



Agenda - Final revised
Capital Metropolitan
Transportation Authority
Board of Directors

2910 East 5th Street
Austin, TX 78702

Monday, August 25, 2025

12:00 PM

Rosa Parks Boardroom

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. Action Items:

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

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.
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.
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.
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.
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 and related cost obligations for the Austin Convention Center expansion project, generally located within Fourth Street between Trinity Street and Interstate Highway 35, Austin, Travis County, TX 78701.
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.
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.

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.

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. Memos:

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

1. Memo: Proposed January 2026 Service Changes (August 5, 2025)
2. Memo: FY2025 Financial Report - June 2025 (August 22, 2025)

X. Items for Future Discussion:

XI. Adjournment

ADA Compliance

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

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

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



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2021-189

Agenda Date: 3/28/2022

Customer Satisfaction Advisory Committee (CSAC)

Capital Metropolitan Transportation Authority
Customer Satisfaction Advisory Committee (CSAC)
Wednesday, August 13, 2025
6:00 PM
Virtual Presentation

CapMetro Employees: Brian Alejandro, Peter Breton, Licelda Briones, Kevin Conlan, Katheryn Cromwell, Kelsey Lammy.

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

Guests: Ruven Brooks, Manuel Berry, Pedro Hernandez Jr.

Meeting called to order at 6:00 PM

Welcome / Introductions / Call to Order
Chair Foster

Approval of the June 2025 Minutes - Arlo Brandt / 2nd by Diana Wheeler – passes unanimously.

Public Communications

Fangda Lu, David Foster, Kaity Cromwell, Peter Breton, and Brian Alejandro provided public communications.

FY2026 Budget Review

Kevin Conlan, Deputy CFO

Participated in Discussion / Q&A:

Ruven Brooks, Kevin Conlan, Nelson Lin.

Transit Plan 2035 - Draft Recommendations

Katheryn Cromwell, Regional Transit and Mobility Planner

Peter Breton, Sr. Community Engagement Coordinator

Participated in Discussion / Q&A:

Ruven Brooks, Kaity Cromwell, Peter Breton, David Foster, Fangda Lu, Pedro Hernandez, Nelson Lin.

Staff Updates

Community Engagement

Meeting adjourned at 7:11 PM



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2021-190

Agenda Date: 3/28/2022

Access Advisory Committee

Capital Metropolitan Transportation Authority

Access Advisory Committee

Wednesday, August 6, 2025

5:30 PM

Virtual Presentation

CapMetro Employees: Peter Breton, Licelda Briones, Kevin Conlan, Lawrence Deeter, Linda English, Louise Friedlander, Art Jackson, Martin Kareithi, Kelsey Lammy, Julie Lampkin, Emma Martinez, Randy Slaughter, Sara Sanford, Kris Turner.

Committee Members: Andrew Bernet, Glenda Born, Audrea Diaz, Otmar Foehner, Mike Gorse, Paul Hunt, Ricardo Leon, Steven Salas.

Supporting Staff: Chris Westbrook, Emma Fricker.

Guests: Henry Maxwell.

Meeting called to order at 5:35 PM

Welcome / Introductions / Call to Order

Chair Hunt

Approval of the minutes; Glenda Born / 2nd by Mike Gorse – Passes Unanimously.

Public Communications

Participated in Public Communications:

Audrea Diaz, Julie Lampkin, Paul Hunt.

FY2026 Budget Review

Kevin Conlan, Deputy CFO

Participated in Discussion / Q&A:

Paul Hunt, Glenda Born, Peter Breton, Art Jackson.

Transit Plan 2035 - Draft Recommendations

Emma Martinez, Senior Planner

Peter Breton, Sr. Community Engagement Coordinator

Participated in Discussion / Q&A:

Glenda Born, Martin Kareithi, Andrew Bernet, Mike Gorse, Audrea Diaz.

Staff Updates

Capital Projects

Community Engagement

Meeting adjourned at 7:04 PM



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2022-329

Agenda Date: 1/24/2022

Public Safety Advisory Committee (PSAC)



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2025-1579

Agenda Date: 8/25/2025

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



Minutes

Capital Metropolitan Transportation Authority

Board of Directors

2910 East 5th Street
Austin, TX 78702

Monday, July 28, 2025

12:00 PM

Rosa Parks Boardroom

I. Call to Order

12:00 p.m. Meeting Called to Order

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

II. Safety Briefing:

III. Public Comment:

Tenil Adams, Stanley Nelson Moore, Sr., Carlos Leon, Joshua Maloney, JJ Ramirez, Lily Hughes, Sherri Taylor, Victoria Loonstyn-Barone, Zenobia Joseph, and John Torres 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

No meeting was held this month so no report was given.

4. Austin Transit Partnership Update

This month's ATP Board meeting will be held on Wednesday, July 30th.

VI. Consent Items:

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

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

Away: Stratton

1. Approval of minutes from the June 23, 2025 board meeting.
2. Approval of a resolution appointing Dominic DeNiro to the Customer Satisfaction Advisory Committee.
3. Approval of a resolution appointing Joseph El Habr to the Project Connect Community Advisory Committee (CAC).
4. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute an Interlocal Agreement with the Center for Urban Transportation Research (CUTR) for conducting a comprehensive evaluation of CapMetro's bus operator training program with a base term of one year, with no option years, in a total amount not to exceed \$49,789.
5. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with Converging Technologies, LLC for Genetec software license and support for a term of five (5) years in an amount not to exceed \$1,452,103.
6. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract modification with RSM US LLP for external auditing services to add \$450,000 and extend the term by six (6) months from October 1, 2025 to March 31, 2026 for a new contract total of \$1,719,774.

VII. Action Items:

1. Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with DLT Solutions, LLC to provide Oracle Fusion Cloud Licensing renewal in support of our Oracle Enterprise Resource Planning (ERP) system, with a base term of one (1) year and three (3) option years, in a total amount not to exceed \$2,886,858.

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

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

Away: Stratton

VIII. Discussion Items:

1. Update on CapMetro Ridership.

IX. Report:

1. President and CEO Monthly Update - July 2025

X. Items for Future Discussion:

XI. Adjournment

1:59 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.

Board of Directors

Item #: AI-2025-1577

Agenda Date: 8/25/2025

SUBJECT:

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.

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: This appointment ensures that CapMetro is in compliance with its investment policy.

BUSINESS CASE: There is a vacancy on the CapMetro Investment Committee. This appointment ensures that CapMetro is in compliance with its investment policy by having a complete Investment Committee.

COMMITTEE RECOMMENDATION: This item will be presented to the full board on August 25, 2025.

EXECUTIVE SUMMARY: CapMetro's investment policy provides for the delegation of authority to invest CapMetro funds and the execution of any documentation necessary to evidence the investment of CapMetro funds to the investment advisory firm under the current contract (PFM Asset Management LLC) and those CapMetro personnel authorized as investment officers. The policy further provides that CapMetro's Board of Directors will designate in writing those CapMetro personnel serving as investment officers and authorized to invest on behalf of CapMetro. These designated investment officers shall perform their duties in accordance with the investment policy adopted annually by the Board of Directors. The investment officers form an investment committee that meets quarterly with the investment advisory firm to review performance results. The investment policy dictates the type of investments that can be made and the maximum percentages of the portfolio for each type of investment. Decisions on how to invest CapMetro's funds are made with the advice of the investment advisory firm and concurrence from the investment committee.

There is currently a vacancy on the committee and this item will appoint Kevin Conlan, Interim Executive Vice President and Chief Financial Officer, to the committee.

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-2025-1577

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors is required by CapMetro's investment policy to designate in writing investment officers to invest on behalf of CapMetro with the advice of CapMetro's investment advisory firm under contract.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that Kevin Conlan, Interim Executive Vice President and Chief Financial Officer, is hereby appointed as an investment officer to the CapMetro Investment Committee and is authorized to withdraw, invest, reinvest and accept payment with interest consistent with the investment policy.

Date: _____

**Secretary of the Board
Becki Ross**

Board of Directors

Item #: AI-2025-1514

Agenda Date: 8/25/2025

SUBJECT:

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.

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: Our investment in ServiceNow directly supports our overarching strategic aims: to significantly increase operational efficiency across the organization and to bolster our digital presence. ServiceNow achieves this by offering robust capabilities for real-time project tracking, allowing management to keep a close eye on milestones and deliverables. Crucially, its integrated reporting and analytics features enable the early identification of bottlenecks and dependencies, empowering teams to address challenges before they escalate. This translates into more streamlined operations, quicker digital transformations, and ultimately, a more agile and responsive organization.

BUSINESS CASE: CapMetro currently owns licenses for ServiceNow applications. We would like to renew the license and support of this system as this is one of the critical systems for operations and would need it for tracking service tickets and projects. Currently we have 120 Fulfiller licenses and 100 Business Stakeholder licenses. With the growing need for project management across the agency, we will need 502 Business Stakeholder licenses, 50 SPM (Strategic Portfolio Management) and 120 Fulfiller licenses.

COMMITTEE RECOMMENDATION: The item will be presented to the full board on August 25, 2025.

EXECUTIVE SUMMARY: Our continued use of ServiceNow is key to making us more efficient and improving our digital services. It helps us track projects in real-time and find problems early, leading to smoother operations.

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

PROCUREMENT: The contract will utilize the Department of Information Resources (DIR) contract, DIR-CPO-5175, held by Carahsoft Technology Corporation to re-sell ServiceNow software products. DIR 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 DIR contracts satisfy otherwise applicable competitive bidding requirements. Pricing for ServiceNow IT Service Management Systems software licensing subscription was determined to be fair & reasonable by DIR's organization during its solicitation and award process.

The following is Carahsoft Technology Corporation's pricing for ServiceNow software licensing subscription, for one (1) base year and two (2) one-year options:

Description	Pricing
Base Year - ServiceNow Software Licensing Subscription (9/30/25 - 9/29/26)	\$298,198.
Option Year 1 - ServiceNow Software Licensing Subscription (9/30/26 - 9/29/27)	\$298,198.
Option Year 2 - ServiceNow Software Licensing Subscription (9/30/27 - 9/29/28)	\$298,198.
Total for Base and Option Years:	\$894,594.

The contract is a firm fixed price type contract.

RESPONSIBLE DEPARTMENT: Information Technology

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

**STATE OF TEXAS
COUNTY OF TRAVIS**

AI-2025-1514

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors (and/or CapMetro Management) recognize the need to significantly increase operational efficiency across the organization and to bolster our digital presence; and

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors (and/or CapMetro Management) recognize the need to renew the license and support of the ServiceNow system and increase the license count by purchasing 502 Business Stakeholder licenses, 50 SPM (Strategic Portfolio Management) licenses and 120 Fulfiller licenses.

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 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.

Date: _____

**Secretary of the Board
Becki Ross**

Board of Directors

Item #: AI-2025-1547

Agenda Date: 8/25/2025

SUBJECT:

Approval of a resolution authorizing the President & CEO, or her designee, to finalize and execute a contract with the Texas Department of Information Resources (DIR), to renew Salesforce Marketing and Data Cloud Licensing for a term of one (1) year, in a total amount not to exceed \$344,236.

FISCAL IMPACT:

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

STRATEGIC PLAN:

Strategic Goal Alignment:

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

EXPLANATION OF STRATEGIC ALIGNMENT: The Salesforce Customer Relationship Management (CRM) system allows CapMetro to centrally manage customer information. This will allow CapMetro to build customer service excellence by delivering innovative and continuous solutions to customer 360 needs. This will build CapMetro’s brand reputation as an organization that is easily reachable, listens, and provides value to the community while at the same time providing customer service excellence. Example: Continued effort will enable a targeted outreach to ~250,000 riders across our services or for the improvement of follow-up on Rate My Ride feedback.

BUSINESS CASE: CapMetro has implemented the Salesforce Service Cloud system for customer case management, known as Customer Comment Reports (CCRs). In 2024, CapMetro acquired the Salesforce Data & Marketing Cloud application to aggregate and centralize customer information for tailored outreach and communication and provide customers with a seamless, more personalized, satisfying experience with the CapMetro brand. Salesforce is a customer relationship management (CRM) technology designed to help CapMetro stay better connected to customers, streamline processes, and provide customers and potential customers the best customer experience possible.

COMMITTEE RECOMMENDATION: The item will be presented to the full board on August 25, 2025.

EXECUTIVE SUMMARY: CapMetro has implemented the Salesforce service cloud system for customer case management and Data Cloud to further provide better customer knowledge toward building a customer 360

profile. This contract funds the next phase of our build-out towards Vision 2030, building on the foundational work already completed. CapMetro is expanding the implementation of Salesforce Marketing Cloud to the Data Cloud to aggregate and centralize customer information for tailored outreach and communication, provide customers with a seamless and a more personalized, satisfying experience with the CapMetro brand. CapMetro procured Salesforce technology and implementation services from the State of Texas Department of Information Resources Share Technology Services and this contract award will provide an additional module to support CapMetro’s enterprise customer relationship management strategy.

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

PROCUREMENT: CapMetro will utilize the Texas Department of Information Resources (DIR) Interlocal Contract No. DIR-SS-ILC0030 held by DIR and CapMetro for Shared Technology Services and DIR Contract DIR-CPO-5687, to renew Salesforce Marketing and Data Cloud Licensing for one (1) year.

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

The fixed price amount for a one (1) year licensing renewal is as follows:

Description	Amount
Salesforce Marketing and Data Cloud Licensing Renewal	\$344,236.

RESPONSIBLE DEPARTMENT: Information Technology

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

**STATE OF TEXAS
COUNTY OF TRAVIS**

AI-2025-1547

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors (and/or CapMetro Management) recognize the need to expand the implementation of Salesforce Marketing Cloud to the Data Cloud to aggregate and centralize customer information for tailored outreach and communication, provide customers with a seamless and a more personalized, satisfying experience with the CapMetro brand.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the President & CEO, or her designee, is authorized to finalize and execute a contract with the Texas Department of Information Resources (DIR), to renew Salesforce Marketing and Data Cloud Licensing for a term of one (1) year, in a total amount not to exceed \$344,236.

Date: _____

**Secretary of the Board
Becki Ross**

Board of Directors

Item #: AI-2025-1563

Agenda Date: 8/25/2025

SUBJECT:

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.

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: Employee Life and Disability benefits are offered as a part of the total benefit package for Capital Metropolitan Transportation Authority. The Total Compensation Philosophy is to maintain benefits and compensation at the 50th percentile in relation to the external marketplace. This allows Capital Metro the ability to hire and retain employees reassuring their satisfaction with benefits provided as part of their total compensation.

BUSINESS CASE: This contract is to provide basic life, accidental death and dismemberment, long-term and short-term disability insurance (including leave administration services), and other Voluntary benefits (employee paid), which are provided by Capital Metro to our employees. This also allows for employees to purchase additional life and long-term disability buy-up insurance and other voluntary benefits such as Accident and Critical Care. This is a part of the benefit package offered to employees to remain competitive with other local public and private employers.

COMMITTEE RECOMMENDATION: This item will be presented to the full board on August 25, 2025.

EXECUTIVE SUMMARY: The current contract and all option years for Life, AD&D, disability insurance and FMLA Administration for Capital Metro employees expires on December 31, 2025. The proposed insurance contract

will provide the following benefits:

- Basic Life and AD&D insurance equal to the employee's annual base salary (\$40,000 minimum)
- Short term disability insurance with a 14-day waiting period with a benefit payment of 60% of weekly earnings up to \$1,000 a week.
- Long term disability insurance with a 90 day waiting period with a benefit payment of 50% of monthly earnings up to \$5,000 a month.
- Voluntary Long-term Disability Buy-Up benefits
- FMLA Administration
- Voluntary & Additional Life Insurance Products

Other voluntary benefits including employee, spouse and child life insurance and long-term disability buy-up insurance are offered to employees and paid through payroll deductions. FMLA administration is included as part of the contract.

A 12% contingency is included in the contract based on assumed headcount growth and merit-based salary increases.

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

PROCUREMENT: On June 20, 2025, a Request for Proposals was issued and formally advertised. By the due date of July 7, 2025, four proposals were received. The proposal from Hartford Life and Accident Insurance Company was determined to be the best value to the Authority, price and other factors considered. The resulting contract will be a fixed price contract. The term of the contract shall be for a one-year base period and two (2) option periods of 12 months each, for a total not-to-exceed amount of \$3,363,839 for three (3) years, which includes a contingency of 12%.

RESPONSIBLE DEPARTMENT: People and Culture

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

**STATE OF TEXAS
COUNTY OF TRAVIS**

AI-2025-1563

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and Capital Metro management endeavor to continue providing life, accidental death and dismemberment insurance, disability benefits, FMLA administration and other voluntary benefits to employees.

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 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 Capital Metro, and voluntary life, long term disability buy up, accident, whole life and critical illness, paid by employees in an amount not to exceed \$3,363,839 which includes contingency of 12% for headcount growth and merit increases.

Date: _____

**Secretary of the Board
Becki Ross**

Hartford Life and Accident Insurance Company: Life/AD&D Insurance, Disability, Leave Administration and Voluntary Benefits for CapMetro Direct Employees

- To support recruitment and retention of CapMetro’s workforce and maintain continuity of benefits, it’s requested that the Board approve the contract with Hartford Life and Accident Insurance Company effective January 1, 2026.
- Current contract with Unum expires on December 31, 2025
- The \$3,363,839 contract amount is for 1 base year and 2 option years and includes a 12% contingency for headcount and salary growth
- This is a \$804,039 decrease from the current estimate.

Employer Paid Benefits (60% of overall cost)	Employee Paid Benefits (40% of overall cost)
Basic life and AD&D insurance	Voluntary life insurance
Long-term disability	Long-term disability buy-up
Short-term disability	Voluntary hospital, accident and critical illness
FMLA and disability leave administration	

Board of Directors

Item #: AI-2025-1497

Agenda Date: 8/25/2025

SUBJECT:

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.

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 interlocal agreement aims to help CapMetro achieve its mission of enhance and serve the region and its communities through the responsible delivery of high-quality public transportation by providing a desirable, safe and accessible option for people to access the new Broadmoor Red Line station and the City of Austin’s Red Line Trail.

BUSINESS CASE: The agency has evaluated this proposed pedestrian and bicycle crossing and determined an interlocal agreement serves a public purpose by supporting Red Line ridership for residents who plan to use the City’s Red Line Trail located adjacent to the Red Line.

COMMITTEE RECOMMENDATION: The item will be presented to the full board on August 25, 2025.

EXECUTIVE SUMMARY: Staff is requesting a resolution from the Board of Directors to finalize and execute an interlocal agreement for design of a new at-grade bicycle and pedestrian crossing at the Red Line and Solaris Drive with constant warning systems, positive train control warnings, and civil work services including, but not limited to, a new aluminum crossing house within the Rail Right-of-Way, new highway-rail grade crossing constant warning system with new crossing gate mechanisms, new double-sided railroad crossbucks, new electronic crossing bells and associated components, new crossing devices to be integrated with existing Positive Train Control Systems, and an exit swing gate on each side for pedestrian exits. As consideration for CapMetro’s design of the crossing, the City will reimburse CapMetro in a total amount not to exceed \$671,000.

This effort is consistent with CapMetro's Red Line Trail study and guidelines for safe integration of bike and pedestrian facilities into commuter rail systems.

DBE/SBE PARTICIPATION: Does not apply

PROCUREMENT: Does not apply.

RESPONSIBLE DEPARTMENT: Strategic Planning

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

**STATE OF TEXAS
COUNTY OF TRAVIS**

AI-2025-1497

WHEREAS, the City of Austin intends to create an at-grade pedestrian and bike path crossing over the Giddings -Llano Line within the portion of the Railroad Right-of-Way located at milepost 66.82 in Austin, Texas, and connecting to the City's regional Red Line Trail; and

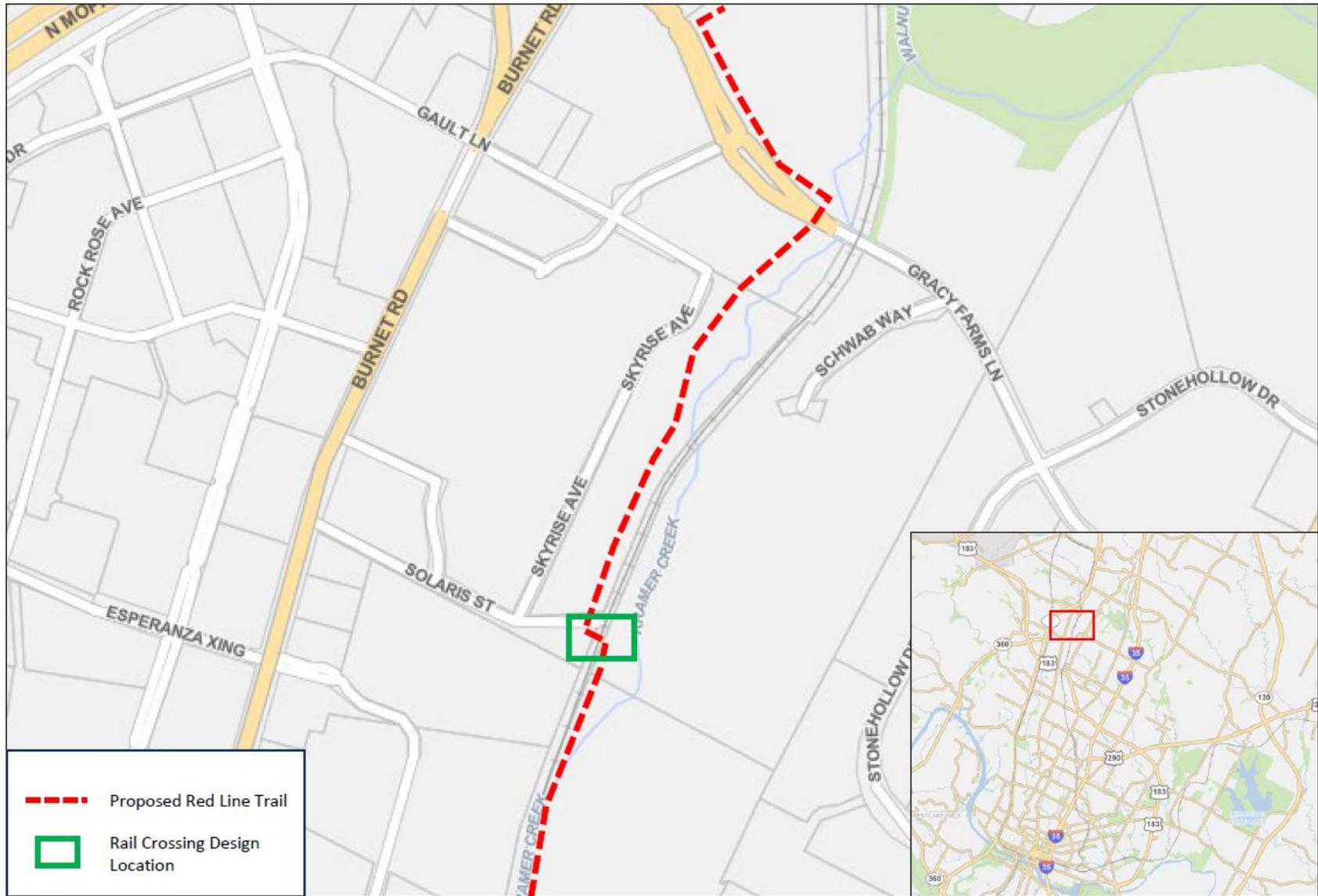
WHEREAS, the City has requested CapMetro services for the design of the crossing and the City will reimburse CapMetro as further set forth herein; and

WHEREAS, the City and CapMetro intend to enter into an interlocal agreement setting out the terms and conditions for the design of the crossing.

