, and during SXSW.”
- “There needs to be a Night Owl that services more of Airport Boulevard.”

- “Route 4 (7th Street) serves the world-renowned entertainment districts of our city. I wish we had service during the peak entertainment hours after midnight. It could be one of the highest performing lines in the system.”

Based on community feedback and ridership data, CapMetro staff propose realigning [Route 485 \(Night Owl Cameron\)](#) from Rosewood Avenue (East 11th) to East 7th, which enables late-night connections to the active entertainment district near Plaza Saltillo Station. The alignment on East 7th also provides transfer opportunities to Greyhound Bus service, which operates out of Eastside Bus Plaza with trips starting at 3:05 a.m. A minor realignment through the Mueller area is proposed to provide connectivity near the Berkman/Barbara Jordan intersection, a key location for transit usage. The realigned Route 485 Night Owl Cameron, shown in *Figure 2*, would continue to operate between approximately 12:00 a.m. to 3:00 a.m., Monday through Saturday.

*Figure 2: Proposed Realignment of Route 485 Night Owl Cameron*

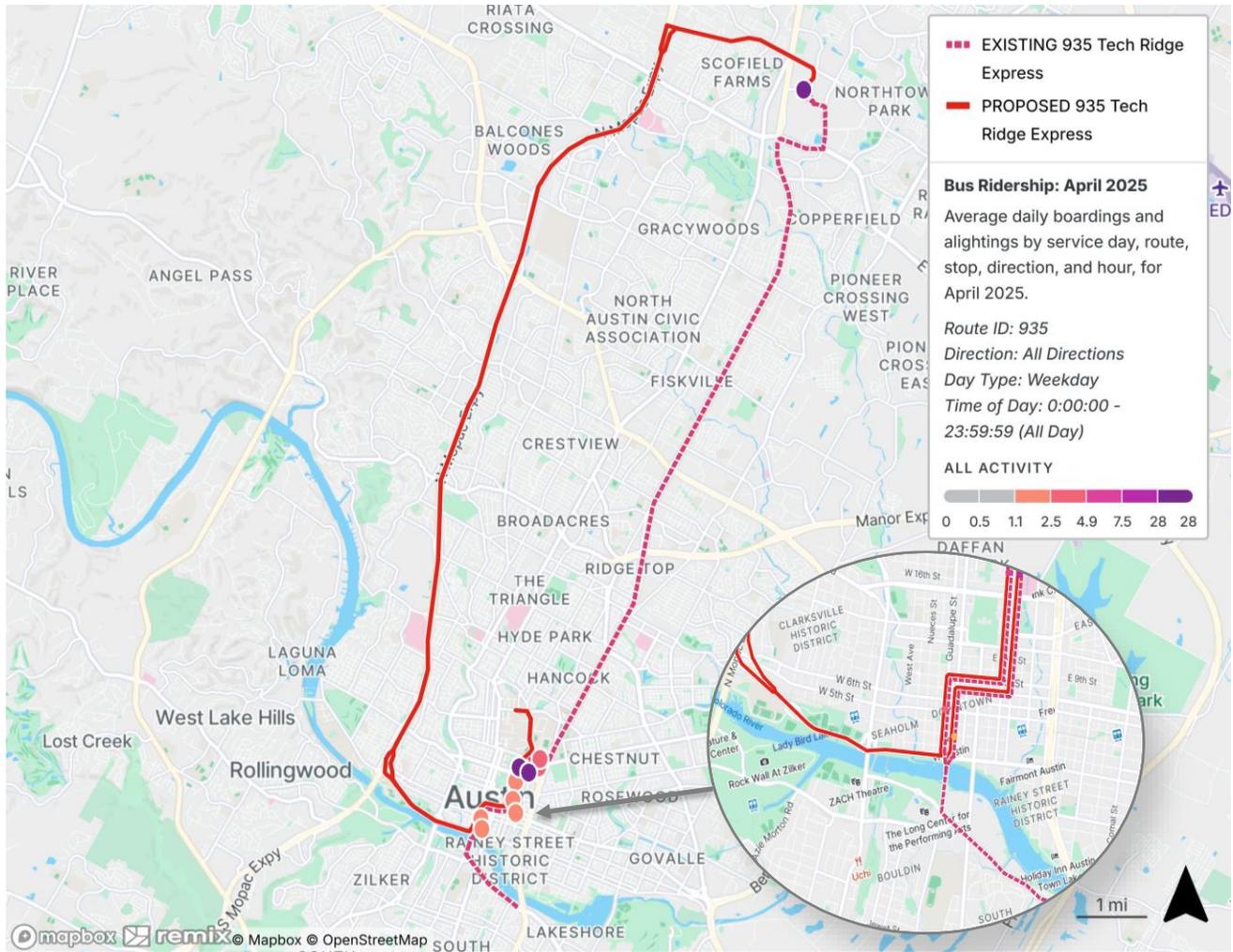


### *Realignment of Route 935 Tech Ridge Express*

Central Texas is entering a multi-year phase of major infrastructure projects. In response, CapMetro has been managing daily operations with agility and strategic monitoring, while closely coordinating with regional partners to align timelines and reduce disruptions. To proactively address the expected traffic

impacts, CapMetro evaluated potential service adjustments and identified an opportunity to realign Route 935 Tech Ridge Express as shown in *Figure 3*.

*Figure 3: Proposed Realignment of Route 935 Tech Ridge Express*



The proposed change would shift non-stop service from IH-35 to MoPac and remove an unproductive segment along Riverside Drive (providing travel-time savings and operational efficiencies). The Riverside segment was originally designed to connect the Tech Ridge Park & Ride with the TxDOT Riverside campus. With the closure of the Riverside offices and relocation of staff to other sites, Route 935 ridership along Riverside has dropped to 0-1 average daily customers.

The travel-time savings aim to assist with transportation demand management and reduce emissions and congestion associated with IH-35 construction. This change was developed in collaboration with the City of Austin and other key stakeholders as part of an implementation item under the Climate Pollution Reduction Grants (CPRG). Additionally, CapMetro is evaluating minor schedule adjustments for this service change that would respond to potential congestion or capacity needs due to construction impacts.



# Capital Metropolitan Transportation Authority

2910 East 5th Street  
Austin, TX 78702

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Board of Directors

**Item #:** AI-2025-1604

**Agenda Date:** 9/22/2025

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CapMetro Transit Plan 2035 Staff Recommendation

# Transit Plan 2035 Recommendations

CapMetro Board of  
Directors Meeting

September 22, 2025

**CapMetro** | Transit Plan 2035



## What We'll Cover Today

Transit Plan 2035 Overview

How We Developed Recommendations

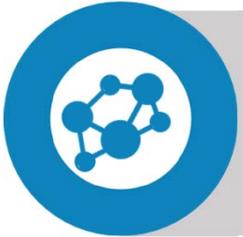
Community Engagement

Overview of the Changes

# Transit Plan 2035 Recap



Transit Plan 2035 is our roadmap and vision for the CapMetro System over the next 5 to 10 years.