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 City of Austin for the design of a pedestrian and bicycle crossing located at the intersection of Solaris Street and the Red Line, with the City of Austin reimbursing CapMetro for the design services in a total amount not to exceed \$671,000.

Date: _____

**Secretary of the Board
Becki Ross**



INTERLOCAL COOPERATION AGREEMENT

BETWEEN

THE CITY OF AUSTIN AND CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY

(BROADMOOR PATH)

This Interlocal Cooperation Agreement (this “Agreement”) is made and entered into by and between the **City of Austin, Texas**, a Texas home-rule city and municipal corporation (the “City”) and **Capital Metropolitan Transportation Authority** (“CapMetro”), a political subdivision of the State of Texas organized and existing under Chapter 451 of the Texas Transportation Code, upon the premises and for the consideration stated herein. The City and CapMetro are referred to in this Agreement individually as a “Party” and collectively as the “Parties”.

- A. **WHEREAS**, CapMetro maintains 162 miles of railroad right-of-way (“Railroad ROW”) including the track, track support structures and the real property in the counties of Bastrop, Burnet, Lee, Llano, Travis and Williamson, Texas (collectively, the “Giddings-Llano Line”).
- B. **WHEREAS**, the City intends to create an at-grade pedestrian and bike path crossing over the Giddings-Llano Line within the portion of the Railroad ROW located at milepost 66.82, in Austin, Texas as described in Exhibit “A” attached hereto (the “Crossing Area”) and connecting to the City’s regional Red Line Trail (the “Crossing”).
- C. **WHEREAS**, the Crossing requires the design of a new at-grade crossing with constant warning systems, Positive Train Control integration and civil work services including but not limited to a (6’ x 6’) aluminum crossing house that must fit within the Railroad ROW, highway-rail grade crossing constant warning system with crossing gate mechanisms, double-sided railroad crossbucks, electronic crossing bells and associated components, crossing devices to be integrated with existing Positive Train Control Systems, and an exit “swing” gate on each side for pedestrian exits (the “Design”).
- D. **WHEREAS**, the City has requested CapMetro’s services for the Design of the Crossing, and the City will reimburse CapMetro as further set forth herein.
- E. **WHEREAS**, the Parties intend to conform to this Agreement in all respects with the Interlocal Cooperation Act, Texas, Government Code Section 791.001, et seq.;

NOW, THEREFORE, the Parties agree as follows:

1. Term and Termination.

- a. The Effective Date of this Agreement shall be the date of the last party to sign this Agreement. This Agreement shall commence on the Effective Date and terminate upon completion of the obligations of the Parties, unless terminated early in accordance with this Agreement.
- b. Any Party may terminate this Agreement early by providing the other Party at least sixty (60) days’ written notice.

2. Party Representatives.

- a. The Executive Vice President, Chief Strategic Planning and Development Officer will act on behalf of CapMetro with respect to the Design, coordinate with the City, receive and transmit information and instructions, and will have complete authority to interpret and define CapMetro's policies and decisions with respect to the Design. CapMetro will designate a CapMetro Project Manager and may designate other representatives to act on behalf of CapMetro with respect to the Design.
- b. The City's Public Works Department Director (the "City's Public Works Director") will act on behalf of the City with respect to the Design, coordinate with CapMetro, receive and transmit information and instructions, and will have complete authority to interpret and define the City's policies and decisions with respect to accessibility improvements, pedestrian infrastructure, and the Design. The City's Public Works Director may designate a City Urban Trails Project Manager and may designate other representatives to act on behalf of the City with respect to the Design. The City's Public Works Director may designate Public Works Project Managers for the Design. The Public Works Project Managers will manage the status, scope, schedule, and budget information of such for the City. Additionally, the City's Public Works Director may designate Public Works Inspectors for the inspection of infrastructure against City approved plans.

3. Responsibilities of the Parties.

- a. CapMetro will:
 - i. As applicable, develop, procure, and manage the Design, including (i) engineering design, drawings, plans and specifications, bid and contract documents necessary for the Design, (ii) surveying and geotechnical engineering, (iii) coordinating with the City to allow the City to review the design, and (vii) coordinating with the City to obtain the City's acceptance of the completed design (the "Work"). It is agreed that CapMetro shall have absolute approval authority over the final design of the Crossing;
 - ii. Oversee the solicitation of a contract (via a request for qualifications) for the engineering design;
 - iii. Ensure design, drawings, plans and specifications comply with all applicable federal, state, and local laws, rules, and regulations. The plans and specifications must comply with the CapMetro Transit Design Guide and/or CapMetro Design Criteria Manuals;
 - iv. Be responsible for procuring all engineering design and other professional services required for design. CapMetro will select and contract for professional services with the most highly qualified engineering consultant in accordance with the requirements of Chapter 2254 of the Texas Government Code. The City's responsibility for the cost of engineering the Design will be included in the costs described below in Section 6;
 - v. Provide the City with an accounting of payments for the Improvements and will make its records available at reasonable times to the City's auditors.

- vi. Timely pay contractor-submitted invoices for the Design in accordance with the Texas Prompt Payment Act, Chapter 2251 of the Texas Government Code; and
 - vii. Obtain the written approval of the City for all change orders affecting the Design.
- b. The City will provide:
- i. Review of submitted plans and specifications by providing any comments within ten (10) business days of receipt of the initial submittal for completeness check, twenty-one (21) business days of receipt of the initial formal submittal for design review, fourteen (14) business days of receipt of any resubmittals of the initial submittal, and work in good faith to resolve any outstanding issues in a timely manner;
 - ii. Review of any applicable permit applications required and work in good faith to resolve any outstanding issues;
 - iii. Reporting of any deficiencies observed in the design immediately to CapMetro's Project Manager with an additional written report within two (2) business days; and
 - iv. Attendance of City personnel and applicable City contractors at meetings at the request of CapMetro's Project Manager, including monthly meetings related to the Safety and Security Certification process, as applicable.
- c. The Parties will participate in joint review meetings, as necessary, with representatives from all affected City and CapMetro departments to avoid and resolve conflicts in review comments. The Parties will provide a designated review team to expedite the review process for their respective portions of the Design. CapMetro agrees that it is the responsibility of its design engineers and consultants to design to the applicable design standards and only participate in joint meetings when design standards cannot be met. In such meetings, CapMetro agrees that it is the responsibility of its design engineers and consultants to provide suggested solutions to the identified conflicts for discussion and that the City, through a designee of City's Public Works Director, will participate to provide advice and guidance as required to achieve a timely resolution of any conflict.
4. **Bond and Guarantee. NOT USED.** This Agreement pertains to the design of the Crossing only. Any requirements related to performance and payment bonds (to be obtained from the construction contractor in accordance with Chapter 2253 of the Government Code) will be addressed in a future agreement between the Parties regarding the construction.
5. **Maintenance Responsibilities. NOT USED.** This Agreement provides for the design only. Maintenance responsibilities of the structure to be built will be provided for in a future agreement between the Parties regarding the construction.

6. **Ownership of Design Professional's Instruments of Service and Intellectual Property Rights.** Both Parties shall co-own the design, and all Instruments of Service as that term is defined in CapMetro's agreement with its design consultant or "Contractor." CapMetro shall ensure the transfer and assignment to the City of all Instruments of Service.

7. **Financial Obligations.**

- a. The City shall be responsible for the entire cost of designing, constructing and maintaining the Crossing, including but not limited to costs associated with engineering services, permits, application fees, and RWIC charges, except as provided in subsection (b) below.
- b. CapMetro shall be responsible for the cost of maintaining the railroad tracks and the area within a two (2)-foot distance of the railroad tracks within the Crossing Area.
- c. The City shall reimburse CapMetro, in accordance with this section, up to \$671,000 for costs incurred by CapMetro for the Design set out on the attached **Exhibit B**.
- d. The funding limits set out in Section 6.a. above are based on engineering estimates for Design costs at the time of the execution of this Agreement. Any additional City reimbursement funding will require the approval of Austin City Council and a written amendment of this Agreement executed by both parties.
- e. CapMetro will submit (not more frequently than monthly) to the City a written request for reimbursement for its reimbursable costs for the Design. Each reimbursement request shall designate the services to which the reimbursement pertains and shall, if applicable, include the applicable contractor invoices and other supporting documentation for such improvements. If City determines that the amount payable to CapMetro is the same as the amount submitted by CapMetro, the City will reimburse CapMetro within thirty (30) calendar days after the receipt of the reimbursement request. If the City determines that the amount owing to CapMetro is less than the amount submitted by CapMetro, the City will: (i) work diligently and in good faith to notify CapMetro of the discrepancy within ten (10) business days of Capital Metro's submittal to the City; (ii) provide CapMetro with all supporting documentation upon which the discrepancy is based; and (iii) work diligently and in good faith to resolve the discrepancy within the ensuing fifteen (15) business days.

8. **Default.** A Party shall be in default under the Agreement if it fails to fully, timely and faithfully perform any of its material obligations which are expressly stated in the Agreement, and such failure continues 60 days after the non-defaulting party has given notice and an opportunity to cure to the party alleged to be in default, unless the Parties agree to a different resolution before the end of the 60-day period. In the event of default, the non-defaulting party may pursue all available legal and equitable remedies, subject to the dispute resolution procedure set forth in Section 8 of this Agreement.

9. **Dispute Resolution. NOT USED/Intentionally Omitted.**

10. **Liability.** To the extent allowed by Texas law, the City and CapMetro agree that each entity is responsible for its own proportionate share of any liability for its negligent acts or omissions. In addition, the design consultant and construction contractor shall be required to provide worker's compensation insurance, auto liability, and general liability insurance in the standard amounts required by the City. The City and CapMetro will be included as additional insureds on the general liability and auto insurance policies and a waiver of subrogation will be provided on the auto liability, general liability, and worker's compensation coverages.

11. **General Provisions.**

- a. **Current Revenues.** Each Party's monetary obligations are for the performance of governmental functions or services and are payable only from the current revenues appropriated and available for the performance of those functions or services.
- b. **Good Faith.** The Parties agree to work together at all times in good faith, meet regularly, and keep each other informed as to activities of the other Parties, and maintain at all times formal representatives to serve as points of contact for communications.
- c. **Alteration.** This Agreement may not be altered, amended, or modified except with written agreement from all of the Parties.
- d. **Cost for Preparation.** Each Party will be responsible for all costs and expenses associated with the preparation and adoption of this Agreement and future actions related thereto.
- e. **Amendments.** The City's Assistant City Manager and CapMetro's President & CEO or their designee will have the authority to negotiate and execute amendments to this Agreement without further action by the Austin City Council and CapMetro Board of Directors to the extent necessary to implement and further the clear intent of the respective governing bodies, but not in such a way as would constitute a substantive modification of the Agreement's terms and conditions 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 each Party's governing body.
- f. **Counterparts.** This Agreement may be executed in multiple counterparts which, taken together, will collectively constitute a single agreement. The City shall retain all counterparts and file them with the City Clerk of the City of Austin. In making proof of such Agreement, any Party may obtain certified copies of all counterparts from the City Clerk. It will not be necessary to provide original counterparts.
- g. **Texas Public Information Act.** It will be the responsibility of each Party to comply with provisions of Chapter 552, Texas Government Code ("Texas Public Information Act"), and the Attorney General Opinions issued under that statute. Neither Party is authorized to receive requests or take any other action under the Texas Public Information Act on behalf of the other Party. Responses to requests for confidential

information shall be handled in accordance with the provisions of the Texas Public Information Act. The provisions of this section survive the termination or expiration of this Agreement.

- h. **Government Immunity.** By execution of this Agreement, neither Party waives or relinquishes any immunity rights available to it by law except as otherwise stipulated by applicable laws.
- i. **Venue and Applicable Law.** This Agreement will be performed and enforced in Travis County, Texas, and will be construed in accordance with the laws of the State of Texas and the United States of America. Venue with respect to all disputes resides with the county or district courts of Travis County, Texas. All rules, regulations, and other requirements imposed by local, state, or federal law apply to the performance of the Parties under this Agreement.
- j. **Force Majeure.** In the event that the performance by the City or CapMetro 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 corruption, sovereign conduct, or the act or conduct of any person or persons not a party or privy hereto, then it shall be excused from such performance for such period of time as is reasonably necessary after such occurrence to remedy the effects hereto.
- k. **Notice.** Formal notices, demands and communications between the parties will be sufficiently given if, and will not be deemed given unless, delivered personally, dispatched by certified mail, postage prepaid, return receipt requested, or sent by a nationally recognized express delivery or overnight courier service, or sent by electronic mail transmission (including PDF) with confirmation or acknowledgment of receipt by the designated recipient (which confirmation or acknowledgment may be indicated by a response to the electronic mail transmission), to the addresses of the parties shown as follows, or such other address as the parties may designate in writing from time to time:

CITY:

Mailing Address:

Richard Mendoza, Director (or successor)
Austin Transportation and Public Works Department
PO Box 1088
Austin, TX 78767

Physical Address:

Richard Mendoza, Director (or successor)
Austin Transportation and Public Works Department
5202 East Ben White Suite 550
Austin, TX 78741

WITH COPY TO:

City Attorney
City of Austin Law Department
301 W. 2nd Street
Austin, Texas 78701

CAPMETRO:

Executive Vice President, Chief Strategic Planning and Development Officer
Capital Metropolitan Transportation Authority
2910 East Fifth Street
Austin, Texas 78702

WITH A COPY TO:

Chief Counsel
Capital Metropolitan Transportation Authority
2910 East Fifth Street
Austin, Texas 78702

Such written notices, demands, and communications will be effective on the date shown on the delivery record as the date delivered (or the date on which delivery was refused); in the case of certified mail, two (2) business days following deposit of such instrument in the United States Mail; or, in the case of electronic mail, the date when actually received and acknowledged by the intended recipient.

- l. **Severability.** Should any one or more provisions of this Agreement be deemed invalid, illegal, or unenforceable for any reason, such invalidity, illegality, or unenforceability shall not affect any other provision. Any provision that is held to be void, voidable, or for any reason whatsoever of no force or effect, shall be construed as severable from the remainder of this Agreement and shall not affect the validity of any other provisions of this Agreement, which shall remain in full force and effect.
- m. **Headings.** The headings in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.
- n. **Number and Gender Defined.** As used in this Agreement, whenever the context so indicates, the masculine, feminine, or neuter gender and the singular or plural number shall each be deemed to include the others.
- o. **Entire Agreement.** This Agreement constitutes the entire agreement of the Parties regarding the scope and purpose of it. Any other agreement, statement, or promise related to its scope and purpose that is not contained in this Agreement shall not be binding except by subsequent written amendment to this Agreement signed by the Parties. The Recitals contained in this Agreement are incorporated herein for all purposes.

- p. **Other Instruments.** The Parties covenant and agree that they will execute other and further instruments and documents as may become necessary or convenient to effectuate and carry out the purposes of this Agreement.

- q. **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.

CITY OF AUSTIN, TEXAS

By: _____

Mike Rogers, Assistant City Manager

Date: _____

Approved as to form:

Veronica Ocanas
Assistant City Attorney

CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY

By: _____

Name, Title

Date: _____

Approved as to form:

Ayeola Williams
Deputy Counsel

Board of Directors

Item #: AI-2025-1568

Agenda Date: 8/25/2025

SUBJECT:

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.

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: The City of Austin's Transit Signal Priority Program (TSP) coordinates the daily functioning of the City's traffic signals using technology to receive vehicle data for the purpose of consistent reporting, alerts on efficacy, and performance tracking measures. CapMetro's continuous coordination with the City's TSP is necessary for maintaining efficient and reliable transit service.

BUSINESS CASE: CapMetro staff supports this interlocal agreement concerning TSP given there will be no fiscal impact on the Authority and continued coordination with the City enables faster bus and train-trip times at signalized intersections.

COMMITTEE RECOMMENDATION: This item will be presented to the full board on August 25, 2025.

EXECUTIVE SUMMARY: The City owns and operates traffic signals within the city limits and recently upgraded its signals to implement TSP on an intersection-by-intersection basis. TSP utilizes GPS, cellular modem, and application programming interface technologies to collect real-time data on the program's efficacy and performance. CapMetro's operation of bus service in mixed traffic and on transit priority lanes, coupled with TSP, enables faster bus and train trip times owing to fewer stops at signalized intersections. TSP prioritizes CapMetro eligible bus routes throughout the day, with a focus on fixed route buses and clearing intersections as quickly as possible.

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-2025-1568

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and CapMetro Management recognize the importance of working with the City of Austin to coordinate the Transit Signal Priority Program to prioritize faster bus and train trips at City intersections; and

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and CapMetro Management recognize the need to negotiate and finalize an interlocal agreement to formalize the obligations and expectations of CapMetro and the City of Austin in coordinating the TSP.

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 Austin for implementation of the City's Transit Signal Priority Program.

Date: _____

**Secretary of the Board
Becki Ross**

**INTERLOCAL AGREEMENT
BETWEEN
THE CITY OF AUSTIN
AND
CAPMETRO
(TRANSIT SIGNAL PRIORITIZATION PROJECT)**

1. STATEMENT OF PUBLIC PURPOSE

- 1.1. The purpose of this ILA, or the “Agreement”) is to define roles and responsibilities for the City of Austin’s Transit Signal Priority Program (“TSP”) between the City of Austin, Texas, a Texas home-rule City and municipal corporation (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 (individually referred to as a “Party”, and collectively referred to as the "Parties"), upon the premises and for the consideration stated herein.
- 1.2. The City Transportation and Public Works Department (TPW) owns and operates traffic signals within the city limits. The City has recently upgraded its signals to provide the ability to implement various levels of TSP on an intersection-by-intersection basis with options including but not limited to: early green, green extension, phase truncation, phase omitting and preemption.
- 1.3. TSP utilizes GPS-enabled cellular mobile devices, cellular-based modems, or third-party application programming interface connection to receive vehicle data that informs a cloud-based, centralized system that provides various levels of TSP. This permits real-time data accrual and allows for regular reporting, alerts on efficacy, and tracking of performance measures.
- 1.4. CapMetro completes service changes three times a year; while significant changes to routes are infrequent, continuous coordination is essential for the success of the TSP project.
- 1.5. Bus:
 - 1.5.1. CapMetro operates bus service in mixed traffic and on transit priority lanes on City right-of-way which, together with TSP, allows for faster bus and train trip times due to fewer stops at signalized intersections. An initial list of signals to receive TSP is outlined in Appendix A. Signal locations can be added through concurrence of both Parties at quarterly meetings.
 - 1.5.2. This Agreement seeks to prioritize signals within the City of Austin that are utilized by CapMetro’s fixed route bus network. CapMetro relies upon their Operations Control Center (OCC) to remit messages to operators about bus bunching or bus gapping that occurs and will direct operators to hold or to skip stops as needed. Therefore, it is not CapMetro’s intent to use signalization to mitigate bus bunching or gapping.

1.5.3.TSP shall provide prioritization to CapMetro identified eligible bus routes at all times of the day. TSP will prioritize fixed route buses, clearing intersections at all signals as quickly as possible so that those signals can return to non-TSP operations. There will be an annual review (prior to the end of each fiscal year September 30th) to determine which new signals need to be programmed. At the time of annual review, other adjustments can be made and amendments to this Agreement may be considered.

1.5.4.TSP shall be the preferred method of signal prioritization for all transit vehicles as they approach the signal in the prioritization direction as decided upon in Subsection 1.5.6, acknowledging challenges in areas like the Central Business District, during particular times of day. Priority will not be permissible when light rail priority, emergency vehicle preemption, or rail preemption is active.

1.5.5.After signal priority has been provided to the CapMetro bus, one full signal cycle shall occur before the next signal priority request is granted.

1.5.6.At signals where multiple routes traverse through the intersection, TSP will be provided to the route with the highest passenger ridership based on the ranked list of highest ridership routes provided by CapMetro or on a first-in-first-out request if the route is unranked. An updated list of highest passenger ridership routes will be provided quarterly from CapMetro to the City of Austin.

1.6. Commuter Rail:

1.6.1.The City of Austin provides preemption to commuter rail and freight rail. The City of Austin and CapMetro will work together to install necessary equipment to improve existing preemption along the Red Line and enable preemption for future commuter and freight rail.

1.7. Light Rail Transit (LRT)

1.7.1.The City of Austin, the Austin Transit Partnership, and CapMetro are collaboratively working to build, operate, and maintain an LRT system within the City of Austin. Ongoing collaboration on design is vital to the success of the program. This will include TSP and other signal-related infrastructure.

1.7.2.CapMetro will operate light rail on dedicated transit lanes on City right-of-way which, together with TSP, will allow for faster train trip time with minimal stopping at traffic signals; this will result in the greatest capacity of passengers to be transported from one end of the line to the other, fulfilling transit's full benefit over other constrained methods of transportation (especially private passenger vehicles). The City intends to progress light rail trains between stations with minimal stops by utilizing TSP and other more aggressive measures as needed, while recognizing the need to serve all people using the transportation system through different modes.

1.7.3.The City of Austin will implement a spectrum of transit preferential signal treatments

including TSP, aggressive TSP or preemption along the light rail line to achieve the goal of allowing trains to travel station to station without stopping with minimal delay and recognizing the need for mobility of other travel modes (e.g., pedestrians, bicyclists, buses). Priority will not be permissible when emergency vehicle or rail preemption is active. The City of Austin will also aim to provide this level of service for future light rail expansion lines.

2. CITY RESPONSIBILITIES

- 2.1. The Director or designee of the City's Transportation and Public Works Department (TPW), (the "Director") will act on behalf of the City with respect to the Project, coordinate with CapMetro, receive, and transmit information and instructions, and will have authority to interpret and define the City's policies and decisions with respect to the Project. The Director will designate a Project Manager and may designate other representatives to transmit instruction and act on behalf of the City with respect to TSP. The TPW Project Manager will set up monthly and/or quarterly meetings with relevant parties to discuss operational and other issues related to this Agreement.
- 2.2. Prior to implementing new programming of key corridors, TPW will meet with CapMetro to discuss methods of prioritization to be provided.
- 2.3. For the purposes of tracking and data analysis, upon installation of TSP at signals, TPW will provide notification to CapMetro that the signal has TSP.
- 2.4. TPW will provide CapMetro with traffic signal and TSP request log data and work with CapMetro to establish a process for loading this data into CapMetro's Enterprise Data Analytics Platform. TSP request log data will include TSP requests by date, time, route ID, vehicle ID, trip ID (available through CapMetro's Swiftly data), traffic signal ID, signal phase code, approach direction, and TSP type granted (extended green, early green, signal cycles from green-yellow-red and red-yellow-green).
- 2.5. TPW will provide CapMetro data including Traffic Signal Timing Plans and Traffic Signal Timing Coordination Plans for all times of day (i.e., morning peak, afternoon peak) and days of week (i.e., weekday, weekend) for all traffic signals on a real time basis. TPW will provide CapMetro the ability to monitor the TSP System and the Traffic Signal System on a real time basis.
- 2.6. TPW will review TSP performance on a monthly basis and will notify CapMetro of any issues with the functionality of TSP within ten (10) business days of the identification of an issue. Upon notification, TPW will discuss and develop a plan with CapMetro to address the issue. The responsible Party will have up to two (2) weeks or ten (10) business days to initially identify the cause and attempt to address the identified issue as soon as reasonably possible.
- 2.7. On a quarterly basis, TPW will provide CapMetro with information related to recent or planned upgrades or updates to signals, controllers, or any part of this system that may

impact transit signal priority operations. CapMetro will have the opportunity to provide input or feedback related to any updates or upgrades of signals, controllers, or any part of the signal prioritization system as it relates to potential impacts for transit operations.

2.8. TPW will provide a TSP Manual to CapMetro that shall include elements such as overall functional description, drawings, diagrams and charts of data flow with detailed descriptions of the various systems involved (i.e., KITS Advanced Traffic Management System, Azure Database, Traction Smart Priority). TSP geofence programming procedure and test results will be provided to CapMetro. Test Plan, Test Procedure, Test Results Report for geofence implementation completed by City of Austin in October 2025 will be provided to CapMetro.

2.9. TSP Training shall be provided by City of Austin to CapMetro personnel on a yearly basis, or when new TSP features are added.

3. CAPMETRO RESPONSIBILITIES

3.1. The Executive Vice President of Capital Construction, Engineering and Design (the "EVPC") of CapMetro or designee will act on behalf of CapMetro with respect to the Project, coordinate with the City, receive, and transmit information and instructions, and will have authority to interpret and define CapMetro's policies and decisions with respect to the Project. CapMetro may designate a CapMetro Project Manager and may designate other representatives to act on behalf of CapMetro with respect to the Project.

3.2. CapMetro executes a service change three (3) times a year. CapMetro will communicate any service changes or other major detours to routes or stops impacted by TSP to TPW at least one (1) month prior to the change.

3.3. CapMetro will review TSP performance on a quarterly basis and will notify TPW of any issues with the functionality of TSP within ten (10) business days of the identification of an issue. Upon notification, CapMetro will discuss and develop a plan with TPW to address the issue. The responsible Party will have up to two (2) weeks or ten (10) business days to initially identify the cause and attempt to address the identified issue as soon as reasonably possible.

3.4. CapMetro will run diagnostic reports quarterly to identify any issues with modems that exceed 3 – 5 second update of data. Reporting will be shared upon request with TPW.

3.5. CapMetro will address any issues with programming of hardware and software on transit vehicles within two (2) weeks or ten (10) business days to address the identified issue.

3.6. CapMetro will evaluate performance against location of near-side or far-side stops to determine if a change in transit stop location may benefit overall performance.

4. PROJECT EXPECTATIONS

4.1. If a disagreement between the Parties arises hereunder and the disagreement is not

resolved by the Parties' Project Managers, it shall be referred as soon as possible to the EVPCC and the Director for resolution. If the EVPCC and Director do not resolve the issue, it shall be referred as soon as possible to the Assistant City Manager responsible for Transportation and CapMetro's Chief Executive Officer for resolution.

4.2. Any Party can elect to withdraw from the Agreement by providing the other Party at least sixty (60) business days' written notice.

5. GENERAL RESPONSIBILITIES

5.1. TPW and CapMetro will meet quarterly to discuss issues identified such as:

5.1.1. Where responses are being requested but have not received priority and reasons why TSP was not granted (e.g., passed through signal during on-TSP green phase, bus arrived during re-arm timer).

5.1.2. TSP overall performance, opportunities for improvement, and optimization that captures signal, transit, and traffic performance.

5.1.3. Bus and light rail delay savings estimates by using Trip ID data, combining signal phase times and knowledge of the bus requesting TSP and passing through the signal.

5.1.4. Before October 1 of every year, the City and CapMetro will use bus, rail, traffic, and signal controller performance data, among others, to evaluate and optimize overall transit and system performance and will create a short report that details optimization projects completed over the year and planned improvements for the coming year.

6. Project Schedule

6.1. Within thirty (30) days of approval of this Agreement, TPW will hold a preliminary meeting to discuss the prioritization of all signals thus far programmed.

6.2. Subsequent signal programming discussions will occur quarterly.

6.3. CapMetro will issue final payment for current TSP services related to existing Rapid lines 801 and 803 prior to end of FY2025.

6.4. With agreement in place future charges for TSP will no longer apply between the City and CapMetro.

Signatures

on

Next

Page

CITY OF AUSTIN, TEXAS

By: _____

NAME

TITLE

Date: _____

Approved as to form:

NAME

TITLE

CAPITAL METROPOLITAN TRANSPORTATION AUTHORITY

By: _____

Dottie Watkins

President & CEO

Date: _____

Approved as to form:

Lee Simmons

Associate Counsel

APPENDIX A - TSP PRIORITIZATION

Initial List includes all signals along the 801, 803, Pleasant Valley (800), and Expo (837)

Signal Id	Signal Location	Rapid Routes	Within Downtown Boundary	Signal Type	Cross Routes
2	GUADALUPE ST / LAMAR BLVD	801	No	Traffic	No
3	LAMAR BLVD / 51ST ST	801	No	Traffic	Yes
4	LAMAR BLVD / NORTH LOOP BLVD	801	No	Traffic	No
5	KOENIG LN / LAMAR BLVD	801	No	Traffic	Yes
6	LAMAR BLVD / DENSON DR	801	No	Traffic	No
7	LAMAR BLVD / BRENTWOOD ST	801	No	Traffic	No
8	LAMAR BLVD / JUSTIN LN	801	No	Traffic	No
9	AIRPORT BLVD / LAMAR BLVD	801	No	Traffic	Yes
11	LAMAR BLVD / ST JOHNS AVE	801	No	Traffic	Yes
23	GUADALUPE ST / MARTIN LUTHER KING JR BLVD	801, 803	Yes	Traffic	Yes
26	MARTIN LUTHER KING JR BLVD / SAN JACINTO BLVD	837	Yes	Traffic	Yes
27	MARTIN LUTHER KING JR BLVD / TRINITY ST	837	Yes	Traffic	Yes
34	GUADALUPE ST / 30TH ST	801, 803	No	Traffic	No
37	GUADALUPE ST / 21ST ST	801, 803	No	Traffic	Yes
38	GUADALUPE ST / 22ND ST	801, 803	No	Traffic	Yes
39	GUADALUPE ST / WEST MALL UT (UT CROSSWALK)	801, 803	No	Traffic	No
40	GUADALUPE ST / 24TH ST	801, 803	No	Traffic	No
41	DEAN KEETON ST / GUADALUPE ST	801, 803	No	Traffic	Yes
42	GUADALUPE ST / 26TH ST	801, 803	No	Traffic	No
43	GUADALUPE ST / 27TH ST	801, 803	No	Traffic	Yes
44	GUADALUPE ST / 29TH ST	801, 803	No	Traffic	No
46	GUADALUPE ST / 30TH ST	801, 803	No	Traffic	No
47	GUADALUPE ST / 34TH ST	801, 803	No	Traffic	No
48	38TH ST / GUADALUPE ST	801, 803	No	Traffic	Yes
49	GUADALUPE ST / 41ST ST	801	No	Traffic	No
50	GUADALUPE ST / 45TH ST	801	No	Traffic	Yes
54	DEAN KEETON ST / SAN JACINTO BLVD	837	No	Traffic	Yes
65	DEAN KEETON ST / MEDICAL ARTS ST	837	No	Traffic	No
70	DEAN KEETON ST / RED RIVER ST	837	No	Traffic	Yes

Signal Id	Signal Location	Rapid Routes	Within Downtown Boundary	Signal Type	Cross Routes
74	BURNET RD / ROCKWOOD LN	803	No	Traffic	No
77	BURNET RD / STECK AVE	803	No	Traffic	No
78	ANDERSON LN / BURNET RD	803	No	Traffic	Yes
79	BURNET RD / RICHCREEK RD	803	No	Traffic	No
80	BURNET RD / GREENLAWN PKWY	803	No	Traffic	No
81	BURNET RD / JUSTIN LN	803	No	Traffic	No
82	BURNET RD / WHITE HORSE TRL	803	No	Traffic	No
83	BURNET RD / ROMERIA DR	803	No	Traffic	No
84	ALLANDALE RD / BURNET RD (KOENIG LN)	803	No	Traffic	Yes
85	BURNET RD / NORTHLAND DR	803	No	Traffic	No
87	BURNET RD / NORTH LOOP BLVD	803	No	Traffic	Yes
88	BURNET RD / HANCOCK DR	803	No	Traffic	No
89	BURNET RD / 49TH ST	803	No	Traffic	Yes
91	BURNET RD / NORTHCROSS DR	803	No	Traffic	Yes
92	BURNET RD / OHLEN RD	803	No	Traffic	Yes
102	LAMAR BLVD / 45TH ST	803	No	Traffic	Yes
103	38TH ST / LAMAR BLVD	803	No	Traffic	Yes
120	LAMAR BLVD / RIVERSIDE DR	803	No	Traffic	No
121	LAMAR BLVD / BARTON SPRINGS RD	803	No	Traffic	Yes
122	LAMAR BLVD / HETHER ST	803	No	Traffic	No
123	LAMAR BLVD / OLTORF ST	803	No	Traffic	Yes
124	LAMAR BLVD / BLUEBONNET LN	803	No	Traffic	No
125	LAMAR BLVD / MENCHACA RD (Barton Skwy)	803	No	Traffic	Yes
126	LAMAR BLVD / TREADWELL ST	803	No	Traffic	No
127	LAMAR BLVD / BARTON SKWY (Menchaca Rd)	803	No	Traffic	No
133	RIVERSIDE DR / BARTON SPRINGS RD	801	No	Traffic	No
137	1ST ST / RIVERSIDE DR	801	No	Traffic	Yes
138	CONGRESS AVE / RIVERSIDE DR	801	No	Traffic	Yes
139	CONGRESS AVE / NELLIE ST	801	No	Traffic	No
140	CONGRESS AVE / MONROE ST	801	No	Traffic	No
141	CONGRESS AVE / MARY ST	801	No	Traffic	No
142	CONGRESS AVE / LIVE OAK ST	801	No	Traffic	No
143	CONGRESS AVE / OLTORF ST	801	No	Traffic	Yes
147	CESAR CHAVEZ ST / GUADALUPE ST	801, 803	Yes	Traffic	Yes

Signal Id	Signal Location	Rapid Routes	Within Downtown Boundary	Signal Type	Cross Routes
148	CESAR CHAVEZ ST / LAVACA ST	801, 803	Yes	Traffic	Yes
153	GUADALUPE ST / 2ND ST	801, 803	Yes	Traffic	No
154	LAVACA ST / 2ND ST	801, 803	Yes	Traffic	No
162	AIRPORT BLVD / OAK SPRINGS DR	800	No	Traffic	Yes
163	AIRPORT BLVD / 12TH ST	800	No	Traffic	Yes
164	AIRPORT BLVD / MARTIN LUTHER KING JR BLVD	800	No	Traffic	Yes
165	AIRPORT BLVD / MANOR RD	837, 800	No	Traffic	Yes
175	CONGRESS AVE / ANNIE ST	801	No	Traffic	No
178	LAMAR BLVD / HOUSTON ST	801	No	Traffic	No
184	LAMAR BLVD / LAMAR BLVD SVRD (BRODIE OAKS SHOPPING CENTER)	803	No	Traffic	No
185	LAMAR BLVD / PANTHER TRL	803	No	Traffic	Yes
198	PLEASANT VALLEY RD / WILLIAM CANNON DR	800	No	Traffic	Yes
202	LAMAR BLVD / 40TH ST	803	No	Traffic	No
210	GUADALUPE ST / 15TH ST	801, 803	Yes	Traffic	No
221	15TH ST / LAVACA ST	801, 803	Yes	Traffic	Yes
223	15TH ST / SAN JACINTO BLVD	837	Yes	Traffic	Yes
224	15TH ST / TRINITY ST	837	Yes	Traffic	Yes
228	CONGRESS AVE / ELIZABETH ST	801	No	Traffic	No
229	CESAR CHAVEZ ST / SANDRA MURAYDA WAY	803	Yes	Traffic	Yes
230	CESAR CHAVEZ ST / B R REYNOLDS DR	803	No	Traffic	Yes
231	CONGRESS AVE / CUMBERLAND RD	801	No	Traffic	No
232	CONGRESS AVE / LIGHTSEY RD	801	No	Traffic	No
238	CESAR CHAVEZ ST / WALTER SEAHOLM DR	803	Yes	Traffic	No
239	PLEASANT VALLEY RD / ELMONT DR	800	No	Traffic	Yes
245	12TH ST / GUADALUPE ST	801, 803	Yes	Traffic	No
246	12TH ST / LAVACA ST	801, 803	Yes	Traffic	No
247	12TH ST / SAN JACINTO BLVD	837	Yes	Traffic	Yes
250	GUADALUPE ST / 11TH ST	801, 803	Yes	Traffic	No
251	LAVACA ST / 11TH ST	801, 803	Yes	Traffic	Yes
255	SAN JACINTO BLVD / 11TH ST	837	Yes	Traffic	Yes
256	11TH ST / TRINITY ST	837	Yes	Traffic	Yes
261	GUADALUPE ST / 10TH ST	801, 803	Yes	Traffic	No

Signal Id	Signal Location	Rapid Routes	Within Downtown Boundary	Signal Type	Cross Routes
262	LAVACA ST / 10TH ST	801, 803	Yes	Traffic	No
266	SAN JACINTO BLVD / 10TH ST	837	Yes	Traffic	No
267	10TH ST / TRINITY ST	837	Yes	Traffic	No
269	LAVACA ST / 13TH ST	801, 803	Yes	Traffic	No
272	GUADALUPE ST / 9TH ST	801, 803	Yes	Traffic	No
273	LAVACA ST / 9TH ST	801, 803	Yes	Traffic	No
277	SAN JACINTO BLVD / 9TH ST	837	Yes	Traffic	No
280	CESAR CHAVEZ ST / SAN ANTONIO ST	803	Yes	Traffic	No
281	GUADALUPE ST / 8TH ST	801, 803	Yes	Traffic	Yes
282	8TH ST / LAVACA ST	801, 803	Yes	Traffic	Yes
286	8TH ST / SAN JACINTO BLVD	837	Yes	Traffic	Yes
287	8TH ST / TRINITY ST	837	Yes	Traffic	Yes
288	LAVACA ST / 4TH ST	801, 803, 837	Yes	Traffic	Yes
290	7TH ST / GUADALUPE ST	801, 803	Yes	Traffic	Yes
291	7TH ST / LAVACA ST	801, 803	Yes	Traffic	Yes
295	7TH ST / SAN JACINTO BLVD	837	Yes	Traffic	Yes
296	7TH ST / TRINITY ST	837	Yes	Traffic	Yes
300	6TH ST / GUADALUPE ST	801, 803	Yes	Traffic	Yes
301	6TH ST / LAVACA ST	801, 803	Yes	Traffic	Yes
305	6TH ST / SAN JACINTO BLVD	837	No	Traffic	No
306	6TH ST / TRINITY ST	837	Yes	Traffic	No
311	PLEASANT VALLEY RD / WEBBERVILLE RD	800	No	Traffic	Yes
312	5TH ST / LAVACA ST	801, 803	Yes	Traffic	Yes
316	5TH ST / SAN JACINTO BLVD	837	Yes	Traffic	Yes
317	5TH ST / TRINITY ST	837	Yes	Traffic	No
320	CONGRESS AVE / 4TH ST	837	Yes	Traffic	No
321	5TH ST / GUADALUPE ST	801, 803	Yes	Traffic	Yes
325	GUADALUPE ST / 4TH ST	801, 803, 837	Yes	Traffic	Yes
327	38TH ST / WEST AVE	803	No	Traffic	No
332	LAVACA ST / 3RD ST	801, 803	Yes	Traffic	Yes
344	PLEASANT VALLEY RD / STASSNEY LN	800	No	Traffic	Yes
355	7TH ST / PLEASANT VALLEY RD	800	No	Traffic	Yes
358	HOWARD LN / CENTER LINE PASS	801	No	Traffic	Yes
361	CONGRESS AVE / RADAM LN	801	No	Traffic	Yes
362	2ND ST / PLEASANT VALLEY RD	800	No	Traffic	Yes

Signal Id	Signal Location	Rapid Routes	Within Downtown Boundary	Signal Type	Cross Routes
366	CESAR CHAVEZ ST / PLEASANT VALLEY RD	800	No	Traffic	Yes
391	PLEASANT VALLEY RD / RIVERSIDE DR	800	No	Traffic	Yes
392	PLEASANT VALLEY RD / RIVERSIDE DR	800	No	Traffic	Yes
393	PLEASANT VALLEY RD / SOUTH LAKESHORE BLVD	800	No	Traffic	No
406	CONGRESS AVE / ST ELMO RD	801	No	Traffic	No
407	CONGRESS AVE / ST ELMO RD	801	No	Traffic	No
408	CONGRESS AVE / SHERATON AVE	801	No	Traffic	No
409	CONGRESS AVE / STASSNEY LN	801	No	Traffic	Yes
410	CONGRESS AVE / EBERHART LN	801	No	Traffic	No
411	CONGRESS AVE / WILLIAM CANNON DR	801	No	Traffic	Yes
415	CONGRESS AVE / BEN WHITE BLVD SVRD	801	No	Traffic	Yes
416	CONGRESS AVE / BEN WHITE BLVD SVRD	801	No	Traffic	No
457	LAMAR BLVD / MASTERSON PASS	801	No	Traffic	No
460	BURNET RD / LONGHORN BLVD	803	No	Traffic	No
461	BURNET RD / RUTLAND DR	803	No	Traffic	No
462	BRAKER LN / BURNET RD	803	No	Traffic	Yes
463	BURNET RD / PALM WAY (IBM DRIVEWAY)	803	No	Traffic	Yes
464	BURNET RD / KRAMER LN	803	No	Traffic	Yes
466	BRAKER LN / DOMAIN DR (Pickle Research Campus Driveway)	803	No	Traffic	Yes
469	BRAKER LN / LAMAR BLVD	801	No	Traffic	Yes
471	LAMAR BLVD / MORROW ST	801	No	Traffic	No
473	LAMAR BLVD / THURMOND ST	801	No	Traffic	No
474	LAMAR BLVD / PAYTON GIN RD	801	No	Traffic	No
475	LAMAR BLVD / RUNDBERG LN	801	No	Traffic	Yes
476	LAMAR BLVD / RUTLAND DR	801	No	Traffic	No
477	LAMAR BLVD / KRAMER LN	801	No	Traffic	No
485	LAMAR BLVD / NORTH BEND DR	801	No	Traffic	No
487	MANOR RD / ANCHOR LN	837, 800	No	Traffic	Yes
488	MANOR RD / BERKMAN DR	837, 800	No	Traffic	Yes
489	MANOR RD / ROGGE LN	837	No	Traffic	No

Signal Id	Signal Location	Rapid Routes	Within Downtown Boundary	Signal Type	Cross Routes
490	MANOR RD / LOYOLA LN	837	No	Traffic	Yes
502	BERKMAN DR / BARBARA JORDAN BLVD	837, 800	No	Traffic	Yes
513	LAMAR BLVD / MEADOWS DR	801	No	Traffic	No
519	LAMAR BLVD / PARMER LN	801	No	Traffic	No
535	LAMAR BLVD / YAGER LN	801	No	Traffic	No
537	PARMER LN / 35 SVRD	801	No	Traffic	Yes
538	PARMER LN / 35 SVRD	801	No	Traffic	Yes
541	12500 BLK N LAMAR BLVD (WALMART)	801	No	Traffic	No
547	MENCHACA RD / BEN WHITE BLVD SVRD	803	No	Traffic	Yes
548	MENCHACA RD / BEN WHITE BLVD SVRD	803	No	Traffic	Yes
570	SLAUGHTER LN / CULLEN LN	801	No	Traffic	Yes
581	BURLESON RD / BEN WHITE BLVD SVRD	800	No	Traffic	No
582	BEN WHITE BLVD SVRD / TODD LN	800	No	Traffic	No
587	BEN WHITE BLVD SVRD / PACK SADDLE PASS	803	No	Traffic	Yes
588	BEN WHITE BLVD SVRD / PACK SADDLE PASS	803	No	Traffic	Yes
610	LAMAR BLVD / LONGSPUR BLVD	801	No	Traffic	No
615	BURNET RD / RESEARCH BLVD SVRD	803	No	Traffic	Yes
626	SPRINGDALE RD / ED BLUESTEIN BLVD SVRD	837	No	Traffic	No
627	MANOR RD / ED BLUESTEIN BLVD SVRD	837	No	Traffic	Yes
638	ANDERSON LN SVRD / LAMAR BLVD SVRD	801	No	Traffic	Yes
639	LAMAR BLVD SVRD / RESEARCH BLVD SVRD	801	No	Traffic	Yes
640	ANDERSON LN SVRD / LAMAR BLVD SVRD	801	No	Traffic	Yes
641	LAMAR BLVD SVRD / RESEARCH BLVD SVRD	801	No	Traffic	Yes
647	PLEASANT VALLEY RD / NUCKOLS CROSSING RD	800	No	Traffic	No