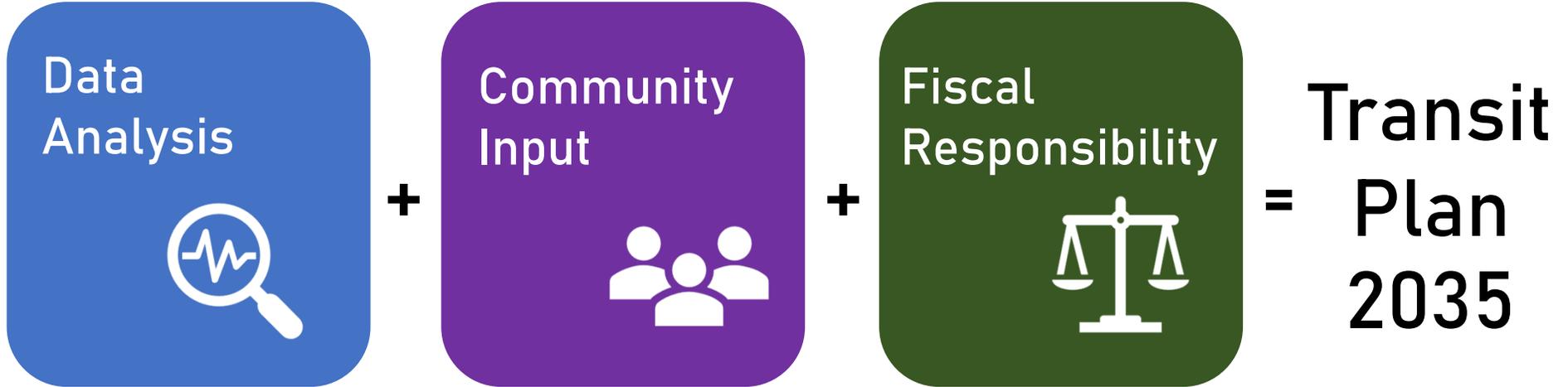


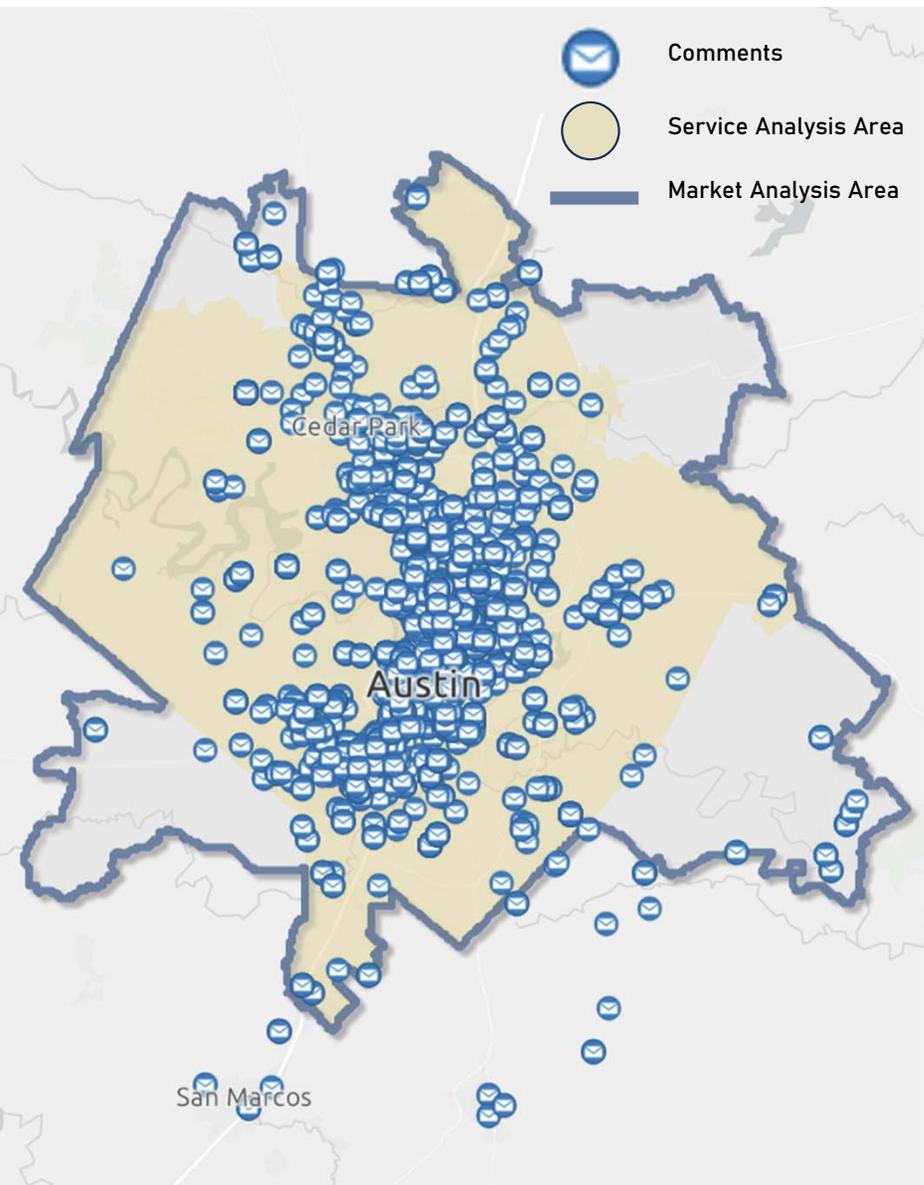
Offers guidance for future service changes with potential for refinement based on new insights about travel patterns and community input



Implementation of the changes would be phased over time, aligning with milestones such as the opening of the Rapid Park and Rides or Broadmoor Station

# How We Developed Recommendations





## Building a Community-Driven Plan

Transit Plan engagement reached people throughout the Central Texas Region.

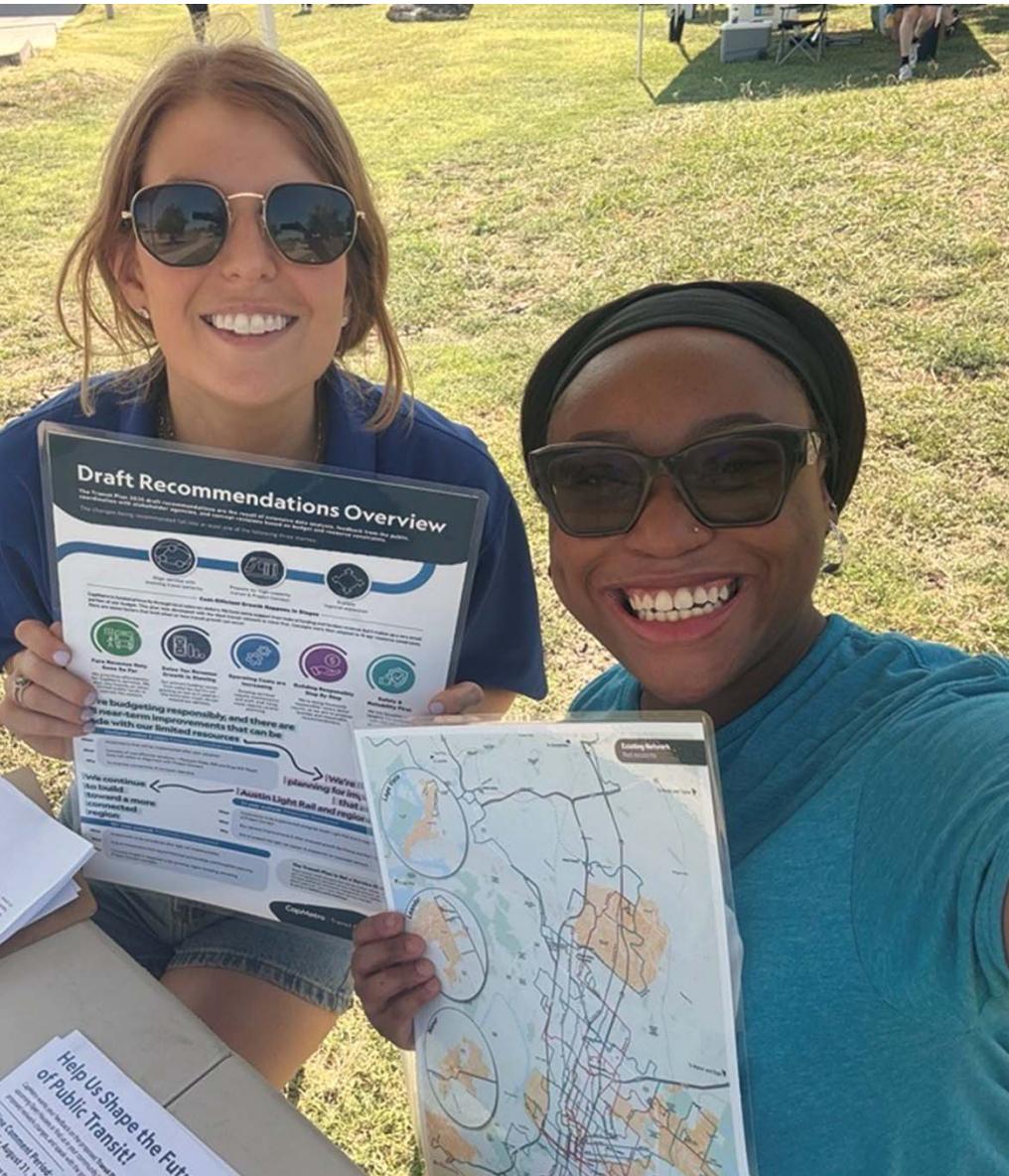
- ✓ Riders and non-riders
- ✓ Communities in and outside the service area
- ✓ Multifaceted strategy to reach a broad audience, including harder-to-reach communities

# Building a Community-Driven Plan

Transit Plan engagement included feedback from CapMetro staff.

- ✓ Frontline employees from Keolis, MTM, and Herzog
- ✓ Hosted focus groups and attended frontline townhalls at all operation base locations
- ✓ CapMetro admin staff and Board members





## Building a Community-Driven Plan

Transit Plan engagement included coordination with regional stakeholders and organizational partners.

- ✓ ALL member cities
- ✓ TxDOT
- ✓ Downtown Austin Alliance
- ✓ University of Texas
- ✓ Austin Community College

# Building a Community-Driven Plan

Transit Plan engagement reached people throughout the Central Texas Region.

**9,000+** people in Round 1

**1,200+** people in Round 2

**30+** focus groups tailored to communities





## Building a Community-Driven Plan

Thousands of people responded, and their feedback led to real change.

- Revised 26 routes based on community feedback (more than 40% of proposals)
- Overall, recommendations were received very well.