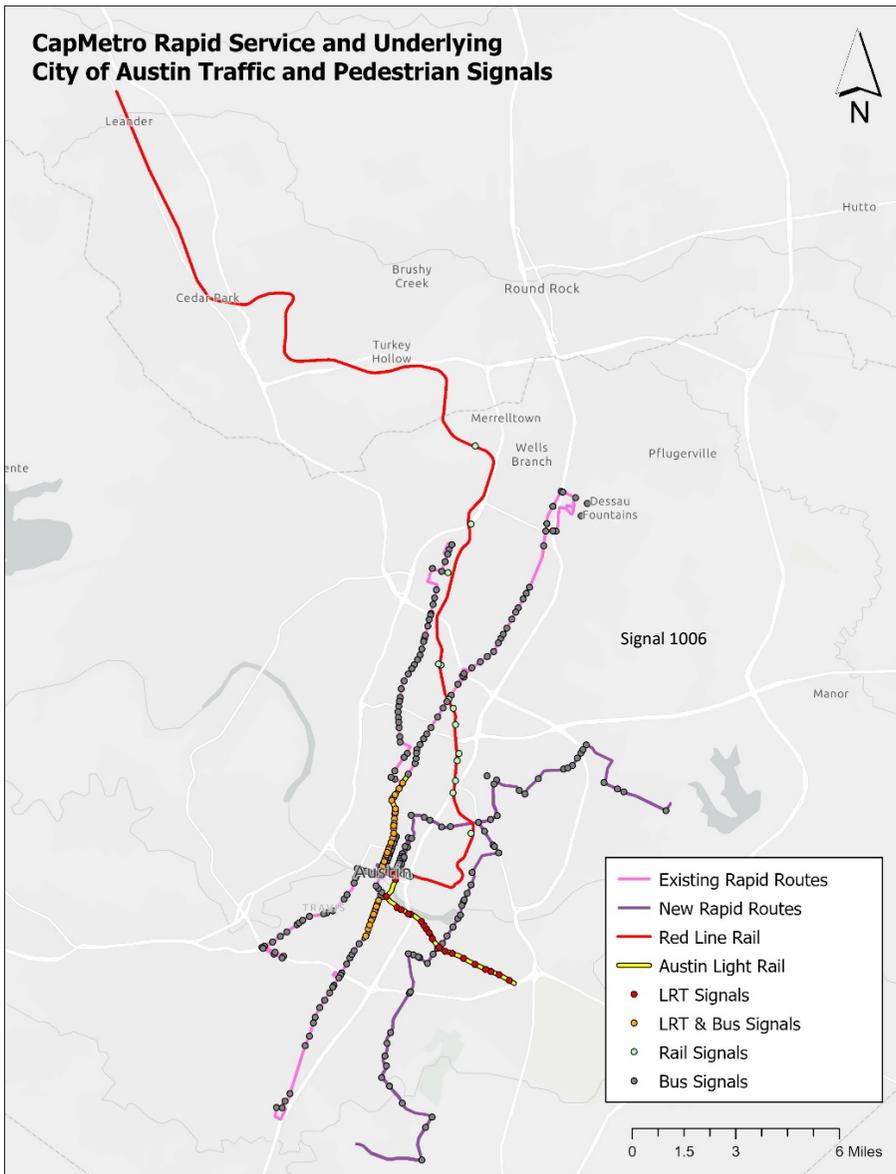
Signal Id	Signal Location	Rapid Routes	Within Downtown Boundary	Signal Type	Cross Routes
660	MANOR RD / 51ST ST	837	No	Traffic	Yes
664	MANOR RD / SPRINGDALE RD	837	No	Traffic	No
667	BURNET RD / RESEARCH BLVD SVRD	803	No	Traffic	Yes
668	MANOR RD / SUSQUEHANNA LN	837	No	Traffic	Yes
670	SPRINGDALE RD / PECAN BROOK DR	837	No	Traffic	Yes
678	51ST ST / BERKMAN DR	837, 800	No	Traffic	Yes
683	BEN WHITE BLVD SVRD / LAMAR BLVD SVRD	803	No	Traffic	Yes
684	BEN WHITE BLVD SVRD / LAMAR BLVD SVRD	803	No	Traffic	No
685	CAPITAL OF TEXAS HWY SVRD / LAMAR BLVD SVRD	803	No	Traffic	Yes
686	CAPITAL OF TEXAS HWY SVRD / LAMAR BLVD SVRD	803	No	Traffic	Yes
692	HOWARD LN / 35 SVRD	801	No	Traffic	Yes
693	HOWARD LN / 35 SVRD	801	No	Traffic	Yes
725	JOHNNY MORRIS RD / LOYOLA LN	837	No	Traffic	Yes
729	1 BLK S PLEASANT VALLEY RD (KREIG FIELD)	800	No	Traffic	No
731	GUADALUPE ST / 3RD ST	801, 803	Yes	Traffic	Yes
756	BURNET RD / WATERFORD CENTRE BLVD	803	No	Traffic	No
758	MANOR RD / NORTHEAST DR	837	No	Traffic	No
774	LAMAR BLVD / LAMAR SQUARE DR	803	No	Traffic	No
778	CONGRESS AVE / SLAUGHTER LN	801	No	Traffic	Yes
779	MC KINNEY FALLS PKWY / WILLIAM CANNON DR	800	No	Traffic	Yes
783	DECKER LN / LOYOLA LN	837	No	Traffic	Yes
817	LOYOLA LN / CRYSTALBROOK DR	837	No	Traffic	Yes
836	5TH ST / PLEASANT VALLEY RD	800	No	Traffic	No
839	WILLIAM CANNON DR / SALT SPRINGS DR	800	No	Traffic	Yes
842	OLTORF ST / DOUGLAS ST	800	No	Traffic	No
843	OLTORF ST / WILLOW CREEK DR	800	No	Traffic	No
871	BURNET RD / ESPERANZA XING	803	No	Traffic	Yes
886	OLTORF ST / PLEASANT VALLEY RD	800	No	Traffic	Yes
929	DEAN KEETON ST / LAFAYETTE AVE	837	No	Traffic	Yes
930	OLTORF ST / BURLESON RD	800	No	Traffic	Yes

Signal Id	Signal Location	Rapid Routes	Within Downtown Boundary	Signal Type	Cross Routes
933	CONGRESS AVE / JAMES ST	801	No	Traffic	No
934	CONGRESS AVE / GIBSON ST	801	No	Traffic	No
943	CONGRESS AVE / MILTON ST	801	No	Traffic	No
945	CONGRESS AVE / LITTLE TEXAS LN	801	No	Traffic	No
957	51ST ST / OLD MANOR RD	837	No	Traffic	No
959	COLORADO ST / 4TH ST	837	Yes	Traffic	No
964	BURNET RD / ADAMS AVE	803	No	Traffic	No
972	GUADALUPE ST / 13TH ST	801, 803	Yes	Traffic	No
973	GUADALUPE ST / 17TH ST	801, 803	Yes	Traffic	No
974	LAVACA ST / 16TH ST	801, 803	Yes	Traffic	No
975	LAVACA ST / 17TH ST	801, 803	Yes	Traffic	No
985	MANOR RD / CHERRYWOOD RD	837	No	Traffic	No
1006	51ST ST / MUELLER BLVD	800	No	Traffic	Yes
1008	3201 BLK S LAMAR BLVD (BROKEN SPOKE)	803	No	Traffic	No
1010	BRAZOS ST / 4TH ST	837	Yes	Traffic	No
1018	LAMAR BLVD / TOOMEY RD	803	No	Traffic	No
1025	LAMAR BLVD / POWELL LN	801	No	Traffic	No
1036	CESAR CHAVEZ ST / WEST AVE	803	Yes	Traffic	No
1051	LAVACA ST / 18TH ST	801, 803	Yes	Traffic	Yes
1054	LAMAR BLVD / FAIRFIELD DR	801	No	Traffic	No
1055	LAMAR BLVD / GRADY DR	801	No	Traffic	No
1058	CONGRESS AVE / CONGRESS AVE (HEB)	801	No	Traffic	No
1068	400 BLK S CONGRESS AVE (Music Lane)	801	No	Traffic	No
1078	GUADALUPE ST / 46TH ST	801	No	Traffic	No
1092	BURNET RD / BURNET RD (future Solaris St.)	803	No	Traffic	No
1093	CONGRESS AVE / RALPH ABLANEDO DR	801	No	Traffic	No
1107	CESAR CHAVEZ ST / NUECES ST	803	Yes	Traffic	No
1111	CONGRESS AVE / RAMBLE LN	801	No	Traffic	No
1116	MANOR RD / ALEXANDER AVE	837	No	Traffic	No
1120	LOYOLA LN / COLONY LOOP DR	837	No	Traffic	Yes
1121	DECKER LN / COLONY LOOP DR	837	No	Traffic	Yes
1123	MC KINNEY FALLS PKWY / COLTON BLUFF SPRINGS RD	800	No	Traffic	No

Signal Id	Signal Location	Rapid Routes	Within Downtown Boundary	Signal Type	Cross Routes
1127	SLAUGHTER LN / THAXTON RD	800	No	Traffic	Yes
1136	LAMAR BLVD / DEL CURTO RD	803	No	Traffic	No
1137	LAMAR BLVD / COLLIER ST	803	No	Traffic	No
1140	WILLIAM CANNON DR / JANES RANCH RD	800	No	Traffic	No
1142	WILLIAM CANNON DR / RUNNING WATER DR	800	No	Traffic	No
1156	CONGRESS AVE / ALPINE RD	801	No	Traffic	No
4002	GUADALUPE ST / 31ST ST	801, 803	No	PHB	No
4015	CONGRESS AVE / LELAND ST (St. Edwards)	801	No	PHB	No
4022	1500 BLK S PLEASANT VALLEY RD (HEB)	800	No	PHB	No
4023	CONGRESS AVE / LA VISTA ST (St. Edwards)	801	No	PHB	No
4024	CONGRESS AVE / COLEMAN ST	801	No	PHB	No
4027	400 BLK S CONGRESS AVE (Music Lane)	801	No	PHB	No
4037	7600 BLK BURNET RD (Northcross Mall)	803	No	PHB	No
4040	2100 BLK S LAMAR BLVD (Oxford Ave)	803	No	PHB	No
4041	GUADALUPE ST / 47TH ST	801	No	PHB	No
4047	12500 BLK N LAMAR BLVD (Connally High School)	801	No	PHB	No
4049	BURNET RD / LAWNMONT AVE	803	No	PHB	No
4054	LAMAR BLVD / COOPER DR	801	No	PHB	No
4055	PLEASANT VALLEY RD / SHERINGHAM DR (Riverside Apartments)	800	No	PHB	No
4056	OLTORF ST / BURTON DR	800	No	PHB	Yes
4058	CONGRESS AVE / ALPINE RD	801	No	PHB	No
4059	BURNET RD / ASHDALE DR	803	No	PHB	No
4064	PLEASANT VALLEY RD / VILLAGE SQUARE DR	800	No	PHB	No
4074	LAMAR BLVD / DICKSON DR	803	No	PHB	No
4075	400 BLK S CONGRESS AVE (South of Riverside Dr)	801	No	PHB	No

Signal Id	Signal Location	Rapid Routes	Within Downtown Boundary	Signal Type	Cross Routes
4098	PLEASANT VALLEY RD / FRANKLIN PARK DR	800	No	PHB	No
4099	PLEASANT VALLEY RD / PLEASANT VALLEY RD (near Krieg Fields)	800	No	PHB	No
4100	PLEASANT VALLEY RD / CANTERBURY ST	800	No	PHB	No
4103	PLEASANT VALLEY RD / ANKEN DR	800	No	PHB	No
4106	LOYOLA LN / SANDSHOF DR	837	No	PHB	No
4108	8700 BLK BURNET RD (South of US183)	803	No	PHB	No
4110	4703 BLK S CONGRESS AVE (4900 S Congress)	801	No	PHB	No
4125	BURNET RD / TWIN OAKS DR	803	No	PHB	No
4128	BURNET RD / PENNY LN	803	No	PHB	No
4129	WILLIAM CANNON DR / WILLIAM CANNON DR (Onion Creek Soccer Complex)	800	No	PHB	No
4130	1150 BLK AIRPORT BLVD (Harvey St)	800	No	PHB	No
4136	WILLIAM CANNON DR / SPRINGFIELD DR	800	No	PHB	No
4139	PLEASANT VALLEY RD / PLEASANT VALLEY RD (Travis Association for the Blind)	800	No	PHB	No

APPENDIX B – TSP Prioritization Map



Note: Route 800 will be utilizing routing not displayed to turnaround at end of line in Mueller, running through signal ID 1006 (51st/Mueller Blvd).

Board of Directors

Item #: AI-2025-1569

Agenda Date: 8/25/2025

SUBJECT:

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.

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: Amending the Encroachment Agreement will enable safe and efficient relocation of Red Line Downtown Station footprint and related improvements to accommodate the expansion of the Austin Convention Center. The amendment further assures continued and seamless operation of the Downtown Station with minimal service disruption.

BUSINESS CASE: CapMetro’s partnership and collaboration with the City of Austin and Austin Convention Center ensures effective operations of Downtown Station for our customers.

COMMITTEE RECOMMENDATION: This item will be presented to the full board on August 25, 2025.

EXECUTIVE SUMMARY: On March 8, 2019, CapMetro executed an Encroachment Agreement with the City of Austin whereby the City granted to CapMetro an interest in portions of the City’s right-of-way located within Fourth Street between Trinity Street and Interstate Highway 35 for the purpose of constructing and maintaining the Downtown Station. Staff and consultants representing CapMetro and City have met continuously throughout 2025 to come to terms on an amendment to the Encroachment Agreement to accommodate the planned expansion of the Austin Convention Center. Staff request the Board approve this resolution to allow for the amendment and proceed with relocating the Downtown Station infrastructure in tandem with the Convention Center expansion.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply.

RESPONSIBLE DEPARTMENT: Capital Construction, Engineering and Design

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

**STATE OF TEXAS
COUNTY OF TRAVIS**

AI-2025-1569

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors recognize the need to amend CapMetro’s encroachment agreement to relocate transit infrastructure located at the Downtown Station to accommodate the City of Austin’s Convention Center expansion project; and

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors recognizes that amending the encroachment agreement will enable continued service of the Red Line at the Downtown Station with minimal disruption during the course of the Convention Center expansion.

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 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.

Date: _____

**Secretary of the Board
Becki Ross**

Board of Directors

Item #: AI-2025-1570

Agenda Date: 8/25/2025

SUBJECT:

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.

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: This item aligns with a fiscally responsible and transparent use of funds to support the needs and growth of the agency. The North Base Demand Response Operations and Maintenance facility will provide new CapMetro infrastructure for mobility services which supports regional growth in response to customer needs and this agreement reduces cost to the agency for delivery of this new facility.

BUSINESS CASE: The Soil Transfer Agreement will reduce CapMetro costs for soil relocation by utilizing a nearby site as the relocation site (reducing trucking mileage), and by eliminating soil acceptance fees associated with this type of soil transfer.

COMMITTEE RECOMMENDATION: This item will be presented to the full board on August 25, 2025.

EXECUTIVE SUMMARY: In 2021, CapMetro acquired a 25-acre undeveloped property at 10805 Cameron Road for a planned new North Base Demand Response facility. The project includes four buildings to support CapMetro’s Demand Response operations of CapMetro Pickup and Access services, storage for broader agency needs, and community space. In addition, offsite improvements include Cameron Road improvements, traffic signalized intersection, water main extension, and wastewater extension.

Construction of these facilities necessitates the removal of clay soil from the site. This type of soil is suitable

for landfill capping purposes and Waste Management has agreed to accept to disposed soil at its adjacent site.

CapMetro will pay to transport the soil to the Waste Management site, and the close proximity of the two sites will reduce the transportation costs. Additionally, Waste Management has agreed to accept the soil without any additional fees to CapMetro.

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-2025-1570

WHEREAS, In 2021, CapMetro acquired a 25-acre undeveloped property at 10805 Cameron Road for a planned new North Base Demand Response facility for the operations and maintenance of mobility services vehicles to serve the Community; and

WHEREAS, Chapter 451 of the Texas Transportation Code authorizes CapMetro to sell at any time surplus materials or other property that is not needed for the requirements of the Authority or for carrying out a power under Chapter 451; and

WHEREAS, CapMetro is authorized under the Board Acquisition Policy to dispose of surplus, obsolete material and equipment in the event it is more cost effective to dispose of such material as scrap or landfill; and

WHEREAS, CapMetro has determined that the soil constitutes scrap and, as such, the Soil Transfer Agreement will allow CapMetro to save the cost of dumping the soil removed from the site and reduce the cost to transport the soil to a landfill;

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that 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 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.

Date: _____

**Secretary of the Board
Becki Ross**

SOIL TRANSFER AGREEMENT

This Soil Transfer Agreement (“Agreement”) is made as of _____, 2025 (the “Effective Date”) by and between Capital Metropolitan Transportation Authority, a political subdivision of the State of Texas organized under Chapter 451 of the Texas Transportation Code (“CapMetro”), and Waste Management of Texas, Inc. (“Waste Management”).

WHEREAS, CapMetro requires the removal of certain amounts of soil from its property;
and

WHEREAS, Waste Management is willing to accept the soil being removed for use on its own property;

THEREFORE, in consideration of the mutual promises and covenants herein, the sufficiency of which is hereby acknowledged, and intending to be legally bound, the parties agree as follows:

1. Soil Transfer. CapMetro shall remove approximately 92,000 cubic yards of soil from its property located at 10805 Cameron Road, Austin, Texas 78754 (the “Soil Transfer”), and shall transport the Soil Transfer to Waste Management’s facility located at 9900 Giles Lane, Austin, Texas 78754 (the “Landfill”). Waste Management further agrees to accept up to an additional 18,000 cubic yards of soil (the “Soil Transfer Contingency”), for a total amount not to exceed 110,000 cubic yards of soil. The Parties agree the aforementioned amounts are estimations only, and shall work in good faith to calculate a final quantity of soil based on soil conditions at the time of the Soil Transfer.

The Soil Transfer shall be used for the purpose described herein unless the parties agree in writing to an alternative use. The parties acknowledge and agree that the Soil Transfer is not in lieu of any other payments due to Waste Management pertaining to any other agreements.

2. In-Kind Consideration.

A. This Soil Transfer is made without any expectation of any financial benefit in return to CapMetro. The parties understand and agree that the Soil Transfer by CapMetro is not contingent in any way upon any other agreement by Waste Management to purchase or recommend, or arrange for the purchase or recommending of, any service, product, goods, or equipment manufactured, provided, or sold by CapMetro. The Soil Transfer will be managed by Waste Management in accordance with its policies and procedures.

- B. Waste Management will accept soil loads as-is. Soil and rock varieties shall not be separated by CapMetro.
- C. Waste Management shall be responsible for all required permits and regulations related to soil loads.
- D. Waste Management shall allow CapMetro-coordinated trucking operations to bypass the weigh station at the entry of the Landfill. Waste Management shall determine the truck identification method for CapMetro's contractor/vendor to follow. Waste Management shall designate a dedicated area at the Landfill for CapMetro's contractor/vendor to dump soil as depicted in **Exhibit A**.
- E. Waste Management shall meet with CapMetro's bidders, contractors, and vendors as needed to coordinate details of the soil placement and trucking operations.
- F. CapMetro shall be responsible for all excavation, loading, hauling, trucking operations, and delivery of soil materials. CapMetro shall utilize a third-party contractor/vendor to deliver the soil to Waste Management.
- G. CapMetro shall use public roads such as Blue Goose and Giles Road to access the Landfill.
- H. CapMetro's contractor/vendor will adhere to Waste Management's requirements when dumping soil loads.
- I. CapMetro shall conduct neighborhood outreach and communications regarding trucking operations related to the use of the Soil Transfer.
- J. CapMetro agrees to maintain insurance coverage as further described in **Exhibit B** attached hereto.

3. No Guarantee. CapMetro does not guarantee the composition of soil materials, rocks, or organic materials, with the exception of a Geotech report prepared by HVJ South Central Texas - M&J Inc., dated May 21, 2024, which is available for Waste Management's review.

4. Delivery. Soil may be delivered to the Landfill during Waste Management's hours of operations to the public, (normally between 5 a.m. and 5 p.m.), Monday through Saturday, excluding New Year's Day, Thanksgiving Day, and Christmas Day, or as otherwise allowed by Waste Management.

5. Trucking Apparatus. CapMetro shall not be required to provide to Waste Management the types of trucking apparatus that will be used by the trucking contractor/vendor. Waste Management acknowledges and agrees that various types of trucks will be allowed.

6. Right of Access. CapMetro, its agents, employees and representatives, shall have the right of access to the Landfill with prior written notice not to be unreasonably withheld by Waste Management.

7. Security. During the Term, Waste Management shall be responsible for the safety and security of all of Waste Management's employees, contractors, and invitees. Waste Management agrees to provide security and put in place appropriate traffic controls if required and as approved by the Austin Transportation Department.

8. Contact Names. Waste Management shall provide a list of contact persons responsible for the Landfill, which shall be given to CapMetro. CapMetro shall provide a list of contact persons responsible for the Soil Transfer, which shall be given to Waste Management. The list shall include numbers that can be called during any 24-hour period, including weekends.

9. **WAIVER OF SUBROGATION. TO THE EXTENT PERMITTED BY LAW, WASTE MANAGEMENT WAIVES ALL RIGHTS OF RECOVERY AGAINST CAPMETRO (AND ANY OFFICERS, DIRECTORS, EMPLOYEES, AGENTS AND REPRESENTATIVES OF CAPMETRO), AND AGREES TO RELEASE CAPMETRO FROM LIABILITY FOR LOSS OR DAMAGE TO THE EXTENT SUCH LOSS OR DAMAGE IS COVERED BY VALID AND COLLECTIBLE PROPERTY INSURANCE IN EFFECT COVERING WASTE MANAGEMENT AT THE TIME OF SUCH LOSS OR DAMAGE, WHETHER OR NOT SUCH DAMAGE OR LOSS MAY BE ATTRIBUTABLE TO THE NEGLIGENCE OF CAPMETRO OR ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS AND REPRESENTATIVES. IT IS THE EXPRESS INTENT OF WASTE MANAGEMENT AND CAPMETRO THAT THE WAIVER OF SUBROGATION CONTAINED IN THIS SECTION 9 APPLY TO ALL MATTERS DESCRIBED HEREIN, INCLUDING, WITHOUT LIMITATION, ANY OF THE SAME THAT ARE CAUSED IN WHOLE OR IN PART BY THE NEGLIGENCE OF CAPMETRO OR ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS AND REPRESENTATIVES.**

10. **LIABILITY AND INDEMNIFICATION.** CAPMETRO SHALL NOT BE LIABLE FOR ANY PERSONAL INJURY TO WASTE MANAGEMENT, WASTE MANAGEMENT'S EMPLOYEES, AGENTS, BUSINESS INVITEES, CUSTOMERS, CLIENTS, FAMILY MEMBERS, GUESTS OR TRESPASSERS ARISING FROM THE USE, OCCUPANCY OR CONDITION OF THE LANDFILL. WASTE MANAGEMENT SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS CAPMETRO AND ITS OFFICIALS, EMPLOYEES, AGENTS, REPRESENTATIVES, SUCCESSORS, AND ASSIGNS (THE "CAPMETRO INDEMNIFIED PARTIES"), FROM AND AGAINST ALL COSTS, EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES, EXPENSES, AND COURT COSTS), LIABILITIES, DAMAGES, CLAIMS, SUITS, ACTIONS, AND CAUSES OF ACTION WHATSOEVER ("CLAIMS"), TO THE EXTENT ARISING DIRECTLY OUT OF (A) ANY ACT OR OMISSION OF WASTE

MANAGEMENT OCCURRING WITHIN THE LANDFILL, (B) ANY BREACH OF THIS AGREEMENT BY WASTE MANAGEMENT, ITS AGENTS, EMPLOYEES, OR CONTRACTORS, (C) ANY FALSE REPRESENTATION OR WARRANTY MADE BY WASTE MANAGEMENT HEREUNDER, AND (D) ANY NEGLIGENT ACT OR OMISSION, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF WASTE MANAGEMENT, OR ITS AGENTS, EMPLOYEES, OR CONTRACTORS IN CONNECTION WITH THIS AGREEMENT.