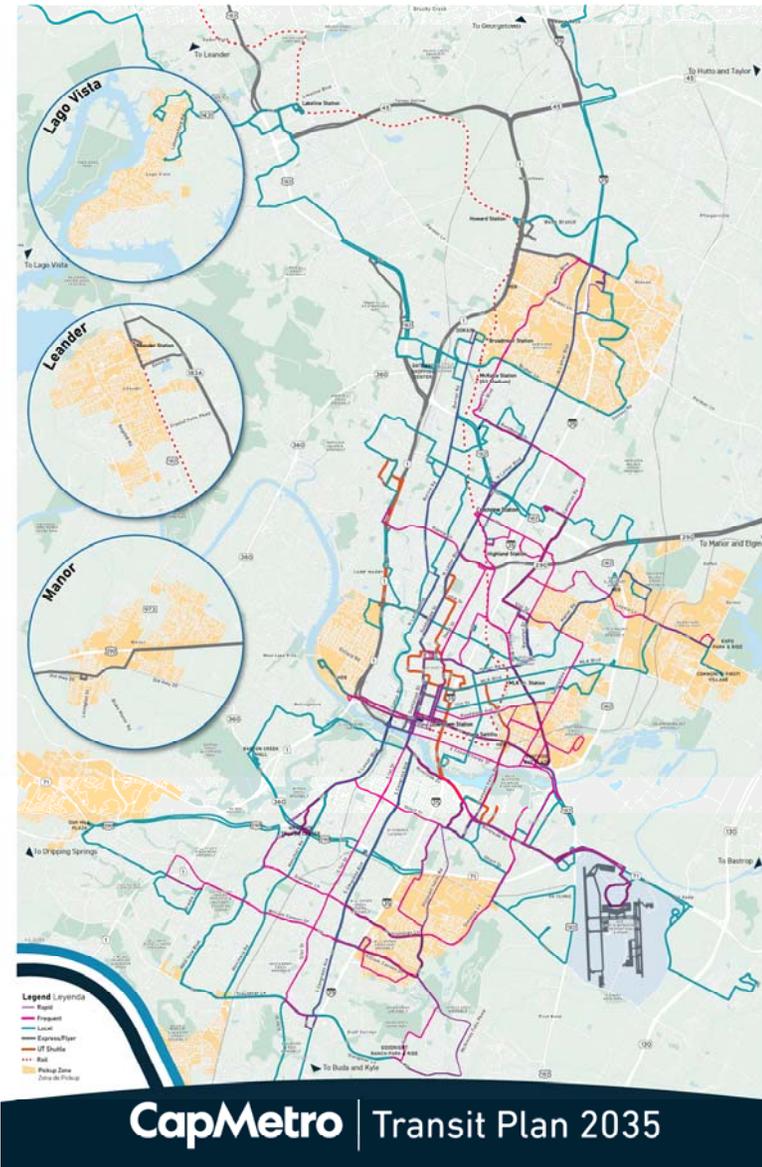
# Transit Plan 2035 Draft Recommendations

## Recommendation themes include:

- ✓ aligning our current service with travel patterns,
- ✓ preparing for high-capacity transit and Project Connect, and
- ✓ exploring regional expansion.

# Outlook within 5 years

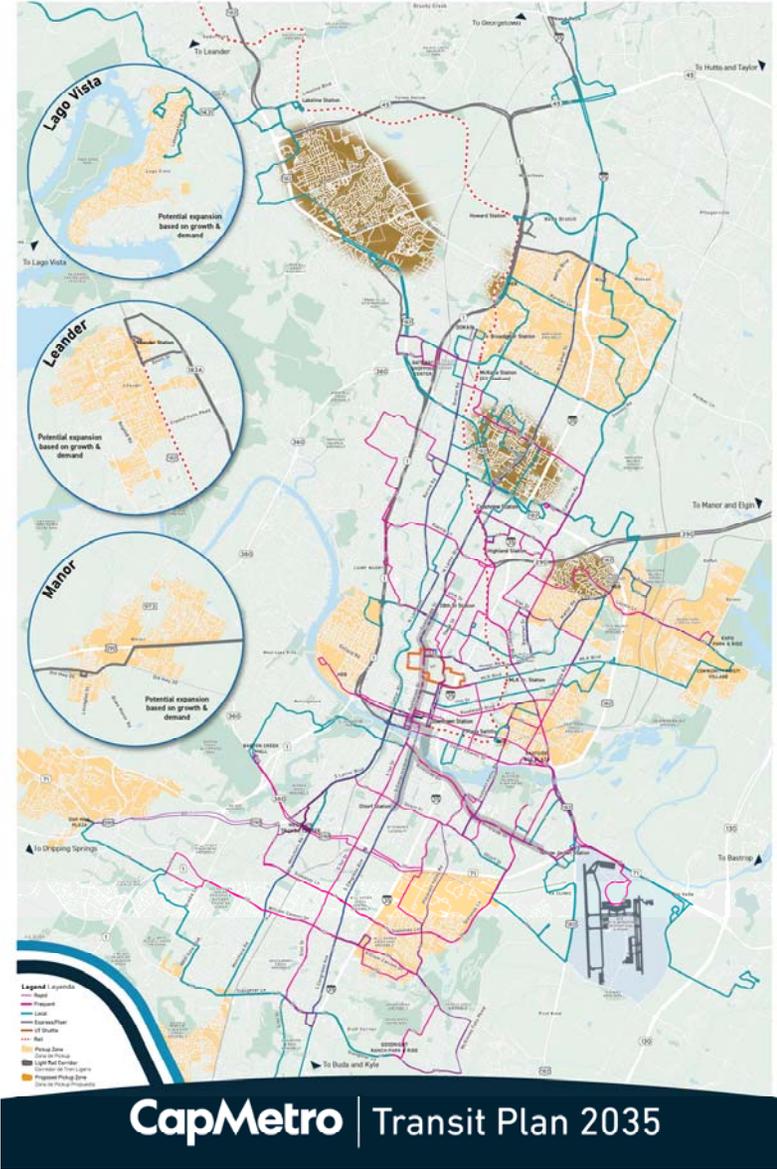
We're budgeting responsibly, and there are still near-term improvements that can be made with our limited resources.



# 5+ Year Outlook

Thoughtfully planning for improvements that accompany Austin Light Rail and regional growth.

	<b>55*</b> Routes	7 Route Changes for Light Rail
		1 New Rapid
		5 Routes join High Frequency Network
	<b>14</b> Pickup Zones	2 New Pickup Zones
		5 Changed Pickup Zones
	<b>Rail</b> Improvements	Increase Frequency & Capital Investments that Improve Service



\*Excluding Light Rail

# CapMetro 10+ Year Vision List

## CapMetro 10+ Year Vision List

CapMetro is committed to delivering on its promises to the community. This list of investments will serve as a guide for how the agency will spend the funds that become available for capital investment, as markets develop, and supportive infrastructure is built. Project Connect, when it was passed enthusiastically by voters in 2020, identified a vision for transit in Central Texas and that vision remains on the horizon.

Transit Plan 2035 has identified additional recommendations that, invested in over time, will strengthen the state of the system. CapMetro will continue to seek funds and partnerships to deliver on these promises.

CapMetro Service Type	Future Investment	Source of Recommendation	New Alignment	New Service	Description
Bus	Route 243 Extension to Pavilion Park & Ride	Transit Plan 2035	⊕		Westward extension via Howard Ln. to Pavilion Park & Ride
	Route 358 Extension to Rundberg	Transit Plan 2035	⊕		North extension from North Lamar Transit Center to the Rundberg L.A. HEB
	51st Street Local Route	Transit Plan 2035		⊕	Local route covering portions of discontinued Route 345, primarily along 45th St. and 51st St.
	Lakeline/Round Rock Local Route	Transit Plan 2035		⊕	Local route connecting Round Rock to Lakeline via RM 420
	Slaughter Local Route	Transit Plan 2035		⊕	Local route operating on Slaughter Ln. between Oak Hill and Easton Park
Express	Sunset Valley/Roslin/Menchaca Local Route	Transit Plan 2035		⊕	Local route from Westgate Transit Center to San Leon via Roslin Ln., Slaughter Ln. and Menchaca Rd.
	East Express	Project Connect		⊕	Commuter service from Elgin to Downtown Austin via primarily US 290
	Four Points Express	Project Connect		⊕	Commuter service from Four Points to Downtown Austin via primarily Ranch Rd 2222 and MoPac
	Manor/Expo Flyer	Transit Plan 2035		⊕	Peak only service connecting Manor to future Green Line Station and Expo Center Park & Ride
	North Express	Project Connect		⊕	Commuter service from Georgetown/Round Rock to Downtown Austin via primarily I-35 and MoPac
	Northeast Express	Project Connect		⊕	Commuter service from Hutto/Plugerville to Downtown Austin via primarily SH 45 and MoPac
	Northwest Express	Project Connect		⊕	Commuter service from Leander/Lakeline Blvd. to Downtown Austin via primarily US 183 and MoPac
	South Central Express	Project Connect		⊕	Commuter service from San Marcos/Buda to Downtown Austin via primarily I-35
	South Express	Project Connect		⊕	Commuter service from Lockhart/Easton Park to Downtown Austin via primarily US 183
	Southeast Express	Project Connect		⊕	Commuter service from Bastrop/Ovi Valley to Downtown Austin via primarily SH 71
Pickup	Southwest Express Circle C	Project Connect		⊕	Commuter service from Willflower Center to Downtown Austin and UT via primarily MoPac
	Southwest Express Oak Hill	Project Connect		⊕	Commuter service from Oak Hill to Downtown Austin and UT via primarily MoPac
Pickup	Pickup Goodnight Ranch	Project Connect		⊕	Pickup zone near Slaughter Ln. and Easton Park serving Goodnight Ranch Park & Ride
Rail	Green Line Phases 1-3	Project Connect		⊕	CapMetro rail from Downtown Austin to Colony Park, second extension to Manor, and third extension to Elgin
	Red Line Expanded Connectivity	Transit Plan 2035		⊕	Potential with stations (subject to further analysis and feedback) and introduction of Sunday service
Rapid	Cameron/Desau CapMetro Rapid	Project Connect		⊕	Rapid service between Tech Ridge and Highland along primarily Desau Rd. in Northeast Austin
	Crosstown 7th St Lake Austin CapMetro Rapid	Project Connect		⊕	Rapid service connecting Westfield and the Eastside Bus Plaza along primarily Lake Austin Blvd. and 7th St.
	Gold Line CapMetro Rapid	Project Connect		⊕	Rapid service connecting Highland and Downtown Austin along primarily Airport Blvd., Red River St. and Trinity St.
	Oak Hill / Menchaca CapMetro Rapid Extension	Project Connect	⊕		South extension of Rapid BTS along Menchaca Rd. from William Cannon Drive to Slaughter Ln.**
	MLK CapMetro Rapid	Project Connect		⊕	Rapid service connecting Expo Center and Westfield through Downtown Austin along primarily FM 969 and MLK Jr. Blvd.
	Parmer CapMetro Rapid	Project Connect		⊕	Rapid service connecting Manor and Lakeline Blvd. along primarily Parmer Ln.

Build towards a more connected region.

Project Connect elements including Express Network, Rapid Lines, and elements.

Transit Plan concepts that require partnerships and investment.



# NORTHEAST

## Proposal Highlights

- Serve new Expo Center Park and Ride
- Transition riders from infrequent routes to Pickup service.
- Improved crosstown service with additional frequency
- Frequent service along Airport Blvd

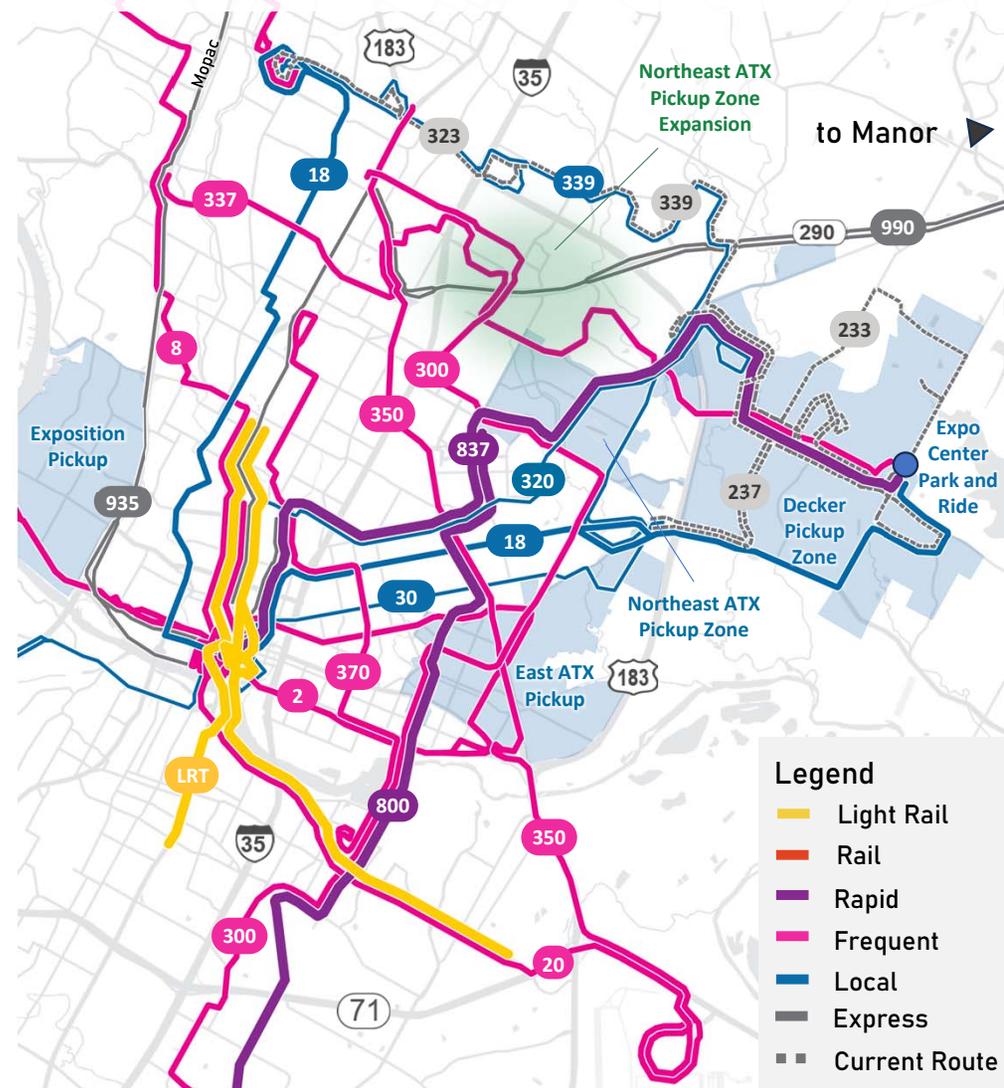
## Feedback

- Strong concerns about removing service from Johnny Morris
- Appreciation for better Community First! connectivity
- Support for more frequent service

## Adjustments

- Retain service along Johnny Morris

Note: Map does not show all route concepts and displays recommendations for the 5+ Year Outlook.



# SOUTHEAST

## Proposal Highlights

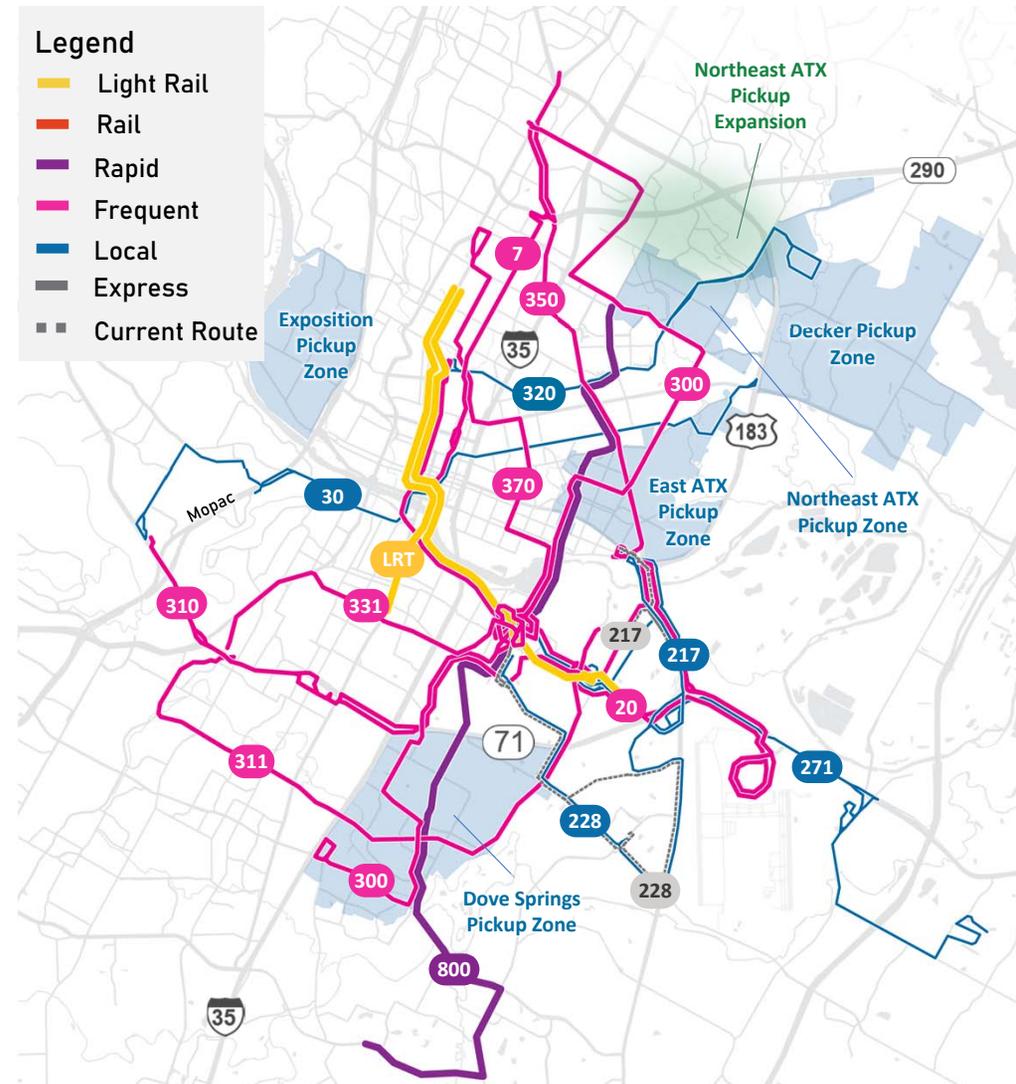
- More high-frequency, direct rides to AUS
- Better connectivity for Montopolis and Del Valle residents
- Adjustments for to align with Austin Light Rail

## Feedback

- Support for one seat ride from Del Valle to an HEB
- Easier access to the VA Hospital and other services
- Request more frequent service along Vargas

## Adjustments

- Routing adjustment to serve the planned Foundation Communities development on Burleson Road
- Plans to implement service on Vargas within the 0-5 year outlook



Note: Map does not show all route concepts and displays recommendations for the 5+ Year Outlook.