WASTE MANAGEMENT SHALL ASSUME ON BEHALF OF THE CAPMETRO INDEMNIFIED PARTIES AND CONDUCT WITH DUE DILIGENCE AND IN GOOD FAITH THE DEFENSE OF ALL CLAIMS AGAINST ANY OF THE CAPMETRO INDEMNIFIED PARTIES. WASTE MANAGEMENT MAY CONTEST THE VALIDITY OF ANY INSURANCE CLAIMS, IN THE NAME OF WASTE MANAGEMENT OR CAPMETRO, AS WASTE MANAGEMENT MAY IN GOOD FAITH DEEM APPROPRIATE, PROVIDED THAT THE EXPENSES THEREOF SHALL BE PAID BY WASTE MANAGEMENT AND WASTE MANAGEMENT SHALL MAINTAIN ADEQUATE INSURANCE TO COVER ANY LOSS(ES) WHICH MIGHT BE INCURRED IF SUCH CONTEST IS ULTIMATELY UNSUCCESSFUL. THE INDEMNIFICATION OBLIGATIONS AND RIGHTS PROVIDED FOR IN THIS PARAGRAPH WILL BE APPLICABLE WHETHER OR NOT THE JOINT OR CONTRIBUTORY NEGLIGENCE OF ANY CAPMETRO INDEMNIFIED PARTY IS ALLEGED OR PROVEN.

11. Termination; Governing Law; Entire Agreement; Counterparts. The term of this Agreement commences on the Effective Date. Soil will not be received/accepted by Waste Management after March 30, 2026. The executed Agreement will terminate on that date; however, the Agreement may be extended by mutual agreement. This Agreement shall be governed by and subject to the laws of the State of Texas, with venue residing in a court of competent jurisdiction in Travis County, Texas. This Agreement constitutes the entire agreement between the parties hereto with regard to the subject matter of this Agreement, there being no prior written or oral promises or representations not incorporated herein with respect to such matters. This Agreement may be executed in any number of counterparts, all of which shall constitute one Agreement. If any provision of this Agreement is found to conflict with or violate any federal or state law or regulation, then that provision will be modified to bring the language into compliance with the conflicting law or regulation.

IN WITNESS WHEREOF, the Parties hereto have entered into this Agreement as of the Effective Date set forth above.

(Signature Page Follows)

CAPMETRO:

Capital Metropolitan Transportation Authority

By: _____
Name: Kenneth Cartwright
Title: VP, Facility Management and Capital
Construction

WASTE MANAGEMENT:

By: _____
Name: _____
Title: _____

APPROVED AS TO FORM:

Lee Simmons, Associate Counsel

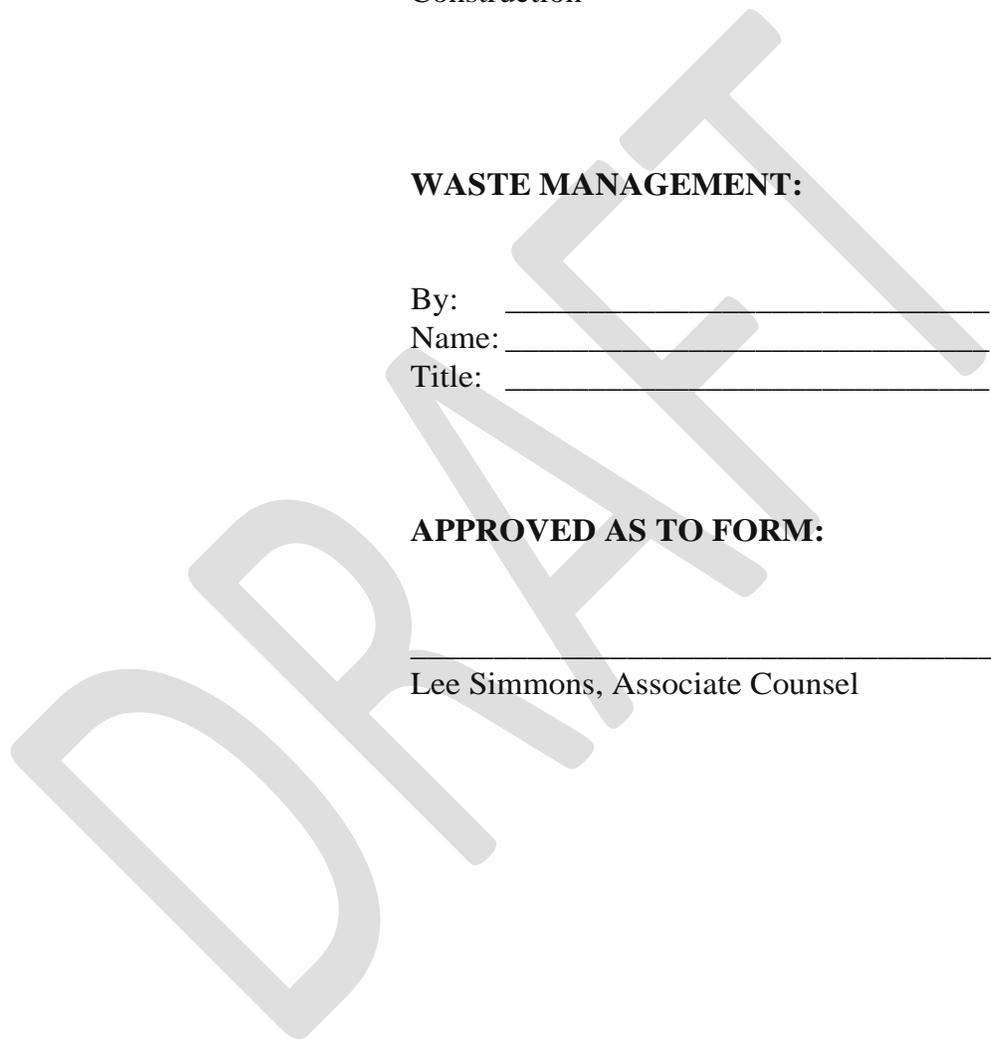


Exhibit A Landfill Area

NORTH BASE DEMAND RESPONSE - OPERATIONS AND MAINTENANCE FACILITY (PAM2219)
10805 CAMERON RD AUSTIN, TX 78754
CONSTRUCTION TRUCK ROUTE EXHIBIT



- PROP TRUCK ROUTE
- NO TRUCK ACCESS
- PROJECT SITE
- DESIGNATED DROP-OFF

NOTES:
1. LIQUIDATED DAMAGES WILL BE ASSESSED PER THE CONTRACT DOCUMENTS IF THE CONTRACTOR USES SPRINGDALE RD FOR CONSTRUCTION ACTIVITIES (E.G. TRUCK ROUTES, MATERIAL DELIVERY, HEAVY EQUIPMENT ACCESS, ETC.) DURING THE DURATION OF CONSTRUCTION WITHOUT CAPMETRO APPROVAL.

CapMetro

DK

**Exhibit B
INSURANCE
REQUIREMENTS**

Capital Metro, consistent with its status as an independent contractor will carry at least the following insurance in the form, with companies having an A.M. Best Rating of A-: VII or better, or some similar rating, in amounts (unless otherwise specified), as Waste Management may require:

Workers' Compensation Insurance with statutory limits, and Employer's Liability Insurance with limits of not less than \$1,000,000:

Employers Liability - Each Accident	\$1,000,000
Employers Liability Disease- Each Employee	\$1,000,000
Employers Liability Disease - Policy Limit	\$1,000,000

Policies must include (a) Other States Endorsement to include TEXAS if business is domiciled outside the State of Texas, and (b) a waiver of all rights of subrogation and other rights in favor of Waste Management, its directors, officers, employees, agents, successors and assigns.

Waste Management agrees that Capital Metro may purchase insurance through the Texas Municipal League Risk Pool.

Commercial General Liability Insurance with limits of not less than:

Each Occurrence Limit	\$2,000,000
Personal & Advertising Injury	\$1,000,000
General Aggregate	\$4,000,000
Sudden Events Involving Pollution	\$2,000,000
Products - Completed Operations Aggregate	\$2,000,000

Policy shall include independent contractor's liability, products and completed operations and contractual liability, covering, but not limited to, the liability assumed under the liability provision of this Contract, fully insuring Contractor's liability for bodily injury (including death) and property damage.

Business Automobile Liability Insurance covering all owned, non-owned or hired automobiles, with coverage for at least \$1,000,000 Combined Single Limit Each Accident for Bodily Injury and Property Damage.

Board of Directors

Item #: AI-2025-1582

Agenda Date: 8/25/2025

SUBJECT:

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.

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: This aligns with CapMetro’s strategy to improve organizational effectiveness by aligning our small purchasing threshold with the thresholds established by State law for certain political subdivisions of the state.

BUSINESS CASE: Increasing the small purchasing threshold will ease procurement rules for moderately sized expenditures, which allows for greater flexibility and faster procurement for routine or lower-cost transactions.

COMMITTEE RECOMMENDATION: This item will be presented to the full board on August 25, 2025.

EXECUTIVE SUMMARY: Senate Bill 1173 (SB 1173), filed during the 89th legislative session and passed by both the Senate and the House, raises the Small Purchasing Threshold for certain political subdivisions of the State of Texas from \$50,000 to \$100,000 (CapMetro’s current small purchase threshold is \$50,000). SB 1173 becomes law on September 1, 2025, and CapMetro’s Procurement Acquisition Policy requires a revision to align with the new law.

While increasing the threshold, the bill still aims to ensure transparency and accountability in public spending by maintaining the requirement for competitive bidding on larger contracts. Benefits include streamlining procurement processes for moderately sized purchases, allowing greater flexibility and quicker purchases of lower-cost transactions.

This proposed change to the policy also includes clarifications to sections I-5 and II-1.

DBE/SBE PARTICIPATION: Does not apply.

PROCUREMENT: Does not apply.

RESPONSIBLE DEPARTMENT: Procurement

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

**STATE OF TEXAS
COUNTY OF TRAVIS**

AI-2025-1582

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

WHEREAS, the 89th Legislature passed SB 1173, which raised the monetary threshold at which competitive procurement methods are required from \$50,000 to \$100,000;

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and CapMetro Management recognize the need to raise the small purchasing threshold stated in CapMetro's Procurement Acquisition Policy.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the President & CEO, or her designee, is authorized to amend the CapMetro Acquisition Policy to revise the small purchasing threshold to align with other political subdivisions and make clarifications.

Date: _____

**Secretary of the Board
Becki Ross**

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	Chief Contracting Officer	Approved by: Board of Directors

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CHAPTER I – OVERVIEW
POLICY

I-1 INTRODUCTION

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

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

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

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

CapMetro policy recognizes five basic procurement methods:

1. Micro Purchases (below the Federal Micro Purchase Threshold set forth in 41 U.S.C. § 1902, as in effect at any given time ("the Micro Purchase Threshold")) (see Chapter III);
2. Small Purchase (exceeding the Micro Purchase Threshold to \$100,000.00) (see Chapter III);

	<p style="text-align: center;">Acquisition Policy Chapter I PROC – 100.01</p> <p style="text-align: center;">Chief Contracting Officer</p>	<p>Issued: December 1998 Revised: August 2025</p> <p>Approved by: Board of Directors</p>
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3. Sealed Bids (greater than \$100,000.00) (see Chapter IV);
4. Competitive Proposals (greater than \$100,000.00) (see Chapter V); and
5. Non-competitive Proposals (see Chapter VI).

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

All procurement transactions must be conducted in a manner that allows for full and open competition in accordance with Texas Transportation Code Section 451.110, this policy and other applicable law. Contracts with a value of \$100,000.00 or more shall be awarded by sealed bid or competitive negotiation. The following practices are deemed restrictive of competition:

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

I-2 VENDOR CONTACTS AND COMMUNICATIONS

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

	<p style="text-align: center;">Acquisition Policy Chapter I PROC – 100.01</p> <p style="text-align: center;">Chief Contracting Officer</p>	<p>Issued: December 1998 Revised: August 2025</p> <p>Approved by: Board of Directors</p>
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Employees must be mindful that one-on-one communications with vendors occurring prior to contract award are subject to enhanced scrutiny due to the importance of maintaining a “level playing field” among all eligible vendors during competitive procurements.

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

2.1 Contacts Prior to Issuance of a Solicitation

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

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

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

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

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

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

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

2.3 Acceptance of Gratuities by Procurement Personnel

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

Any offer of gratuities should be tactfully refused.

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

I-3 CONTRACTOR CLAIMS

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

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

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

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

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I-4 ORGANIZATIONAL CONFLICTS OF INTEREST

4.1 Detailed Content

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

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

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

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

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

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

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4.2 General Rule

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

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

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

I-5 NON-PROCUREMENT PURCHASES

There are instances where goods or services are not processed through the Procurement Department; however, the Procurement Department may set up contract purchase agreements for these goods or services in the financial system to track expenditures on an annual basis. These non-procurement purchases are exempt from this Policy.

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

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

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

I-6 PREQUALIFICATION

CapMetro does not maintain a prequalification program.

I-7 ENSURING MOST EFFICIENT AND ECONOMIC PURCHASE

Departments, during their annual budget process, should determine the procurement actions necessary to sustain their operations through the fiscal year. A list of these

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

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CHAPTER II – PROCUREMENT REQUIREMENTS
POLICY

II-1 DELEGATION OF PROCUREMENT AUTHORITY

1.1 Board Authority

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

1.2 President & CEO Authority

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

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

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

II-2 REPORTING REQUIREMENTS

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

II-3 PURCHASE REQUISITIONS

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

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

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

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bidders or offerors. Procurement will train requesters in the use of the ERP requisitioning function as needed. Purchase requisitions over the micro purchase threshold must have an independent cost estimate.

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

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

II-4 UNAUTHORIZED PROCUREMENT ACTIONS

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

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

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or

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

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

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

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

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

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

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

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

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

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

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

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

II-5 TRANSIT VEHICLE PURCHASES

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

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

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

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

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

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

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

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

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

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

II-8 EMERGENCY PURCHASES

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

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

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

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

II-9 TECHNICAL SPECIFICATIONS AND STATEMENTS OF WORK

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

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

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

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

II-10 CONTRACT TYPES AND OPTIONS

10.1 Contract Types

There are two basic contract types: the fixed-price type and the cost-reimbursement type. The fixed-price type is the only type of pricing arrangement that can be used in sealed bid procurements. In negotiated procurements (RFPs), either the fixed-price or the cost-reimbursement type contract can be used. The primary difference between the two contract types is risk.

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

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

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

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

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

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

10.2 Federal Restrictions on Contract Term

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

10.3 Contract Options

A contract option is a unilateral right in a contract by which, for a specified time, CapMetro may elect to purchase additional equipment, supplies, goods or services called for by the contract, or may elect to extend the term of the contract. The option quantities or periods contained in the contractor’s bid or offer must be evaluated in order to determine contract award. When options have not been evaluated as part of the award, the exercise of the options will be considered a sole source procurement. CapMetro must ensure that the exercise of an option is in accordance with the terms and conditions of the option stated in the initial contract award.

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

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

II-11 PERSONAL SERVICES CONTRACTS

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

- (a) The employer-employee relationship it creates between CapMetro and the Contractor's personnel;
- (b) Relatively continuous supervision and control by a CapMetro Manager;
- (c) Contract performance may be virtual or accomplished at a CapMetro facility;
- (d) Principal tools, equipment, goods, supplies, and administrative support may be provided by CapMetro;
- (e) The services are applied directly to the integral effort of CapMetro in furtherance of an assigned function or mission;
- (f) The inherent nature of the service, or the manner in which it is provided, reasonably requires, directly or indirectly, CapMetro direction and supervision of contractor employees in order to:
 - Adequately protect CapMetro’s interest;
 - Retain control of the function involved; or,
 - Retain full personal responsibility for the function supported by a duly authorized CapMetro officer or employee.
- (g) Personal Services Contractors shall be selected on a competitive basis except when competition is not required or is waived pursuant to non-competitive procurement guidelines.

11.1 President & CEO Approval

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

11.2 Reason for Use of Personal Services Contracts

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

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

II-12 METHODS OF PROCUREMENT

12.1 Multiple Award Indefinite-Delivery A&E Contracts. CapMetro is not precluded from making multiple award indefinite-delivery contracts for A&E services, provided the selection of A&E firms and placement of orders is consistent with the requirement for qualifications-based selection.

12.2 Mixed A&E-Construction Contracts.

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

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

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II-13 OTHER CONTRACT TYPES

13.1 Revenue Contracts

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

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

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

(c) **Joint Development:** Joint Development is when a public transportation agency forms a partnership with the private sector in order to promote real estate development in and around transit facilities, which is often referred to as “joint development.” Although FTA joint development projects are primarily a means to provide private capital to transit projects, joint development projects combine aspects of federally assisted construction and revenue contracting. If a contract between CapMetro and a third party involving a joint development project is not a construction contract or a revenue contract as defined in FTA Circular 4220.1G, then that contract is not covered by FTA’s third-party contracting provisions. Nevertheless, even in situations not covered by the third-party contracting provisions, FTA generally favors full and open competition. Joint Development is a function of CapMetro’s Real Estate Department.

13.2 Design/Bid/Build

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

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the construction phase, and acts as the owner’s agent, to inspect the construction work to ensure that the structures are built according to the designs and specifications.

13.3 Design-Build

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

(a) **Construction Predominant:** The construction costs of a design-build project are usually predominant so that the recipient would be expected to use competitive negotiations or sealed bids for the entire procurement rather than the qualification-based Brooks Act procurement procedures or Texas Professional Services Procurement Act.

(b) **Design Services Predominant:** When cost of most work to be performed will consist of costs for architectural and engineering, program management, construction management, feasibility studies, preliminary engineering, design, architectural engineering, surveying, mapping, or related A&E services, CapMetro must use qualifications-based procurement procedures based on the Brooks Act or Texas Professional Services Procurement Act.

(c) **Public-Private Partnerships:** A Public-Private Partnership (PPP) is a formal contractual arrangement between CapMetro and one or more private partners establishing a mechanism for procuring property and services under which the private sector assumes some of the public sector’s customary role in planning, financing, design, construction, operation, and maintenance. PPPs may use the following types of contracting delivery arrangements or project delivery systems including, but not limited to:

- Design-Build;
- Design-Build with a Warranty;
- Construction Manager at Risk;
- Design-Build-Operate-Maintain;
- Design-Build-Finance-Operate;
- Build-Operate-Transfer;

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- Build-Own-Operate; and
- Full Delivery or Program Management.

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

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

II-14 COST OR PRICE ANALYSIS

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

II-15 IMPERMISSIBLE ACTIONS

13.1 Improper Contract Extension

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

13.2 Cardinal Changes

A significant change in contract work (property or services) that causes a major deviation from the original purpose of the work or the intended method of achievement, or causes a revision of contract work so extensive, significant, or cumulative that, in effect, the contractor is required to perform very different work from that described in the original contract, is a cardinal change. Such practices are sometimes informally referred to as

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“tag-ons.” A change within the scope of the contract (sometimes referred to as an “in-scope” change) is not a “tag-on” or cardinal change. Cardinal changes are prohibited.

II-16 ACQUISITION THROUGH ASSIGNED CONTRACT RIGHTS (PIGGYBACKING)

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

II-17 STATE CONTRACTS

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

- Another State’s cooperative procurement contract; and
- Cooperative procurement contracts which are essentially purchasing schedules between a state or eligible nonprofit with one or more vendors for rolling stock.

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

II-18 PROTESTS AND DISPUTES

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

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

Any “interested party” is defined with respect to the following:

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

Protests directed to the terms, conditions or proposed form of procurement action must be received by the Chief Contracting Officer at least five (5) working days prior to the date established for the opening of bids or receipt of proposals. Protests concerning award decisions, including bid evaluations, must be received by the Chief Contracting Officer within five (5) working days after such aggrieved person knows, or should have known, of the grounds of the protest. The Chief Contracting Officer will always respond to issues raised by protests involving fraud, gross abuse of the procurement process, or otherwise indicating substantial prejudice to the integrity of the procurement system.

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

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

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

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

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II-19 CONTRACT AUDIT POLICY

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

Risk considerations include, but are not limited to:

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

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

Scope

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

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

II-20 CONTRACT BONDING POLICY

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

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

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

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

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

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

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

II-21 COST PRINCIPLES

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

II-22 GSA SCHEDULES

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

- Information Technology (IT) – Section 211 of the E-Government Act of 2002, 40 U.S.C. Section 502(c)(1), authorizes State and local governments, within limits established by law, to acquire IT of various types through GSA’s Cooperative Purchasing Program, Federal Supply Schedule 70.
- Major Disaster or Emergency Recovery – Section 502(d) of title 40 U.S.C. authorizes State and local government entities to use any GSA Federal Supply Schedule to acquire property and services in advance of a major disaster declared by the President of the

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United States, as well as in the aftermath of an emergency event. The State or local government is then responsible for ensuring that the property or services acquired will be used for recovery.

- Local Preparedness Acquisition – Section 502(c)(2) of title 40 U.S.C. authorizes State and local governments, within limits established by law, to acquire law enforcement, security and certain related items of various types through GSA’s Cooperative Purchasing Program Federal Supply Schedule 84, or any amended or later version of that Federal supply classification group.

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

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

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

II-23 SUB-RECIPIENT OVERSIGHT

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

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

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CHAPTER III – MICRO AND SMALL PURCHASE PROCUREMENTS
POLICY

All micro and small purchases shall be made from sources known to provide the types of goods or services required. Disadvantaged Business Enterprise and Small Business Enterprise firms are encouraged to participate in these procurements. Micro and small purchase procurements may not be modified to increase the dollar value of the purchase order in excess of the procurement method used, i.e. a purchase order based on the micro purchase method may not be modified beyond the Federal Micro Purchase Threshold or an order for \$99,500 may not be increased beyond \$100,000.00. Micro and small purchases are exempt from Buy America requirements.

III-1 MICRO PURCHASE

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

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

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

III-2 SMALL PURCHASE

Small purchases (from the Federal Micro Purchase Threshold to \$100,000.00) shall be made by soliciting competitive written quotations, encouraging participation by Disadvantaged Business Enterprise/Small Business Enterprise firms if possible. “Competitive” means that the Buyer obtained price or rate quotations from an adequate number of qualified sources. The Buyer may exercise judgment in determining what number is adequate. Written records of solicitations must be recorded. In the absence of adequate price competition, a determination that the price is fair and reasonable must be made. Dividing or reducing the size of the purchase to avoid procurement requirements applicable to larger acquisitions is prohibited. CapMetro must maintain records to support its decision to use the small purchase, the selection of contract type, the sources solicited, and the reasons for contractor selection or rejection.

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CHAPTER IV – SEALED BID PROCUREMENTS (INVITATION FOR BID (IFB))
POLICY

In accordance with 2 CFR Part 200.319, all goods and services estimated to cost \$100,000.00 or more should be purchased using full and open competition procedures. Procurement Department personnel may use Texas Centralized Master Bidder’s List (CMBL), the requestor’s source list, the internet, and other methods to assist them in identifying sources.