# SOUTHWEST

## Proposal Highlights

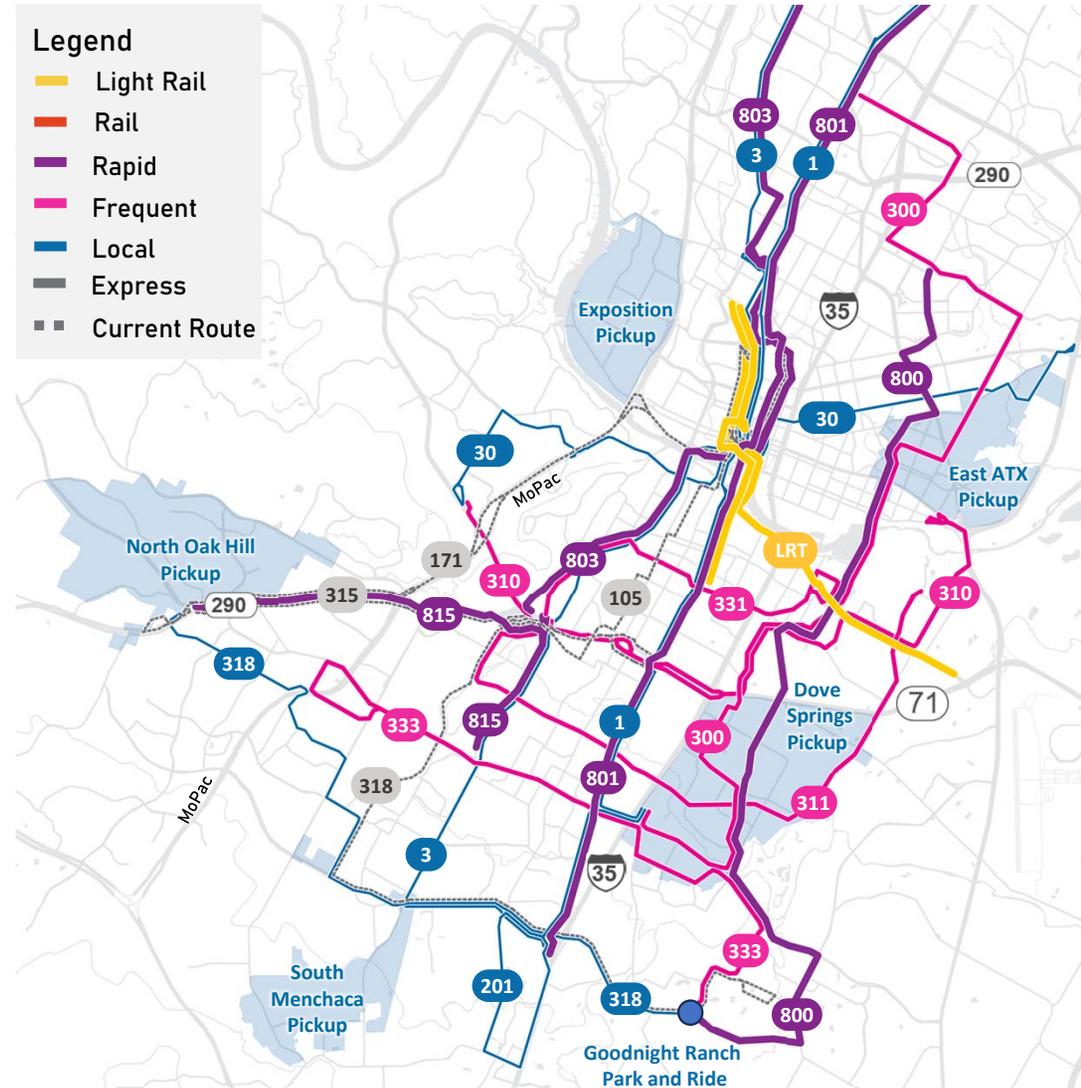
- Connect East Austin to employment centers such as Barton Creek Mall
- Connect Oak Hill to Goodnight Ranch
- New Rapid line connecting Oak Hill to south Austin

## Feedback

- Strong support for connecting East Austin to the mall
- Strong concern about removing service from a segment of West Gate
- Concerns about removing service from MoPac frontage
- Concerns that Rapid 803 is not being extended to Oak Hill and along Menchaca

## Adjustments

- Continue to operate on West Gate
- Adjust service along Convict Hill



Note: Map does not show all route concepts and displays recommendations for the 5+ Year Outlook.

# CENTRAL

## Proposal Highlights

- Bi-directional circulator in East Austin
- Discontinue service along 45th
- Combine Senior Routes operating along Cesar Chavez into one route with more service
- Adjust downtown routings to meet changing street network

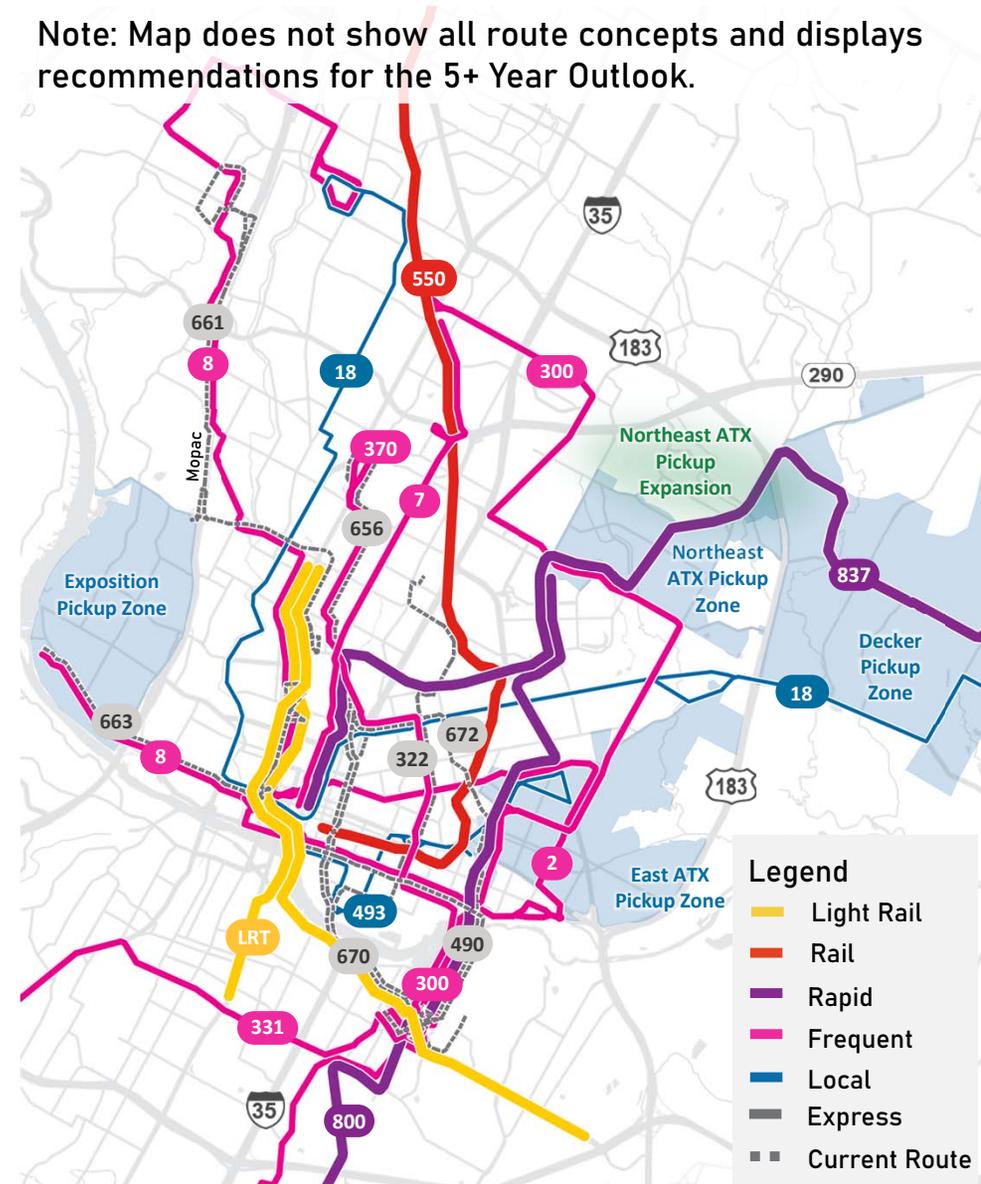
## Feedback

- Strong support for bi-directional circulator
- Better access to destinations in Mueller
- Request for Route 18 to operate further south in downtown
- Community input regarding Rapid 801 & 803 options with light rail

## Adjustments

- Minor routing adjustments near Mueller
- Route 18 will operate along 5<sup>th</sup>/6<sup>th</sup> in Downtown

Note: Map does not show all route concepts and displays recommendations for the 5+ Year Outlook.



# UT Shuttle Network

## Proposal Highlights

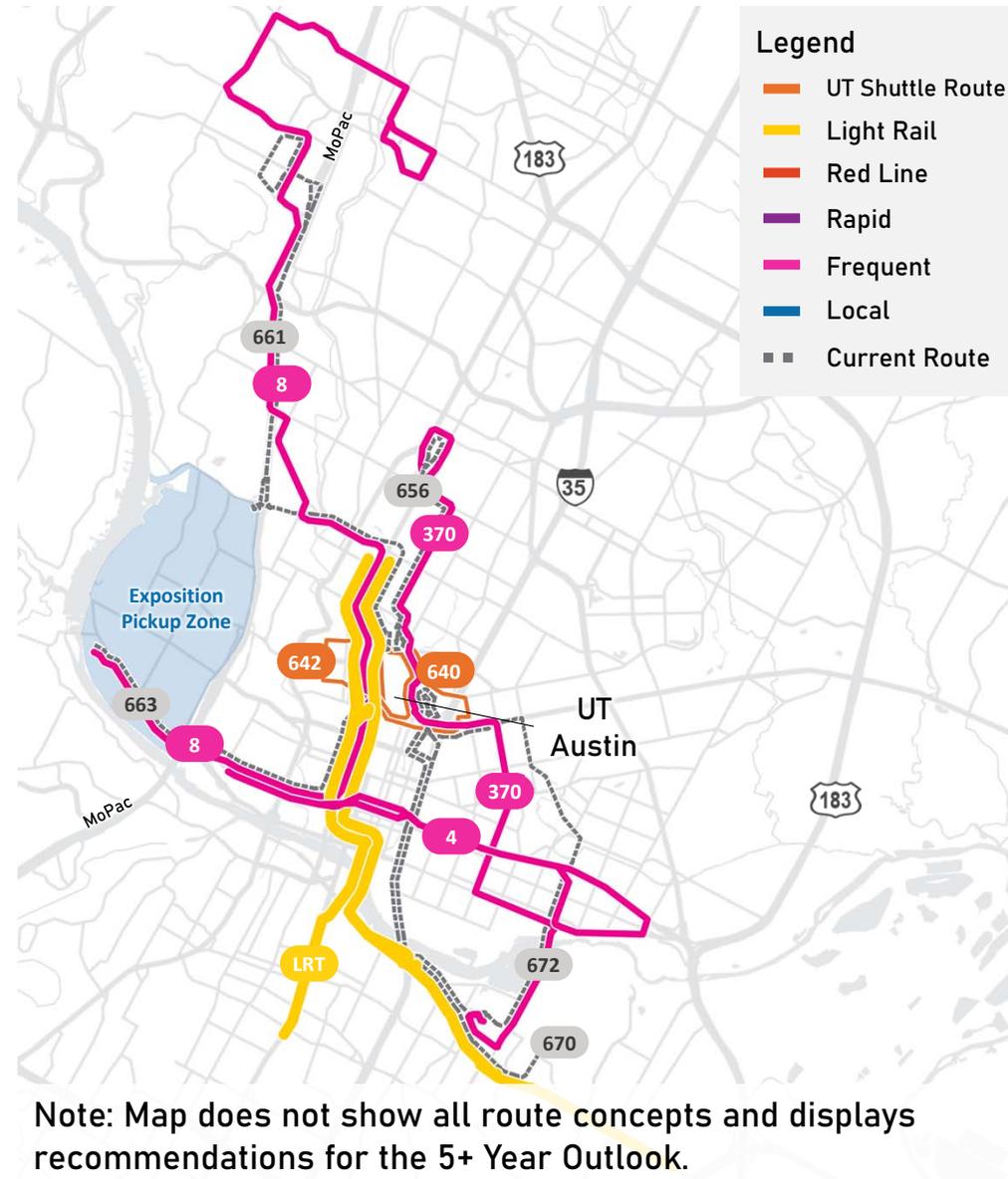
- Replace shuttle bus service with two new frequent mainline routes in 5-10 years
- Only 2 on-campus circulators remain

## Feedback

- Very positive
- Unanimous approval by UT Shuttle Bus Committee

## Adjustments

- None



# CapMetro Rail

## Proposal Highlights

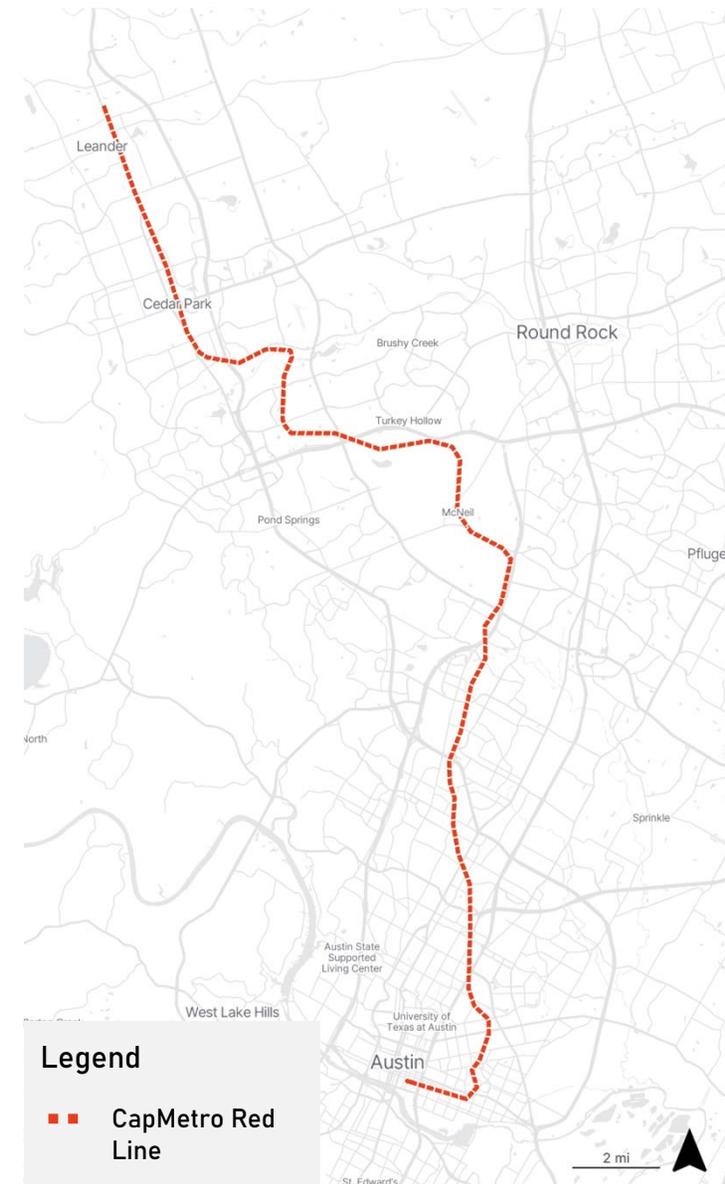
- Ongoing enhancements to reliability and speed of service
- Broadmoor Station opening near the Domain
- Improved connections with Rail at existing and upcoming stations
- Within the next five years, operate later on weekdays and earlier on Saturdays
- In 5-10-years, increase weekday and Saturday service to every 30-minutes

## Feedback

- Very positive
- Strong support for increased span and frequencies

## Adjustments

- None

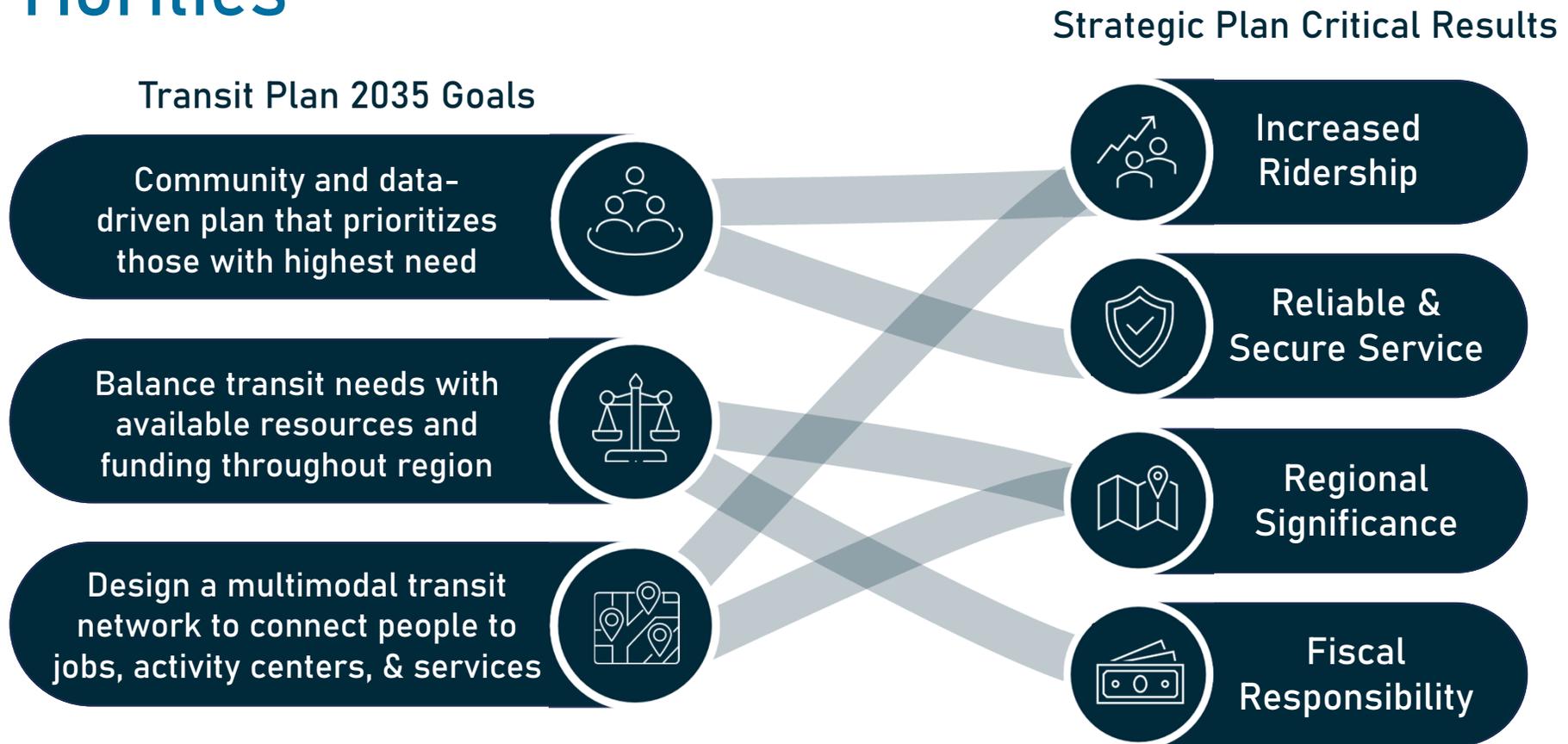


# Summary of Transit Plan 2035

✓ Supports CapMetro's goals	Grow ridership, ensure fiscal responsibility, and strengthen regional transportation role.
✓ Grounded in data & engagement	Informed by robust analysis and input from 10,000+ community members.
✓ Responsive to community needs	Aligns service with current travel patterns and prepares for Project Connect and regional growth.
✓ Phased & cost-effective	Near-term changes maximize limited resources; long-term plans align with CapMetro's operation of Austin Light Rail.