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

IV-1 DESCRIPTIVE LITERATURE/WRITTEN DATA

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

IV-2 BID SAMPLES

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

IV-3 BIDDING TIME

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

IV-4 ADVERTISING AND SOLICITATION OF SEALED BIDS

4.1 Advertising

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

4.2 Delivery to Prospective Bidders

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

4.3 Records of Invitation for Bids and Records of Bids

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

4.4 Amendment to Invitation for Bids

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

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

4.5 Responsiveness of Bids

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

4.6 Time of Bid Submission

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

4.7 Late Bids

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

4.8 Modification or Withdrawal of Bids

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

4.9 Late Modifications and Withdrawals

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

IV-5 BID RECEIPT AND OPENING

5.1 Receipt of Bids

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

5.2 Opening of Bids

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

5.3 Recording of Bids

The assigned Buyer/Contract Administrator and one other department employee should be present at each bid opening to facilitate bid opening and recording of the bids. When the items are too numerous to warrant the recording of all bids completely, an entry should be made of the IFB number, opening date, general description of the procurement items, and the total bid price where definite quantities are involved.

5.4 Cancellation of Invitation for Bid After Opening

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

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

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

5.5 Rejection of Individual Bids

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

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

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

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

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

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

5.6 Notice to Bidders of Rejection of All Bids

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

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5.7 Restrictions on Disclosure of Descriptive Literature/Written Data

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

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

5.8 All or None Qualifications

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

5.9 Mistakes in Bids

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

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

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

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

- (1) sign the bid, but only if the unsigned bid is accompanied by other material clearly indicating the bidder's intent to be bound; or
- (2) acknowledge receipt of an amendment to the IFB, but only if:
 - it is clear from the bid that the bidder received the amendment and intended to be bound by its terms; or

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- the amendment involved had a negligible effect on price, quantity or delivery.

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

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

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

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

(d) Mistakes discovered after award

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

IV-6 EVALUATION OF BIDS

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

6.1 Responsible Bidder

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

- Technical status as a manufacturer, supplier or construction contractor
- Financial resources and status
- Skill, experience, and staffing levels
- Prior conduct and performance of a contract

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- Debarment and suspension.
- Contractor integrity, business ethics, and compliance with public policy.

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

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

6.2 Responsive Bidder

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

6.3 Two-Step Sealed Bidding

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

IV-7 AWARD PROCESS

7.1 Award

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

7.2 Delay of Award

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

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7.3 Award to a Single Bidder

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

7.4 Award Criteria

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

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**CHAPTER V – COMPETITIVE PROPOSAL PROCUREMENTS
POLICY**

V-1 INTRODUCTION

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

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

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

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

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

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

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

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

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

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

V-2 PREPARATION OF SOLICITATION DOCUMENTS FOR NEGOTIATION

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

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

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

1.3 The user department is responsible for providing the in-house independent cost estimate (ICE), technical specifications, scope of work, plans, drawings, evaluation criteria

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and their corresponding weights, and other documents deemed necessary for the procurement.

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

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

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

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

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

V-3 CONFIDENTIALITY OF PROPOSALS

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

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

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

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V-4 GUIDELINES FOR THE EVALUATION OF PROPOSALS

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

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

3.1 Evaluation Committee

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

3.2 Evaluation Criteria

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

(a) Technical Expertise

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

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

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- graphics
- acoustics
- traffic engineering
- environmental assessment

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

(b) Project Approach

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

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

(c) Cost and Price Information

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

- Clarity and visibility of proposed cost breakdown for the proposer and its subcontractors and subconsultants.

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- Credibility of labor hours and dollar cost estimates when related to the proposed project approach.
- Profit negotiated as a separate element of price.
- Total price, including base and all option years.

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

3.3 Evaluation Forms

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

3.4 Competitive Range

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

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

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

3.5 Oral Interviews/Written Communication

The committee members prepare lists of questions that they may ask the proposers during the oral interviews. These questions generally address items that are not sufficiently covered by the proposers in the proposals. The proposer may be required to update the proposal in writing if clarification or additional information is provided in the oral interview.

The format of the oral interviews is varied. Proposers are either asked to make formal presentations or to be prepared for a question and answer session. The preferable method

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is for the proposer to be prepared for a question and answer session since CapMetro will obtain more valuable information as it relates to the specific proposal. Oral interviews should not be an opportunity for a sales presentation.

- (a) Written or oral discussions shall be conducted with all responsible offerors who submit proposals which are determined to be within the competitive range, price and other factors considered (including technical quality where technical proposals are requested) **except** that this requirement need not necessarily be applied to the following procurements:
- less than \$100,000.00;
 - in which prices or rates are fixed by law or regulation;
 - in which date of delivery will not permit discussion;
 - the solicitation stipulated that award might be made on the basis of initial proposals received.
- (b) For the sole purpose of eliminating minor uncertainties or irregularities, an inquiry may be made to an offeror concerning their proposal. Such inquiries and resulting clarification furnished by the offeror shall not constitute discussions. If the clarification prejudices the interest of other offerors, award may not be made without discussion with all offerors in the competitive range.

3.6 Discussions with Offerors

- (a) Any offeror determined to be in the competitive range and selected for oral discussions should be provided written notification of the deficiencies in their proposal that will require clarification. A deficiency is defined as that part of a proposal that does not completely satisfy a CapMetro requirement.
- (b) Discussions shall not disclose the strengths or weaknesses of competing offerors or disclose any information about other proposals.
- (c) Auction techniques are strictly prohibited. Indicating to an offeror a price which must be met to obtain further consideration, or informing them that their price is not low in relation to another offeror are examples of auctioning. However, it is permissible to inform an offeror that their price may be considered by CapMetro to be unbalanced or too high with respect to the marketplace.
- (d) At the conclusion of discussions, a final, common cutoff date which allows a reasonable opportunity for submission of a Final Proposal Revision shall be established and all remaining participants so notified. If oral notification is given, it shall be confirmed in writing.

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

3.7 Final Proposal Revision (FPR)

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

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

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

3.8 Debriefing of Unsuccessful Offerors

When requested by an unsuccessful offeror, a debriefing will be conducted following contract award, by the Buyer/Contracts Administrator and Department Project Manager utilizing the evaluation matrix, documentation of scoring process, and the narrative appraisal describing the strengths and weaknesses as basis for the debriefing discussion. When a DBE firm requests a debriefing, the DBE Coordinator may be invited to participate in the debriefing.

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3.9 Procurement Summary

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

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

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

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**CHAPTER VI – NON-COMPETITIVE PROCUREMENTS
POLICY**

VI-1 SOLE SOURCE

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

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

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

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

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

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

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VI-2 UNSOLICITED PROPOSALS

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

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

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

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

2.1 A valid unsolicited proposal must:

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

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2.2 Advance Guidance

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

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

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

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

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

2.3 Content of Unsolicited Proposals

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

(a) Basic information including:

- Offeror's name and address and type of organization; e.g. profit, nonprofit, educational, small business.

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

(b) Technical information including:

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

(c) Supporting information including:

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

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2.4 Award of unsolicited proposals

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

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

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

VI-3 APPROVAL LEVELS FOR NON-COMPETITIVE PROCUREMENTS

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

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

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

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CHAPTER VII – CONTRACT ADMINISTRATION
POLICY

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

VII-1 DEPARTMENT PROJECT MANAGER RESPONSIBILITIES

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

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

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

VII-2 CONTRACT ADMINISTRATOR RESPONSIBILITIES

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

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

VII-3 CONTRACT MODIFICATIONS

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

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

VII-4 CHANGE ORDERS

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

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

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

	<p style="text-align: center;">Acquisition Policy Chapter VII PROC – 100.07</p> <p style="text-align: center;">Chief Contracting Officer</p>	<p>Issued: December 1998 Revised: August 2025</p> <p>Approved by: Board of Directors</p>
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VII-5 ADVANCE PAYMENTS

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

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

Exceptions require review and approval by the Chief Contracting Officer.

Adequate security must be obtained when using advance payments.

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

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

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

VII-6 PROGRESS PAYMENTS

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

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VII-7 CONTRACT TERMINATION

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

VII-8 CONTRACT CLOSEOUT

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

	<p style="text-align: center;">Acquisition Policy Chapter VIII PROC – 100.08</p> <p style="text-align: center;">Chief Contracting Officer</p>	<p>Issued: December 1998 Revised: August 2025</p> <p>Approved by: Board of Directors</p>
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**CHAPTER VIII – INVESTMENT RECOVERY
POLICY**

VIII-1 DISPOSAL OF CAPMETRO SURPLUS OR OBSOLETE PROPERTY

1.1 Purpose:

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

1.2 Definitions:

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

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

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

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

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

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

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

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

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

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

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

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

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

VIII-2 PURCHASES MADE WITH RECOVERED PRODUCTS

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

VIII-3 PROPERTY DISPOSAL FORM

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

VIII-4 DETERMINING THE METHOD OF DISPOSAL

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

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

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

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

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

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

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

VIII-5 FAIR MARKET VALUE

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

- (1) Original purchase cost (if available)

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

VIII-6 SALE OF OBSOLETE OR SURPLUS VEHICLES

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

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

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

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

VIII-7 SALE OF OBSOLETE OR SURPLUS PROPERTY

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

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

6.1 Surplus Property:

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

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

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

6.2 IT Equipment:

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

VIII-8 SALE OF SCRAP, DAMAGED OR DESTROYED PROPERTY

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

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

8.1 Surplus Property

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

- Scrap without monetary value
- Damaged property
- Destroyed property

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

8.2 IT Equipment

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

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

9.1 Zero Waste and Recycling:

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

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

9.2 Disposal of Hazardous Materials:

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

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

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

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

9.2 Vendors and Sustainability Practices:

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

VIII-11 CONFLICT OF INTEREST (COI) RESTRICTIONS

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

VIII-12 DONATION RESTRICTIONS

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

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VIII-13 ANTI-SCAVENGING RESTRICTION

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



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2025-1584

Agenda Date: 8/25/2025

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

To: CapMetro Board of Directors

From: Muhammad Abdullah, C. P. M.
VP Procurement & Chief Contracting Officer

Date: August 15, 2025

Subject: Revision to CapMetro Acquisition Policy – Increase in Small Purchasing Threshold

Senate Bill 1173 (SB 1173), filed during the 89th legislative session and passed by both the Senate and the House, raises the Small Purchasing Threshold for certain political subdivisions of the State of Texas from \$50,000 to \$100,000 (CapMetro’s current small purchase threshold is \$50,000).¹ SB 1173 becomes law on September 1, 2025 and CapMetro’s Procurement Acquisition Policy requires a revision to align with the new law.

While increasing the threshold, the bill still aims to ensure transparency and accountability in public spending by maintaining the requirement for competitive bidding on larger contracts. Benefits include streamlining procurement processes for moderately sized purchases, allowing greater flexibility and quicker purchases of lower-cost transactions.

This change aligns CapMetro’s strategy to improve organizational effectiveness by aligning our small purchasing threshold with that of other political subdivisions.

Attached is a redlined version of CapMetro’s Procurement Acquisition Policy for your review. This change will be included as an action item for the Board’s consideration during the August 24, 2025 Board Meeting.

Attachment:
Procurement Acquisition Policy (redlined)

¹ Small Purchase: An acquisition of goods or services with a dollar value threshold of up to \$100,000.00 using small purchase procedures. Small purchase procedures are relatively simple and informal procurement methods.

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CHAPTER I – OVERVIEW
POLICY

I-1 INTRODUCTION

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

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

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

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

CapMetro policy recognizes five basic procurement methods:

1. Micro Purchases (below the Federal Micro Purchase Threshold set forth in 41 U.S.C. § 1902, as in effect at any given time ("the Micro Purchase Threshold")) (see Chapter III);
2. Small Purchase (exceeding the Micro Purchase Threshold to ~~\$105~~0,000.00) (see Chapter III);

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3. Sealed Bids (greater than \$~~10050~~,000.00) (see Chapter IV);
4. Competitive Proposals (greater than \$~~10050~~,000.00) (see Chapter V); and
5. Non-competitive Proposals (see Chapter VI).

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

All procurement transactions must be conducted in a manner that allows for full and open competition in accordance with Texas Transportation Code Section 451.110, this policy and other applicable law. Contracts with a value of \$~~50~~100,000.00 or more shall be awarded by sealed bid or competitive negotiation. The following practices are deemed restrictive of competition:

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

I-2 VENDOR CONTACTS AND COMMUNICATIONS

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

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

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

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

2.1 Contacts Prior to Issuance of a Solicitation

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

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

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

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

All contacts with vendors or contractors that relate to procurement that are in the solicitation, evaluation, negotiation, and award phase must be conducted through the

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Procurement Department. The Procurement Department will direct all technical questions to the Project Manager for evaluation.

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

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

2.3 Acceptance of Gratuities by Procurement Personnel

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

Any offer of gratuities should be tactfully refused.

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

I-3 CONTRACTOR CLAIMS

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

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

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

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

I-4 ORGANIZATIONAL CONFLICTS OF INTEREST

4.1 Detailed Content

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

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

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

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

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

- Management support services
- Consultant or other professional services, particularly preparation of plans, designs, or specifications for further work or products

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- Contractor performance of, or assistance in, technical evaluations
- Systems engineering and technical work performed by a contractor that does not have overall responsibility for development or production
- Legal and accounting services

4.2 General Rule

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

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

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

I-5 **NON-PROCUREMENT PURCHASES**

There are instances where goods or services are not processed through the Procurement Department; however, the Procurement Department may set up contract purchase agreements for these goods or services in the financial system to track expenditures on an annual basis. These non-procurement purchases are exempt from this Policy.

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

- Payroll account reimbursement, tax withholding payments, and all associated benefit payments.
- Claim settlements.

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

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I-6 PREQUALIFICATION

CapMetro does not maintain a prequalification program.

I-7 ENSURING MOST EFFICIENT AND ECONOMIC PURCHASE

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

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CHAPTER II – PROCUREMENT REQUIREMENTS
POLICY

II-1 DELEGATION OF PROCUREMENT AUTHORITY

1.1 Board Authority

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

1.2 President & CEO Authority

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

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

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- Approve and execute modifications to Board approved contracts which individually, or in combination, cannot exceed the Board Threshold or a Board approved contingency. –The Board threshold amount may be added as contingency through bilateral contract modification in instances where no contingency was originally requested.
- Approve and execute contracts, modifications, or change orders in case of emergency, which shall mean cases where postponement of the action until the next scheduled meeting of the Board of Directors will result in loss of property, danger to life or health, or major adverse effect on transit service, provided that the President & CEO shall request ratification of each action under this emergency provision at the next meeting of the Board of Directors.
- Approve and execute settlements of contractual claims against CapMetro in an aggregate amount not to exceed the Board Threshold per claimant.

II-2 **REPORTING REQUIREMENTS**

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

II-3 **PURCHASE REQUISITIONS**

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

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

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

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

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

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

II-4 UNAUTHORIZED PROCUREMENT ACTIONS

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

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

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or

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

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

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

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

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

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

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

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

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

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

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

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

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

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- Knowingly committing an unauthorized procurement action which has an adverse effect of \$50,000.00 or more, or significantly affects public image.
- Repeat of the same moderate offense within one year.

- Falsification of any documents submitted to the Procurement Department.
- Failure to disclose a known or potential organizational conflict of interest.
- Inappropriate discussion of proposals or their evaluation prior to award of a contract.

II-5 TRANSIT VEHICLE PURCHASES

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

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

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

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

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

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

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

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

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

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

II-8 EMERGENCY PURCHASES

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

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

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

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

II-9 TECHNICAL SPECIFICATIONS AND STATEMENTS OF WORK

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

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

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

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

II-10 CONTRACT TYPES AND OPTIONS

10.1 Contract Types

There are two basic contract types: the fixed-price type and the cost-reimbursement type. The fixed-price type is the only type of pricing arrangement that can be used in sealed bid procurements. In negotiated procurements (RFPs), either the fixed-price or the cost-reimbursement type contract can be used. The primary difference between the two contract types is risk.

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

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

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

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

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

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

10.2 Federal Restrictions on Contract Term

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

10.3 Contract Options

A contract option is a unilateral right in a contract by which, for a specified time, CapMetro may elect to purchase additional equipment, supplies, goods or services called for by the contract, or may elect to extend the term of the contract. The option quantities or periods contained in the contractor's bid or offer must be evaluated in order to determine contract award. When options have not been evaluated as part of the award, the exercise of the options will be considered a sole source procurement. CapMetro must ensure that the exercise of an option is in accordance with the terms and conditions of the option stated in the initial contract award.

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

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

II-11 PERSONAL SERVICES CONTRACTS

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

- (a) The employer-employee relationship it creates between CapMetro and the Contractor's personnel;
- (b) Relatively continuous supervision and control by a CapMetro Manager;
- (c) Contract performance may be virtual or accomplished at a CapMetro facility;
- (d) Principal tools, equipment, goods, supplies, and administrative support may be provided by CapMetro;
- (e) The services are applied directly to the integral effort of CapMetro in furtherance of an assigned function or mission;
- (f) The inherent nature of the service, or the manner in which it is provided, reasonably requires, directly or indirectly, CapMetro direction and supervision of contractor employees in order to:
 - Adequately protect CapMetro's interest;
 - Retain control of the function involved; or,
 - Retain full personal responsibility for the function supported by a duly authorized CapMetro officer or employee.
- (g) Personal Services Contractors shall be selected on a competitive basis except when competition is not required or is waived pursuant to non-competitive procurement guidelines.

11.1 President & CEO Approval

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

11.2 Reason for Use of Personal Services Contracts

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

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

II-12 METHODS OF PROCUREMENT

12.1 Multiple Award Indefinite-Delivery A&E Contracts. CapMetro is not precluded from making multiple award indefinite-delivery contracts for A&E services, provided the selection of A&E firms and placement of orders is consistent with the requirement for qualifications-based selection.

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

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

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II-13 OTHER CONTRACT TYPES

13.1 Revenue Contracts

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

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

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

(c) **Joint Development:** Joint Development is when a public transportation agency forms a partnership with the private sector in order to promote real estate development in and around transit facilities, which is often referred to as “joint development.” Although FTA joint development projects are primarily a means to provide private capital to transit projects, joint development projects combine aspects of federally assisted construction and revenue contracting. If a contract between CapMetro and a third party involving a joint development project is not a construction contract or a revenue contract as defined in FTA Circular 4220.1G, then that contract is not covered by FTA’s third-party contracting provisions. Nevertheless, even in situations not covered by the third-party contracting provisions, FTA generally favors full and open competition. Joint Development is a function of CapMetro’s Real Estate Department.

13.2 Design/Bid/Build

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

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the construction phase, and acts as the owner's agent, to inspect the construction work to ensure that the structures are built according to the designs and specifications.

13.3 Design-Build

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

(a) **Construction Predominant:** The construction costs of a design-build project are usually predominant so that the recipient would be expected to use competitive negotiations or sealed bids for the entire procurement rather than the qualification-based Brooks Act procurement procedures or Texas Professional Services Procurement Act.

(b) **Design Services Predominant:** When cost of most work to be performed will consist of costs for architectural and engineering, program management, construction management, feasibility studies, preliminary engineering, design, architectural engineering, surveying, mapping, or related A&E services, CapMetro must use qualifications-based procurement procedures based on the Brooks Act or Texas Professional Services Procurement Act.

(c) **Public-Private Partnerships:** A Public-Private Partnership (PPP) is a formal contractual arrangement between CapMetro and one or more private partners establishing a mechanism for procuring property and services under which the private sector assumes some of the public sector's customary role in planning, financing, design, construction, operation, and maintenance. PPPs may use the following types of contracting delivery arrangements or project delivery systems including, but not limited to:

- Design-Build;
- Design-Build with a Warranty;
- Construction Manager at Risk;
- Design-Build-Operate-Maintain;
- Design-Build-Finance-Operate;
- Build-Operate-Transfer;

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- Build-Own-Operate; and
- Full Delivery or Program Management.

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

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

II-14 COST OR PRICE ANALYSIS

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

II-15 IMPERMISSIBLE ACTIONS

13.1 Improper Contract Extension

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

13.2 Cardinal Changes

A significant change in contract work (property or services) that causes a major deviation from the original purpose of the work or the intended method of achievement, or causes a revision of contract work so extensive, significant, or cumulative that, in effect, the contractor is required to perform very different work from that described in the original contract, is a cardinal change. Such practices are sometimes informally referred to as

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“tag-ons.” A change within the scope of the contract (sometimes referred to as an “in-scope” change) is not a “tag-on” or cardinal change. Cardinal changes are prohibited.

II-16 ACQUISITION THROUGH ASSIGNED CONTRACT RIGHTS (PIGGYBACKING)

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

II-17 STATE CONTRACTS

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

- Another State’s cooperative procurement contract; and
- Cooperative procurement contracts which are essentially purchasing schedules between a state or eligible nonprofit with one or more vendors for rolling stock.

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

II-18 PROTESTS AND DISPUTES

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

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

Any “interested party” is defined with respect to the following:

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

Protests directed to the terms, conditions or proposed form of procurement action must be received by the Chief Contracting Officer at least five (5) working days prior to the date established for the opening of bids or receipt of proposals. Protests concerning award decisions, including bid evaluations, must be received by the Chief Contracting Officer within five (5) working days after such aggrieved person knows, or should have known, of the grounds of the protest. The Chief Contracting Officer will always respond to issues raised by protests involving fraud, gross abuse of the procurement process, or otherwise indicating substantial prejudice to the integrity of the procurement system.

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

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

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

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

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II-19 CONTRACT AUDIT POLICY

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

Risk considerations include, but are not limited to:

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

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

Scope

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

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

II-20 CONTRACT BONDING POLICY

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

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

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

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

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

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

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

II-21 COST PRINCIPLES

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

II-22 GSA SCHEDULES

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

- Information Technology (IT) – Section 211 of the E-Government Act of 2002, 40 U.S.C. Section 502(c)(1), authorizes State and local governments, within limits established by law, to acquire IT of various types through GSA 's Cooperative Purchasing Program, Federal Supply Schedule 70.
- Major Disaster or Emergency Recovery – Section 502(d) of title 40 U.S.C. authorizes State and local government entities to use any GSA Federal Supply Schedule to acquire property and services in advance of a major disaster declared by the President of the

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United States, as well as in the aftermath of an emergency event. The State or local government is then responsible for ensuring that the property or services acquired will be used for recovery.

- Local Preparedness Acquisition – Section 502(c)(2) of title 40 U.S.C. authorizes State and local governments, within limits established by law, to acquire law enforcement, security and certain related items of various types through GSA's Cooperative Purchasing Program Federal Supply Schedule 84, or any amended or later version of that Federal supply classification group.

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

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

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

II-23 SUB-RECIPIENT OVERSIGHT

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

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

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CHAPTER III – MICRO AND SMALL PURCHASE PROCUREMENTS
POLICY

All micro and small purchases shall be made from sources known to provide the types of goods or services required. Disadvantaged Business Enterprise and Small Business Enterprise firms are encouraged to participate in these procurements. Micro and small purchase procurements may not be modified to increase the dollar value of the purchase order in excess of the procurement method used, i.e. a purchase order based on the micro purchase method may not be modified beyond the Federal Micro Purchase Threshold or an order for ~~\$949,500~~ may not be increased beyond ~~\$10050,000.00~~. Micro and small purchases are exempt from Buy America requirements.