Next steps: Staff will return for board action to adopt the plan at the October 20<sup>th</sup> board meeting.

# Transit Plan Integrates with Other Organizational Priorities



**CapMetro**

**Thank you!**

[capmetro.org/transitplan2035](http://capmetro.org/transitplan2035)



# Capital Metropolitan Transportation Authority

2910 East 5th Street  
Austin, TX 78702

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Board of Directors

**Item #:** AI-2025-1606

**Agenda Date:** 9/22/2025

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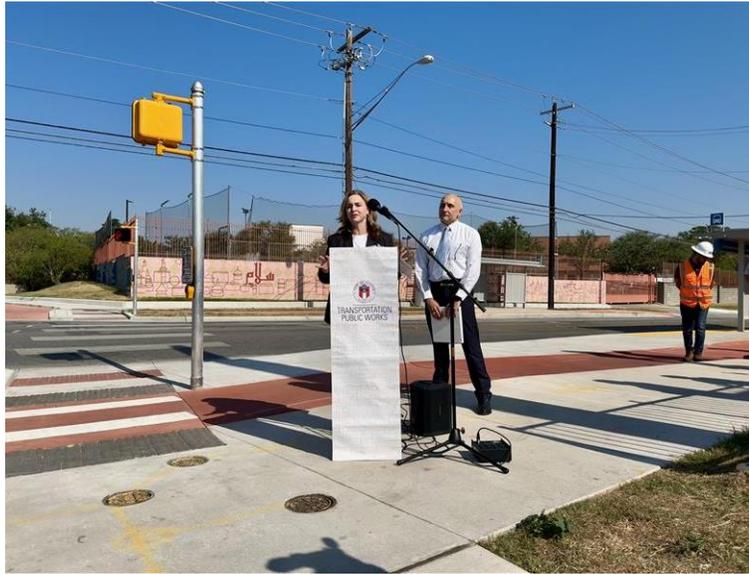
President and CEO Monthly Update - September 2025

CapMetro

# President's Report

September 2025

# CapMetro in the Community



# 51<sup>st</sup> & Manor Ribbon Cutting

# Awards and Recognitions



**MOVE YOUR CAREER FORWARD WITH CAPMETRO**

Are you ready to be part of a team that's changing the face of public transit in CapMetro, your career journey is filled with opportunities for growth, collaboration and making a meaningful impact on our community.

Here are a few benefits we offer:

- Paid training
- Competitive compensation
- Access to wellness centers & programs
- Career advancement opportunities
- Health, vision & dental plans
- Free transit for employees & family members

**THE PLACES YOU'LL GO** ALL AROUND

CapMetro

*The career you start here can change your life.*

EXPLORE OPEN POSITIONS AND START YOUR APPLICATION AT [CAPMETRO.ORG/JOB](https://www.capmetro.org/jobs)

**THE CAREER YOU START HERE CAN CHANGE YOUR LIFE**

Embark on a fulfilling career journey that makes a difference in the Austin community. At CapMetro, we're not just a transit agency; we're a community of passionate individuals dedicated to providing equitable, reliable and safe transit options for everyone. We offer fulfilling roles in several departments such as:

- IT
- ACCOUNTING
- BUS DRIVERS & MECHANICS
- MARKETING
- PLANNING
- & MORE!

Explore the diverse career paths of our current team:

**JO ANNE**

**Current title:**  
- Supervisor, Paratransit Eligibility & Customer Service, 2023 - Present

**Past Title:**  
- Community Engagement Coordinator

"CapMetro has supported my career by connecting me to all the different areas within CapMetro. Not once have I felt that I couldn't learn something new at any time."

**"I HAVE BEEN PEOPLE-FOCUSED MY ENTIRE CAREER, BREAKING BARRIERS AND HELPING TEAMMATES DO THE SAME FOR THE COMMUNITY."**

"CapMetro can break one of the biggest barriers communities face across the country. We provide transportation! Women leaders, people of color - so much representation and mentors to learn from and connect to."

**OLIVIA**

**Current title:**  
- Director, OCC & Training, 2022 - Present

**Past Titles:**  
- Bus Operator  
- Quality Assurance Specialist  
- Radio Dispatcher  
- Transportation Superintendent  
- Assistant Director of Transportation  
- Rail Analyst and Contract Oversight  
- Manager of Service Delivery

"I've always known CapMetro to embrace anyone that wanted to make a difference either in the community or professionally. Here you could do both."

**"CAPMETRO SUPPORTED MY GOAL TO FINISH MY DEGREE WITH THE TUITION REIMBURSEMENT PROGRAM."**

"Even when I didn't get a particular job, they saw my willingness to help and gave me a chance to challenge myself. There aren't many places where you can see the future. At CapMetro you can see the future in people, the community and technology. CapMetro has always adapted to the changing environment in support of the community and employees."

**MARCUS**

**Current title:**  
- Director of New Facilities, 2023 - Present

**Past Title:**  
- Technical Project Manager

"The work I have been assigned and types of projects seem to get more and more exciting and challenging. I previously thought that working on the Downtown Rail Station project would be hard to surpass, but that only served as a stepping stone on to other more exciting projects."

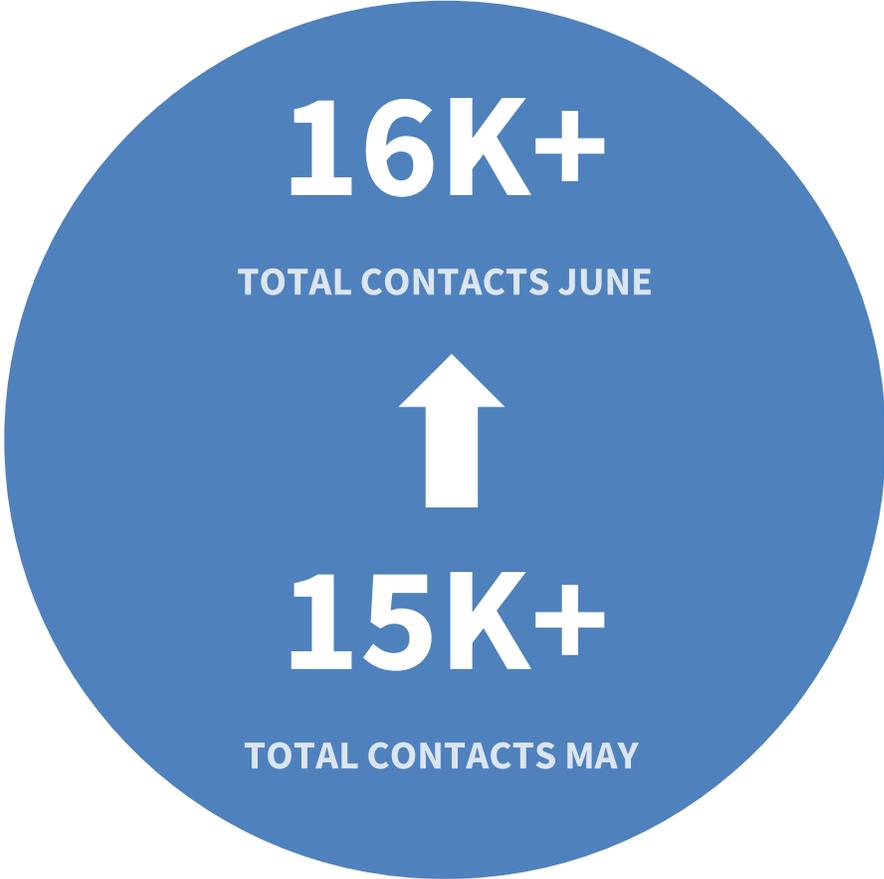
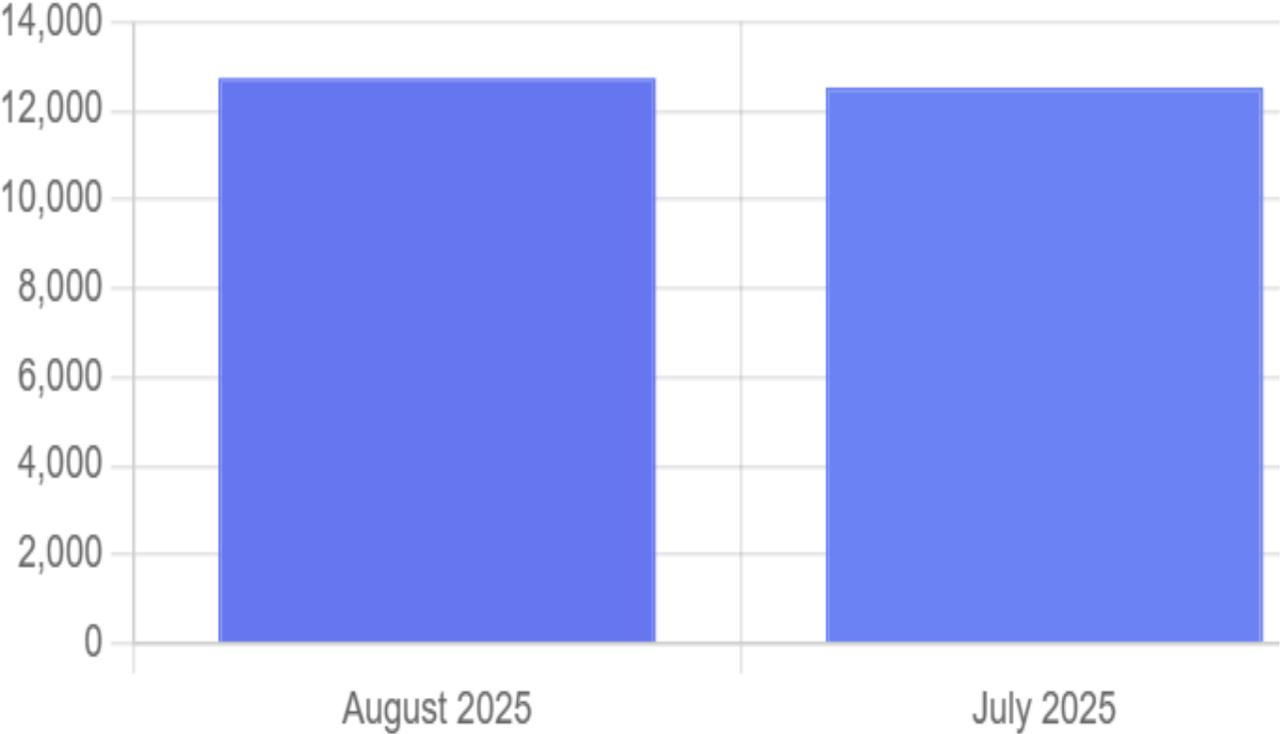
**"CAREER, KNOWLEDGE AND EXPERIENCE CONTINUE TO GROW HERE AT CAPMETRO."**

"The people at CapMetro are good to work with, and most staff seem to care about their work and want to do a good job."