III-1 MICRO PURCHASE

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

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

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

III-2 SMALL PURCHASE

Small purchases (from the Federal Micro Purchase Threshold to ~~\$10050,000.00~~) shall be made by soliciting competitive written quotations, encouraging participation by Disadvantaged Business Enterprise/Small Business Enterprise firms if possible. “Competitive” means that the Buyer obtained price or rate quotations from an adequate number of qualified sources. The Buyer may exercise judgment in determining what number is adequate. Written records of solicitations must be recorded. In the absence of adequate price competition, a determination that the price is fair and reasonable must be made. Dividing or reducing the size of the purchase to avoid procurement requirements applicable to larger acquisitions is prohibited. CapMetro must maintain

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records to support its decision to use the small purchase, the selection of contract type, the sources solicited, and the reasons for contractor selection or rejection.

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CHAPTER IV – SEALED BID PROCUREMENTS (INVITATION FOR BID (IFB))
POLICY

In accordance with 2 CFR Part 200.319, all goods and services estimated to cost \$~~10050~~,000.00 or more should be purchased using full and open competition procedures. Procurement Department personnel may use Texas Centralized Master Bidder's List (CMBL), the requestor's source list, the internet, and other methods to assist them in identifying sources.

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

IV-1 DESCRIPTIVE LITERATURE/WRITTEN DATA

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

IV-2 BID SAMPLES

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

IV-3 BIDDING TIME

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

IV-4 ADVERTISING AND SOLICITATION OF SEALED BIDS

4.1 Advertising

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

4.2 Delivery to Prospective Bidders

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

4.3 Records of Invitation for Bids and Records of Bids

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

4.4 Amendment to Invitation for Bids

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

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

4.5 Responsiveness of Bids

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

4.6 Time of Bid Submission

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

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4.7 Late Bids

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

4.8 Modification or Withdrawal of Bids

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

4.9 Late Modifications and Withdrawals

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

IV-5 BID RECEIPT AND OPENING

5.1 Receipt of Bids

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

5.2 Opening of Bids

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

5.3 Recording of Bids

The assigned Buyer/Contract Administrator and one other department employee should be present at each bid opening to facilitate bid opening and recording of the bids. When the items are too numerous to warrant the recording of all bids completely, an entry should be made of the IFB number, opening date, general description of the procurement items, and the total bid price where definite quantities are involved.

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5.4 Cancellation of Invitation for Bid After Opening

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

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

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

5.5 Rejection of Individual Bids

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

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

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

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

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

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

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5.6 Notice to Bidders of Rejection of All Bids

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

5.7 Restrictions on Disclosure of Descriptive Literature/Written Data

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

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

5.8 All or None Qualifications

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

5.9 Mistakes in Bids

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

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

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

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

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

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- (2) acknowledge receipt of an amendment to the IFB, but only if:
- it is clear from the bid that the bidder received the amendment and intended to be bound by its terms; or
 - the amendment involved had a negligible effect on price, quantity or delivery.

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

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

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

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

(d) Mistakes discovered after award

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

IV-6 EVALUATION OF BIDS

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

6.1 Responsible Bidder

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

- Technical status as a manufacturer, supplier or construction contractor

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- Financial resources and status
- Skill, experience, and staffing levels
- Prior conduct and performance of a contract
- Debarment and suspension.
- Contractor integrity, business ethics, and compliance with public policy.

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

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

6.2 Responsive Bidder

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

6.3 Two-Step Sealed Bidding

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

IV-7 AWARD PROCESS

7.1 Award

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

7.2 Delay of Award

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

7.3 Award to a Single Bidder

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

7.4 Award Criteria

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

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**CHAPTER V – COMPETITIVE PROPOSAL PROCUREMENTS
POLICY**

V-1 INTRODUCTION

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

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

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

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

The selection of the technically “most qualified firm” shall be made at the conclusion of discussions and based upon the evaluation of a revised SOQ unless the determination has been made to award on the basis of the initial SOQ without conducting discussions

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with any of the competing firms. Where multiple awards are proposed, more than one firm can be considered as most qualified. Negotiations are conducted only after the most qualified firm or firms has been identified. If an agreement cannot be reached on price, the firm's submittal is rejected and negotiations are conducted with the next most qualified firm.

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

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

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

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

V-2 PREPARATION OF SOLICITATION DOCUMENTS FOR NEGOTIATION

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

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

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

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

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

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

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

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

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

V-3 CONFIDENTIALITY OF PROPOSALS

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

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

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

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V-4 **GUIDELINES FOR THE EVALUATION OF PROPOSALS**

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

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

3.1 Evaluation Committee

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

3.2 Evaluation Criteria

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

(a) Technical Expertise

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

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

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

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

(b) Project Approach

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

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

(c) Cost and Price Information

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

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

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

3.3 Evaluation Forms

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

3.4 Competitive Range

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

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

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

3.5 Oral Interviews/Written Communication

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

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

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

(a) Written or oral discussions shall be conducted with all responsible offerors who submit proposals which are determined to be within the competitive range, price and other factors considered (including technical quality where technical proposals are requested) **except** that this requirement need not necessarily be applied to the following procurements:

- less than ~~\$50~~100,000.00;
- in which prices or rates are fixed by law or regulation;
- in which date of delivery will not permit discussion;
- the solicitation stipulated that award might be made on the basis of initial proposals received.

(b) For the sole purpose of eliminating minor uncertainties or irregularities, an inquiry may be made to an offeror concerning their proposal. Such inquiries and resulting clarification furnished by the offeror shall not constitute discussions. If the clarification prejudices the interest of other offerors, award may not be made without discussion with all offerors in the competitive range.

3.6 Discussions with Offerors

(a) Any offeror determined to be in the competitive range and selected for oral discussions should be provided written notification of the deficiencies in their proposal that will require clarification. A deficiency is defined as that part of a proposal that does not completely satisfy a CapMetro requirement.

(b) Discussions shall not disclose the strengths or weaknesses of competing offerors or disclose any information about other proposals.

(c) Auction techniques are strictly prohibited. Indicating to an offeror a price which must be met to obtain further consideration, or informing them that their price is not low in relation to another offeror are examples of auctioning. However, it is

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

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

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

3.7 Final Proposal Revision (FPR)

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

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

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

3.8 Debriefing of Unsuccessful Offerors

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

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

3.9 Procurement Summary

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

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

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

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CHAPTER VI – NON-COMPETITIVE PROCUREMENTS
POLICY

VI-1 SOLE SOURCE

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

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

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

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

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

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

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VI-2 **UNSOLICITED PROPOSALS**

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

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

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

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

2.1 A valid unsolicited proposal must:

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

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2.2 Advance Guidance

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

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

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

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

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

2.3 Content of Unsolicited Proposals

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

- (a) Basic information including:

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- Offeror's name and address and type of organization; e.g. profit, nonprofit, educational, small business.
- Names and contact information of technical and business personnel to be contacted for evaluation or negotiation purposes.
- Identity of proprietary data to be used only for evaluation purposes.
- Names of other federal, state, local agencies, transit authorities receiving the proposal or funding the proposed effort.
- Date of submission.
- Signature of person authorized to represent and contractually obligate the offeror.

(b) Technical information including:

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

(c) Supporting information including:

- Proposed price or total estimated cost for the effort in sufficient detail for meaningful evaluation.
- A six-month period of time for which the proposal is valid.
- Type of contract preferred.
- Proposed duration of effort.

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- Brief description of the organization, previous experience in the field and facilities to be used.
- Required statements about organizational conflicts of interest.

2.4 Award of unsolicited proposals

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

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

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

VI-3 **APPROVAL LEVELS FOR NON-COMPETITIVE PROCUREMENTS**

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

Dollar Value

Federal Micro Purchase Threshold to \$149,999.99
 \$150,000 to \$249,999.99
 \$250,000 and higher

Signature Authority

Department Head
 Executive Vice President
 President & CEO

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

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CHAPTER VII – CONTRACT ADMINISTRATION
POLICY

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

VII-1 DEPARTMENT PROJECT MANAGER RESPONSIBILITIES

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

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

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

VII-2 CONTRACT ADMINISTRATOR RESPONSIBILITIES

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

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

VII-3 CONTRACT MODIFICATIONS

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

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

VII-4 CHANGE ORDERS

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

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

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

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VII-5 ADVANCE PAYMENTS

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

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

Exceptions require review and approval by the Chief Contracting Officer.

Adequate security must be obtained when using advance payments.

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

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

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

VII-6 PROGRESS PAYMENTS

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

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VII-7 CONTRACT TERMINATION

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

VII-8 CONTRACT CLOSEOUT

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

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CHAPTER VIII – INVESTMENT RECOVERY
POLICY

VIII-1 DISPOSAL OF CAPMETRO SURPLUS OR OBSOLETE PROPERTY

1.1 Purpose:

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

1.2 Definitions:

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

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

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

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

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

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

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

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

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

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

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

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

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

VIII-2 PURCHASES MADE WITH RECOVERED PRODUCTS

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

VIII-3 PROPERTY DISPOSAL FORM

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

VIII-4 DETERMINING THE METHOD OF DISPOSAL

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

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

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

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

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

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

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

VIII-5 FAIR MARKET VALUE

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

	Acquisition Policy Chapter VIII PROC – 100.08	Issued: December 1998 Revised: March-August 2025
	Chief Contracting Officer	Approved by: Board of Directors

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

VIII-6 SALE OF OBSOLETE OR SURPLUS VEHICLES

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

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

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

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

VIII-7 SALE OF OBSOLETE OR SURPLUS PROPERTY

When obsolete or surplus assets become available, they will be disposed of in accordance with this policy and applicable laws and regulations. A list of the assets,

	Acquisition Policy Chapter VIII PROC – 100.08	Issued: December 1998 Revised: March-August 2025
	Chief Contracting Officer	Approved by: Board of Directors

including the fair market value (FMV), will be offered to any Member Unit within the CapMetro service area. CapMetro may accept an offer of in-kind service equal to FMV instead of monetary payment. Any asset not acquired by a Member Unit within five (5) business days after notification of availability will be sold to the general public.

6.1 Surplus Property:

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

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

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

6.2 IT Equipment:

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

VIII-8 SALE OF SCRAP, DAMAGED OR DESTROYED PROPERTY

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

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

	Acquisition Policy Chapter VIII PROC – 100.08	Issued: December 1998 Revised: March August 2025
	Chief Contracting Officer	Approved by: Board of Directors

8.1 Surplus Property

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

- Scrap without monetary value
- Damaged property
- Destroyed property

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

8.2 IT Equipment

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

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

9.1 Zero Waste and Recycling:

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

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

9.2 Disposal of Hazardous Materials:

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

	Acquisition Policy Chapter VIII PROC – 100.08	Issued: December 1998
	Chief Contracting Officer	Revised: March-August 2025
		Approved by: Board of Directors

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

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

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

9.2 Vendors and Sustainability Practices:

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

VIII-11 CONFLICT OF INTEREST (COI) RESTRICTIONS

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

VIII-12 DONATION RESTRICTIONS

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

	<p>Acquisition Policy Chapter VIII PROC – 100.08</p> <p>Chief Contracting Officer</p>	<p>Issued: December 1998 Revised: March August 2025</p> <p>Approved by: Board of Directors</p>
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VIII-13 ANTI-SCAVENGING RESTRICTION

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



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2025-1573

Agenda Date: 8/25/2025

SUBJECT:

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

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: Transit-Oriented Development supports agency priorities through (1) growing transit ridership by creating attractive destinations and situating residents directly adjacent to our transit stations, (2) increasing and diversifying agency revenue, and (3) growing CapMetro’s investments and significance in the Central Texas region.

BUSINESS CASE: Transit-oriented developments present both financial risk and opportunity for CapMetro. A defined policy on how to pursue these investments provides guardrails to ensure financial responsibility.

COMMITTEE RECOMMENDATION: This item will be presented to the full board on August 25, 2025.

EXECUTIVE SUMMARY: This policy replaces the Transit-Oriented Development Policy passed in 2013 and re-approved by the Board in 2022. Now titled “Transit-Oriented Development (TOD) Implementation Policy,” the purpose of this policy is to establish a framework for CapMetro’s implementation of Transit-Oriented Development. This policy outlines the guiding principles and expectations the Board of Directors sets for TOD projects undertaken on CapMetro-owned land and for partnerships that advance TOD goals within the service area.

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-2025-1573

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and CapMetro Management recognize the important role transit-oriented development plays in supporting agency priorities through (1) growing transit ridership, (2) increasing and diversifying agency revenue, and (3) growing CapMetro's investments and significance in the Central Texas region; and

WHEREAS, the Capital Metropolitan Transportation Authority Board of Directors and CapMetro Management recognize the need to promote and implement transit-oriented development under appropriate circumstances.

NOW, THEREFORE, BE IT RESOLVED by the Capital Metropolitan Transportation Authority Board of Directors that the attached Transit-Oriented Development Implementation Policy is adopted as of this date.

Date: _____

**Secretary of the Board
Becki Ross**

No.	Transit-Oriented Development (TOD) Implementation Policy
1.0	<p><u>Purpose</u></p> <p>Chapter 451 of the Texas Transportation Code, including but not limited to Subchapter D, Station or Terminal Complex Systems, establishes broad authority for CapMetro to engage in transit-oriented development (TOD) projects. The purpose of this policy is to establish the framework for CapMetro’s implementation of TOD. This policy outlines the guiding principles and expectations the Board of Directors sets for TOD projects undertaken on CapMetro-owned or third-party-owned land, or for partnerships that advance TOD across the service area.</p>
2.0	<p><u>Scope and Applicability</u></p> <p>All TOD projects on or involving CapMetro- or third-party-owned land, or where CapMetro has an existing or planned interest.</p>
3.0	<p><u>Policy</u></p> <p>Through thoughtful and strategic implementation of TOD, CapMetro will endeavor to foster walkable, mixed-use communities with seamless connectivity to multi-modal transportation across its service area. TOD projects will be coordinated with member cities, transit-adjacent landowners, development partners, and community stakeholders to ensure that the project reflects local priorities while furthering CapMetro’s mission to empower, enhance, and serve the region and its communities through the responsible delivery of high-quality public transportation.</p> <p>The purpose of TOD Implementation is to enhance mobility and connectivity, support local and regional economic development goals, reduce vehicular congestion and air pollution, and build thriving, accessible, lasting communities. To do this, CapMetro will pursue TOD in alignment with the following guiding principles and Board expectations:</p> <ol style="list-style-type: none"> 1. Advance CapMetro’s core mission, values, and goals through TOD delivery and long-range planning; 2. Transform underutilized or underperforming agency-owned land into income-generating assets that optimize long-term value and support CapMetro’s financial sustainability; 3. Use TOD as a strategic tool to promote and grow transit ridership through increased access, density, and connectivity in the Central Texas region; 4. Ensure that CapMetro-led TOD projects are guided by and are responsive to the unique context and priorities of the surrounding neighborhoods; 5. Pursue and encourage development projects that incorporate Community Benefits appropriate to the needs of the neighborhood and station area; and 6. Streamline organizational efficiency, communication protocol, and procedures when implementing TOD.

3.1 Joint Development on CapMetro-owned Land

TOD Implementation through Joint Development on CapMetro-owned land will prioritize the following guiding principles and Board expectations as appropriate:

- Long-term investment structures that retain land control with alternative deal structures considered when they offer greater financial returns to CapMetro;
- Integration of existing and planned transit facility and multimodal connectivity enhancements;
- Mixed-use development that includes mixed-income housing with an appropriate range of housing options for different household incomes, sizes, and ages;
- Vibrant, accessible, safe, and people-centered spaces including through public realm enhancements, active ground-floor uses, integrated mobility options, and community-focused design elements;
- Consideration of TOD opportunities in all acquisitions of new properties, including construction staging of new transit infrastructure; and
- Opportunities to capture a share of the value created by CapMetro TODs through partnerships with local jurisdictions, adjacent property owners, and other beneficiaries.

3.2 Guidelines for Selecting Joint Development Projects on CapMetro-Owned Land

CapMetro will abide by the following guidelines when pursuing Joint Development projects on CapMetro-owned land:

- Selection of TOD partners for Joint Development of agency-owned property will be accomplished through a competitive solicitation process. In accordance with CapMetro's Acquisition Policy, CapMetro will avoid Sole Source Procurements except in circumstances where it is allowed by law and in the best interest of the agency.
-
- Solicitations may be facilitated through Expressions of Interest (EOI), Statement of Qualifications (SOQ), and/or Requests for Proposals (RFP).
- Unsolicited TOD proposals presented to CapMetro may be considered but must align to organizational and TOD program priorities and must still include a competitive solicitation process if CapMetro is to procure a Joint Development partner.
- CapMetro retains authority over its transit facilities and services.
- CapMetro retains the right of reasonable review and approval for all design and significant components of any project.

	<ul style="list-style-type: none"> • All projects must meet applicable laws and regulations. Federal Transit Administration (FTA) circulars and other relevant guidance should be reviewed and adhered to in all projects as applicable. • Projects shall be consistent with adopted regional and local community policies and plans. • Projects shall be consistent with existing and planned public transportation facilities. • Land transfers that are part of a TOD project shall demonstrate, at a minimum, fair market value for CapMetro considering the use of the property. • Projects are prioritized that minimize CapMetro’s financial commitment and risk while maximizing asset security for the agency. • To the extent they can maximize outcomes for CapMetro, TOD projects should pursue external funding and financing opportunities such as federal and state grants, loans, and financing programs, and collaborative partnerships with public, private, and non-profit entities. <p>3.3 TOD Outcomes on Third-Party-owned Land</p> <p>When development projects are in close proximity to current or planned CapMetro service routes or facilities but CapMetro does not own the land, CapMetro will collaborate with public and private partners to advocate for transit-supportive policies, site development, and increased transit use in accordance with CapMetro standard operating procedures.</p>
4.0	<p><u>Definitions</u></p> <ul style="list-style-type: none"> • Transit-Oriented Development (TOD): means a common approach to coordinated land use and transportation planning that focuses on developing areas surrounding transit stations and stops. This makes public transportation easier to reach and simultaneously provides more housing, jobs, services, and retail. • Joint Development: means collaborative projects between CapMetro and private/public development partners to create transit-oriented developments • Community Benefits: means site, building, landscape, and transit elements or amenities that are a part of or support a TOD project and may be enjoyed by community members including but not limited to: affordable housing, good jobs, education, health care, climate resiliency, energy efficiency, open public space, and may include provision for residential, institutional, recreational, commercial, and industrial facilities. • Solicited Proposal: A TOD proposal submitted in response to a formal request by CapMetro or a related entity to perform the work for a specific TOD project. Solicitations may take the form of Requests for Expressions of Interest (RFI), Requests for Qualifications (RFQ), and Requests for Proposals (RFP).

	<ul style="list-style-type: none"> • Unsolicited Proposal: A TOD proposal initiated by a third party without a formal request from CapMetro.
5.0	<p><u>Board Oversight</u></p> <p>Board of Directors responsibilities include:</p> <ul style="list-style-type: none"> • Review and approve this policy and future revisions. • Approve TOD transactions that exceed expenditure thresholds established by the Board Acquisition Policy or as required by law. • Delegate responsibilities to CEO as appropriate. • Receive updates on significant TOD activities.
6.0	<p><u>Activities and Procedures</u></p> <p>The President and CEO shall ensure the development and maintenance of administrative activities and standard operating procedures (SOPs) to support this policy. These shall include, but are not limited to:</p> <ul style="list-style-type: none"> • Activities for TOD program management as consistent with any related plans and policies. • Joint Development activities for TOD on CapMetro-owned land, including: <ol style="list-style-type: none"> 1. Identifying viable TOD projects for Joint Development; 2. SOPs for conducting solicitations to identify and select Joint Development partners; 3. Obtaining approval from the Board of Directors for transactions as required by applicable laws or CapMetro policy, including but not limited to the Board's Real Estate Transaction Policy. 4. Finalizing and executing the TOD project. • Activities for TOD Outcomes on Third-Party-owned land.
7.0	<p><u>Additional Documentation (if applicable)</u></p> <ul style="list-style-type: none"> • N/A

CapMetro

**Transit-Oriented Development
(TOD) Implementation
Policy Update**

August 25, 2025

TOD Implementation Policy

Legal authority: Texas Transportation Code Chapter 451, Subchapter D

Purpose

- Establish framework for TOD implementation
- Outline Board guidance for TOD projects on CapMetro or third-party land and related partnerships
- Enhance mobility and connectivity, support local regional economic development goals, reduce vehicular congestion and air pollution, and build thriving, accessible, lasting communities

PLAZA SALTILLO

An aerial photograph of the Plaza Saltillo development in San Antonio, Texas. The image shows a mix of modern, multi-story buildings with glass facades and brick accents, interspersed with lush green trees. In the foreground, a red and silver CapMetro light rail train is traveling along a set of tracks. To the left, a large white building with a glass facade is visible. In the background, more residential-style buildings and a clear blue sky are seen. The overall scene depicts a vibrant, transit-oriented urban environment.

2013 TOD Policy

- Goals
- Strategies for CapMetro Property
- Strategies for Transit Station
- Financial Strategies
- Joint Development Project Selection Guidelines

TOD Program Overview

- **Accomplishments 2021-2025**
 - 2023 ETOD Study
 - 2023 ETOD Policy Plan
 - 2025 Station Area Vision Plans – North Lamar Transit Center & South Congress Transit Center
 - East Riverside Corridor Vision Plan and Regulating Plan Update
- **FTA & DOT Success**
 - 5 grants in 4 years, **\$4.75 million total**
 - Nationally recognized
 - Engagement success

Equitable Transit-Oriented Development Policy Plan



City of Austin

Final Draft Accepted by Council March 2023



WHY NOW

New TOD Projects

Increased Site Complexity

- More mature in TOD process
- New funding Opportunities
- Changing market conditions

Evolving Partnerships

- Public Agencies
- Private Developers
- Community-Based Organizations

2025 TOD Implementation Policy

- Aligns with new policy format
- Expands policy and purpose for TOD implementation
- Builds upon 2013 TOD Policy's Joint Development Guidelines, including clarification on unsolicited proposals
- Addresses CapMetro's role in TOD outcomes on Third-Party-owned land where we still have an interest
- Connects TOD to ridership growth
- Defines Board responsibilities and sets expectations for President/CEO to carry out the policy's activities and procedures

Upcoming Grant-Funded Projects

1. TOD Guidebook

Guidelines for joint development on CapMetro properties and TOD alignment on non CapMetro-owned land.

- Vision and Values
- Community Benefits
- Solicitation Process
- Deal Structures
- Evaluating TOD Impact



Final Report - Fall 2025

Upcoming Grant-Funded Projects

2. Transit Development Guidelines (TDG)

Companion to the TOD Guidebook explaining how to integrate transit-supportive amenities into developments, especially on non-CapMetro-owned land.

Final Report – Fall 2025

3. Site Assessment

Review CapMetro real estate assets for TOD development potential.

Final Report – Winter 2026

Upcoming Grant-Funded Projects



4. Crestview Station Multimodal Study

Reimagines Crestview Station as a key multimodal hub in Austin's transit network, uniting emerging development and transit into a cohesive, safe, and connected urban space.

Commenced – August 2025

CapMetro

Thank you!