287

# CapMetro Customer Care

Total Calls



# Where Dottie Has Been



# New Executive Staff Appointment



Kevin Conlan, EVP Chief Financial Officer

# CapMetro

# Thank You!

September 2025



# Capital Metropolitan Transportation Authority

2910 East 5th Street  
Austin, TX 78702

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Board of Directors

**Item #:** AI-2025-1607

**Agenda Date:** 9/22/2025

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Memo: 89<sup>th</sup> Texas Legislative Session Recap (September 4, 2025)

**To:** CapMetro Board of Directors  
**From:** Zane Barnes, Vice President, Government Affairs  
**Date:** September 4, 2025  
**Subject:** Recap on the 89<sup>th</sup> Regular Session of the Texas Legislature

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The purpose of this memo is to provide the Board of Directors with a summary of legislation enacted during the 89<sup>th</sup> Regular Legislative Session. This recap is not exhaustive but highlights bills that may be of particular interest to CapMetro. CapMetro's Chief Counsel will provide a memo to staff regarding the legislative effects of these measures.

Because of the breadth of legislation considered each session, we are highlighting select bills that have received significant public attention or are likely to generate further discussion as their implementation begins.

As a reminder, the Texas Legislature meets every two years in odd-numbered years for a 140-day regular legislative session. The 89<sup>th</sup> Legislature convened on January 14, 2025, and adjourned sine die on June 2, 2025.

By session's end, lawmakers introduced 8,719 bills (5,644 House Bills and 3,075 Senate Bills). Of these, 1,213 (619 House Bills and 594 Senate Bills) passed both chambers and were sent to the Governor. The Governor signed 1,045 bills into law, allowed 140 to become law without signature, and vetoed 28 bills. Most vetoed bills included a statement signaling the Governor's openness to reconsidering the issues in a future session.

Government Affairs staff will continue to monitor implementation of these new laws in concert with CapMetro's Chief Counsel, as well as related rulemaking and potential follow-up legislation. Additionally, the second special session adjourned on September 3<sup>rd</sup>. During this special session, redistricting legislation passed, which carries the potential to alter our congressional delegation. We are also closely tracking which legislation sent to the Governor ultimately becomes law or is vetoed. Government Affairs will keep the Board updated as these developments progress.

### **Selected Legislation Listing**

Each listing contains a hyperlink to the Texas Legislature Online, providing access to the bill text, history, and significant milestones that each piece of legislation followed during the 89<sup>th</sup> regular session. Legislation shown is grouped by topic category.

## Transportation & Infrastructure

**Senate Bill 1555 (Nichols)**: This bill establishes a dedicated grant program to support railroad grade separation projects aimed at improving public safety, traffic flow, and economic development. Grants may be awarded for railroad intersections and rail-pedestrian crossings, with funds eligible to serve as matching contributions for additional financial support. To ensure local commitment, at least 10% of project costs must come from non-state sources, and all grants require approval by the Texas Transportation Commission. This grant is funded by legislative appropriations and external gifts (donations) or grants, excluding the State Highway Fund. The Commission must adopt program rules by October 1, 2025. ***Effective Date: May 24, 2025***

## Procurement

**Senate Bill 1173 (Perry)**: This bill raises the procurement threshold requiring competitive bidding for school districts, municipalities, counties, emergency services districts, and other political subdivisions from \$50,000 to \$100,000. The bill makes conforming changes across the Education Code, Local Government Code, and Health and Safety Code. Municipalities must continue outreach to historically underutilized businesses for contracts between \$3,000 and \$100,000. Significantly, Section 451.110 of the Transportation Code is amended to exempt rapid transit authorities, such as CapMetro, from using competitive procurement methods for contracts at or below \$100,000. ***Effective Date: September 1, 2025***

## Open Meetings & Transparency

**House Bill 1522 (Gerdes)**: This bill extends the public notice requirements for governmental meetings from 72 hours to three business days before the scheduled meeting date. Additionally, this legislation requires the inclusion of the full budget in notices for meetings where budgets are discussed or adopted. ***Effective Date: September 1, 2025***

**House Bill 4214 (Curry)**: This bill revises the Texas public information law by amending the Government Code to improve transparency and streamline public information requests. Furthermore, it requires all governmental bodies to notify the Attorney General annually, by October 1, of their designated mailing and email addresses for receiving written requests. The Attorney General must then create and maintain a publicly accessible online database that lists this information for each governmental body, ensuring that citizens can easily locate the correct contacts for public information requests. ***Effective Date: June 20, 2025***

**Senate Bill 1062 (Bettencourt)**: This bill allows governmental entities to publish public notices in digital newspapers as an alternative to traditional print outlets. Existing print requirements remain unchanged, including minimum content, postal status, and 12 months of continuous publication. Digital newspapers must meet strict criteria, including a three-year operational history, an audited paid subscriber base, local staff, active coverage of community events, and weekly updates. ***Effective Date: May 15, 2025***

## Law Enforcement & Public Safety

**House Bill 2217 (Wharton)**: This bill creates a grant program within the criminal justice division to provide law enforcement agencies with funds to equip vehicles with bullet-resistant components.

Under this legislation, the criminal justice division is mandated to create comprehensive guidelines that include establishing eligibility criteria for applicants, outlining grant application procedures, determining grant amounts, and developing methods for evaluating applications and monitoring compliance with grant conditions. Importantly, any law enforcement agency that receives a grant must submit proof of the purchase and installation of the specified bullet-resistant features once they have utilized the grant funds. ***Effective Date: September 1, 2025***

**House Bill 4264 (Hefner)**: This bill establishes a grant program administered by the Criminal Justice Division of the Governor's Office to support full-time peace officers who hold a master proficiency certificate issued by the Texas Commission on Law Enforcement. Eligible officers, with the consent of their employing law enforcement agency, may apply for a grant of \$6,500, which must be awarded to the agency and used exclusively to increase the officer's compensation. Each officer may receive the grant only once, and the Criminal Justice Division is tasked with creating application, evaluation, and monitoring procedures.

***Effective Date: September 1, 2025***

## Technology & Artificial Intelligence

**House Bill 3512 (Capriglione)**: This bill extends existing cybersecurity training requirements by mandating that state agencies, local governments, and school districts also provide artificial intelligence (AI) training. For school districts, the cybersecurity coordinator must complete both trainings annually, while other employees are required to do so on a schedule determined in consultation with the coordinator. State agencies and local governments must identify employees and officials who use computers for at least 25 percent of their duties and ensure that these individuals complete both cybersecurity and AI training each year.

In addition, this legislation ties compliance directly to grant eligibility. Local governments must certify completion of the training when applying for grants; noncompliance will result in the repayment of awarded funds and ineligibility for new grants for a period of two years. To oversee program quality, the Department of Information Resources (DIR) is tasked with annually certifying at least five AI training programs of equal length to existing cybersecurity programs, focusing on practical applications of AI in government work and best practices for deployment. State agencies and local governments, as defined by the Texas Government Code, must verify and report completion, conduct periodic audits, and state agency strategic plans must now include certification of compliance with these requirements. Moreover, DIR is required to adopt the rules necessary to implement the AI training programs. ***Effective Date: September 1, 2025***

**Senate Bill 1964 (Parker)**: This bill establishes comprehensive regulations for the use of artificial intelligence (AI) systems within Texas governmental entities, including definitions, reporting requirements, ethical standards, and oversight mechanisms, to enhance transparency and accountability. This legislation defines “artificial intelligence systems”. It designates specific high-impact tools as “heightened scrutiny artificial intelligence systems,” meaning those that autonomously make significant decisions about access to government services. The bill refines the concept of a “controlling factor” to emphasize AI’s role in determining service outcomes.

Furthermore, state agencies are required to inventory all AI systems in use, including heightened scrutiny systems, and report their functions, purposes, and risks to the Department of Information Resources (DIR). They must also certify compliance with new AI ethics standards and applicable legal requirements. To guide deployment, a statewide code of ethics will be established in alignment with national risk management frameworks, and an Advisory Board appointed by the governor will assist in implementation.

Additionally, this legislation mandates regular impact assessments of AI systems, focusing on risks of unlawful harm, fairness, and system limitations. It also establishes a confidential complaints mechanism for citizens to raise concerns regarding government AI use.

**Effective Date: September 1, 2025**