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2025-1581

Agenda Date: 8/25/2025

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

To: CapMetro Board of Directors
 From: Sharmila Mukherjee, EVP, Chief Strategic Planning & Development Officer
 Date: August 5, 2025
 Re: Transit-Oriented Development (TOD) Next Steps for FY25-FY26

This is a follow-up to our January Board memo on ongoing TOD efforts with progress updates and upcoming milestones. Our four major projects include:

	Fall 2025	Winter 2025	Spring 2025	Summer 2025	Fall 2025	Winter 2026	Spring 2026	Summer 2026	Fall 2026
1. Board-Approved TOD Policy + TOD Guidebook									
2. Transit Development Guidelines									
3. TOD Site Assessments									
4. Crestview Station Multimodal Hub and Mobility Study									

If interested, we are happy to provide briefings on any of these workstreams.

Project 1 Board-Approved TOD Policy + TOD Guidebook & Project 3 TOD Site Assessments

Project 1 formalizes TOD Policy updates and flows into Project 3, which begins to implement the Policy framework. The overlap across the two projects allows us to fine-tune the framework during an early due diligence phase.

Project 1: The TOD Policy and TOD Guidebook provide robust refreshes to the [2013 Board-approved TOD policy](#) and the [2016 TOD Guide](#). The Policy—a framework for CapMetro’s TOD Program—will go to the Board for approval this fall. We will share a final draft of the Policy with the Board and invite feedback or briefing requests ahead of time. The Guidebook, which will reflect and expand upon the essential components of the Policy, will be released upon Board approval of the Policy. External partners, including City of Austin staff, ATP staff, Project Connect’s Community Advisory Council, CAMPO, and transit advocacy group Movability were invited to provide feedback on a draft of the Guidebook in July; their feedback on the Guidebook was also considered when drafting the Policy. We will notify our CSAC and Access groups of the Policy update and forthcoming Guidebook when the Board packet is posted.

Funding: 2022 FTA TOD Planning Grant

Project 3: Site Assessments applies the TOD Policy framework to the assessments of five CapMetro-owned sites:

1. Leander Red Line Station Park & Ride
2. Tech Ridge Park & Ride
3. North Lamar Transit Center (NLTC)
4. South Congress Transit Center (SCTC)
5. Loyola Lane and Johnny Morris Road property

NLTC and SCTC are both located in active growth corridors. Austin City Council approved station area vision plans for both in May 2025. Leander and Tech Ridge Park & Rides are also in growing areas with underutilized parking lots and green space earmarked for potential TODs. The Loyola-Johnny Morris property has received unsolicited developer interest over the past couple of years and is adjacent to CapMetro-owned rail slated for future Green Line development.

The site assessments will provide us with a detailed understanding of the risks and opportunities of pursuing TOD across all five sites. Project funds allow us to progress with up to two sites (cost-dependent) for next steps including phase 1 environmental, ALTA and tree surveys, geotechnical analysis, and any other relevant technical due diligence. CapMetro leadership will provide guidance to determine which site(s) to select for this next phase.

We expect to complete site assessments and select the site(s) for next steps by winter 2026. If CapMetro were to pursue a TOD project immediately following technical due diligence without pause, 2029 is the soonest we could expect to reach the construction phase.

Funding: 2022 FTA TOD Planning Grant and USDOT Innovative Finance and Asset Concession Grant

Project 2: Transit Development Guidelines

The **Transit Development Guidelines (TDG)** document will clarify priorities and processes for developers working on non-CapMetro projects that interact with existing or planned CapMetro service corridors, amenities, facilities, or other infrastructure. The TDG builds upon the TOD Guidebook, which focuses more heavily on the development of CapMetro-owned land. The TDG will establish standards for developers to incorporate transit-supportive amenities such as bus bays, touchdown pads, shelters, and Bikeshare docks, tailored to unique project scales. We will email the final TDG document to the Board when it is completed in early fall 2025.

Funding: 2022 FTA TOD Planning Grant

Project 4: Crestview Station Multimodal Hub and Mobility Study

Crestview Station will be CapMetro's only multimodal hub integrating commuter and freight rail, bus, and eventual light rail and micro-transit. This study will prepare us for short-term (15% design) and long-term (10% design) scenarios in the rapidly changing station area context. We will consider transit integration, placemaking, mobility, connectivity, safety, and stakeholder coordination to move Crestview Station towards a more cohesive transit-oriented development. We will work closely with the Austin Affordable Housing Corporation and Affordable Housing Finance Corporation. Design work will focus on CapMetro right-of-way plus coordination with interested adjacent property owners for station area improvement opportunities.

This year-long project begins in August and will include at least one mid-project Board update.

Funding: 2023 FTA TOD Planning Grant



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2025-1583

Agenda Date: 8/25/2025

Update on CapMetro Fare Programs and HMIS Pass Program



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2025-1591

Agenda Date: 8/25/2025

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

To: CapMetro Board of Directors

From: Samantha Baez, CXO/EVP Experience & Engagement

Date: August 21, 2025

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

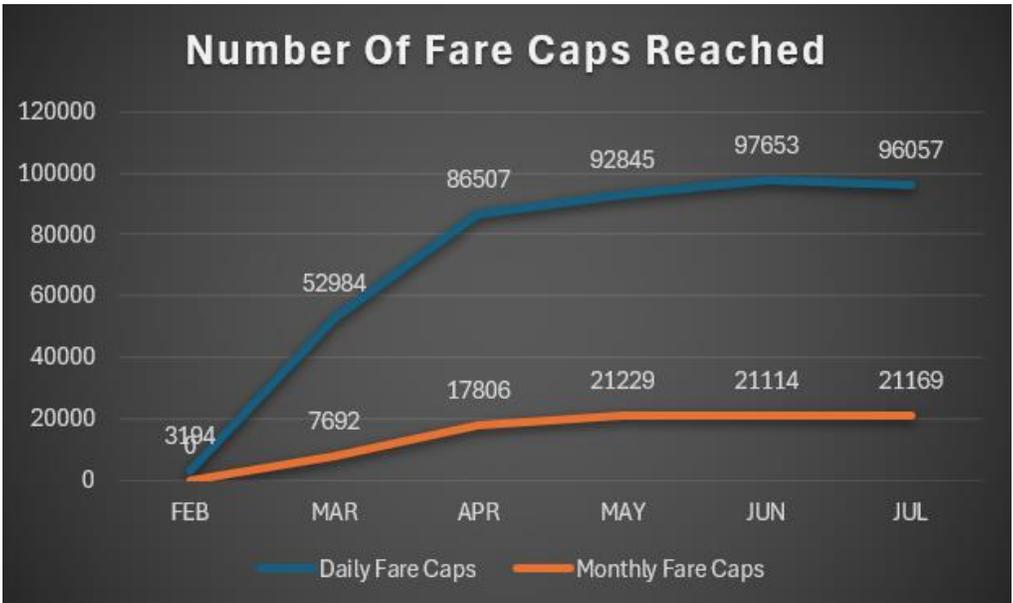
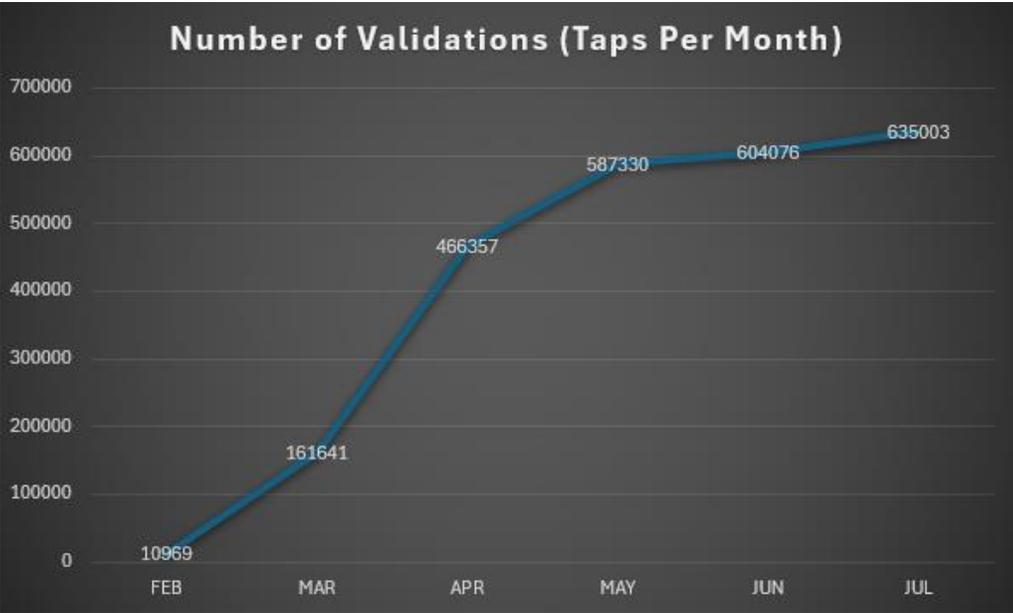
The purpose of this memo is to provide an update to the CapMetro Board of Directors regarding CapMetro's fare system and programs. The last memo on this topic was distributed March 2025 with a focus on the HMIS pass program. Since then, there has been significant progress.

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

Fare Payment System Validations

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

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



Fare Media Updates and Consolidation

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

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

H-E-B Partnership

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

HMIS Pass Program

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

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

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

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

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

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

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

Future Improvements

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



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2025-1576

Agenda Date: 8/25/2025

Q3 Fiscal Year 2025 Performance Update



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2025-1587

Agenda Date: 8/25/2025

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

To: CapMetro Board of Directors
From: Patricia E. Vidaurri, Director of Performance and Strategic Initiatives
Date: August 24, 2025
Subject: Q3 Fiscal Year 2025 Performance Update

The purpose of this memo is to fulfill CapMetro's commitment to providing quarterly agency performance updates to the Board of Directors as a complement to the publicly available dashboards, quarterly financial reports, and standing administrative and operational updates at monthly board and committee meetings.

This memo outlines the agency's performance during the third quarter of the fiscal year (FY) 2025. Staff will discuss Q3 performance at the full board meeting in August. In addition, staff have reviewed and implemented the methodology for collecting on-time performance data for the Pickup service and will discuss the changes to the process at the board meeting.

In response to requests from the Board of Directors, new features have been added to this memo:

- 1) New service efficiency metrics have been added:
 - Cost Per Rider (**by mode**)
 - Cost Per Vehicle Hour (**by mode**)

These new features are defined and reported in the Additional Metrics section, beginning on page 15.

In Q2 2025 during the KPI review, the board requested the inclusion of peer agency data in this report. Staff receives the benchmark data from the American Bus Benchmarking Group (ABBG) in early fall, so it will be incorporated in the Q4 2025 KPI memo to reflect the most recent benchmark data from ABBG.

Staff will continue to evaluate our reporting to ensure our performance metrics are aligned with our agency's customer, community, workforce, and organizational effectiveness goals. If you have any questions regarding this memo, please feel free to contact me.

FY2025 Q3 FYTD Performance Scorecard

The Performance Scorecard reflects CapMetro’s performance through Q3 FY2025.

Performance Measure	FY2024 FYTD	FY2025 FYTD	FY2025 FYTD Target	% to Target	FYTD YoY Change	FY2025 Full Year Target
Ridership						
Total Ridership	19,421,408	19,856,930	20,404,131	97%	2%	27,459,113
CapMetro Bus, Rapid, and Express	18,222,009	18,530,429	19,077,532	97%	2%	25,660,687
CapMetro Rail	404,189	449,264	455,117	99%	11%	610,327
CapMetro Access	420,551	455,699	432,326	105%	8%	588,429
Pickup	374,659	421,538	439,100	96%	13%	599,670
On-Time Performance						
CapMetro Bus, Rapid, and Express	78.9%	78.3%	83%	94%	-1%	83%
CapMetro Rail	94.0%	90.7%	96%	94%	-4%	96%
CapMetro Access	94.4%	91.8%	92%	99.8%	-3%	92%
Pickup*	86.4%	86.2%	83%	104%	-0.2%	83%
Mean Distance Between Failures (in miles)						
CapMetro Bus, Rapid, and Express	3,646	4,426	5,500	80%	21%	5,500
CapMetro Rail	8,071	4,584	15,000	31%	-43%	15,000
CapMetro Access & Pickup	9,787	11,978	20,000	60%	22%	20,000
Safety – Preventable Vehicle Collisions per 100,000 miles						
CapMetro Bus, Rapid, and Express	3.60	3.79	2.80	74%	5%	2.80
CapMetro Rail	0.57	1.17	1.04	89%	105%	1.04
CapMetro Access & Pickup	1.87	1.54	1.70	110%	-18%	1.70
Safety – Passenger Injuries per 100,000 passengers						
CapMetro Bus, Rapid, and Express	0.37	0.30	0.35	117%	-19%	0.35
CapMetro Rail	0.00	0.00	2.50	100%	0%	2.50
CapMetro Access & Pickup	0.68	1.93	2.50	130%	184%	2.50
Lost Time (Bus)	4.9%	4.0%	1.5%	38%	-18%	1.5%
Customer Satisfaction Survey	This metric is assessed annually.					85%
Employee Turnover (CapMetro Staff)	This metric is assessed annually.					18%
Financial Performance						
Operating Expenditures as % of Budget	70.1%	70.4%	75.6%	93%	0.4%	90%-100%
Capital Expenditures as % of Budget	20.6%	36.8%	74.7%	49%	79%	80%-100%
Disadvantaged Business Enterprise (DBE) Utilization	This metric is assessed annually.					22.5%
Small Business Enterprise (SBE) Commitments	This metric is assessed annually.					22.5%

*Pickup service On Time Performance numbers reflect a revised data collection process

FY2025 Q3 FYTD Performance Scorecard Details

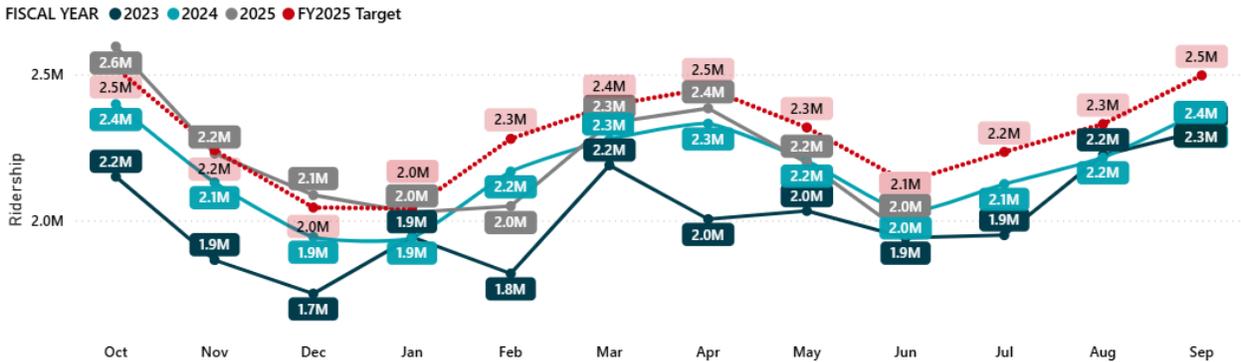
Ridership

Ridership is the number of passengers utilizing transit service, measured on entrance to and exit from the vehicle. Using automatic passenger counters (APCs), passengers are counted each time they board no matter how many vehicles they use to travel from their origin to their destination.

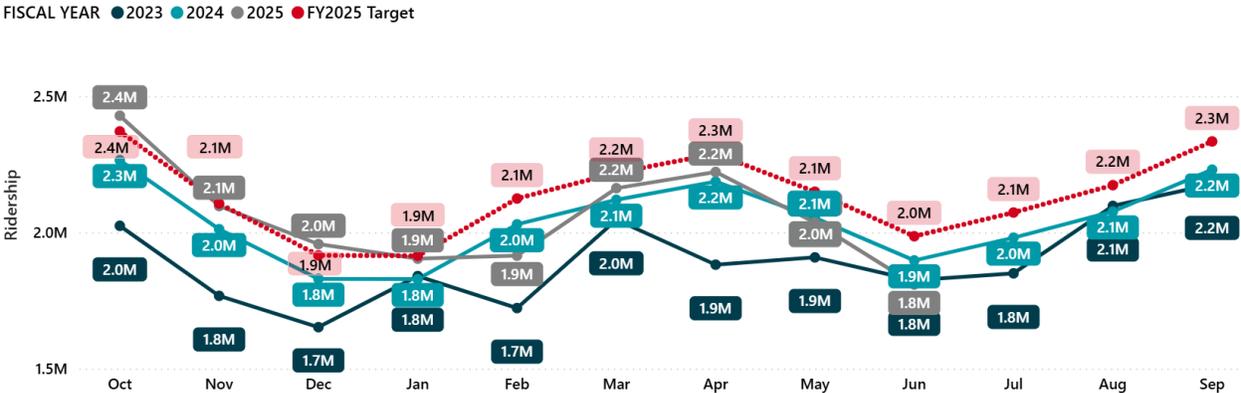
System-wide ridership increased to 19.9 million total boardings as of Q3 FY2025. It reached 97% of the FY2025 goal (20.4 million) and increased 2% compared to the same period in Q3 FY2024 (19.4 million).

- CapMetro Bus, Rapid, and Express ridership was 18.5 million as of Q3 FY2025. This was 2% higher than Q3 FY2024 (18.2 million) and 97% of the FY2025 goal (19.1 million).
- CapMetro Rail ridership was 449.3k as of Q3 FY2025. This was 11% higher than Q3 FY2024 (404.2k) and 99% of the FY2025 goal (455.1k).
- CapMetro Access ridership was 455.7k as of Q3 FY2025. This was 8% higher than Q3 FY2024 (420.6k) and 5% higher than the FY2025 goal (432.3k).
- CapMetro Pickup ridership was 421.6k as of Q3 FY2025. This was 13% higher than Q3 FY2024 (374.7k) and 96% of the FY2025 goal (439.1k).

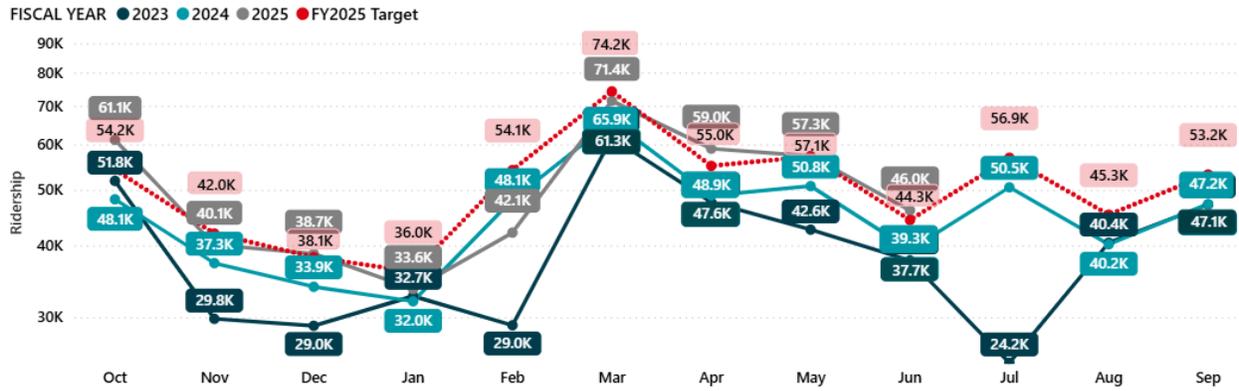
System-Wide Ridership



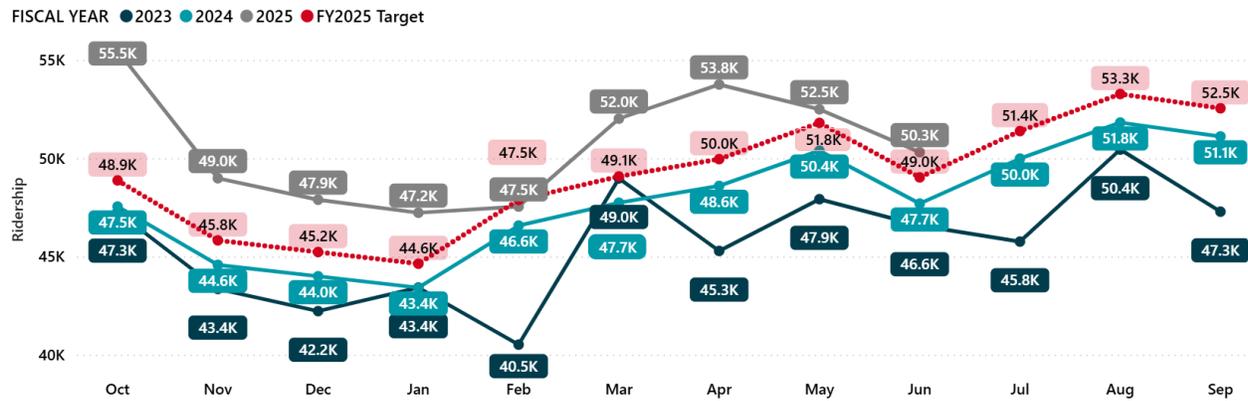
CapMetro Bus, Rapid, and Express Ridership



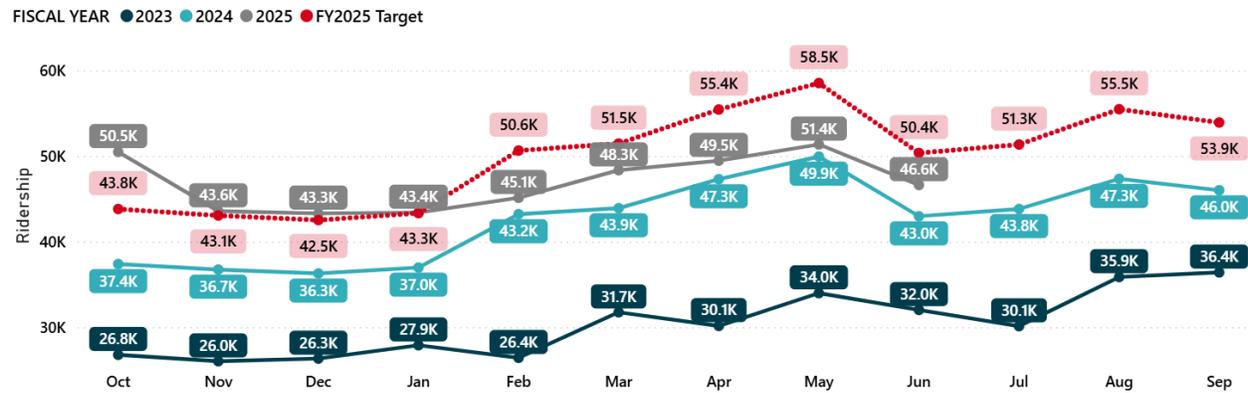
CapMetro Rail Ridership



CapMetro Access Ridership



CapMetro Pickup Ridership



On-Time Performance

The definition of on-time performance (OTP) varies by mode. For Bus, Express, and Rail, OTP is the percentage of actual departure times that are less than six minutes late and not prior to scheduled departure times. For Rapid lines operating on a headway-based schedule, OTP is the percentage of actual departure times that are less than five minutes or 50 percent of the headway, whichever is less, than the preceding bus. For Access service, OTP is the percentage of vehicles arriving within 15 minutes of the negotiated pick-up time.

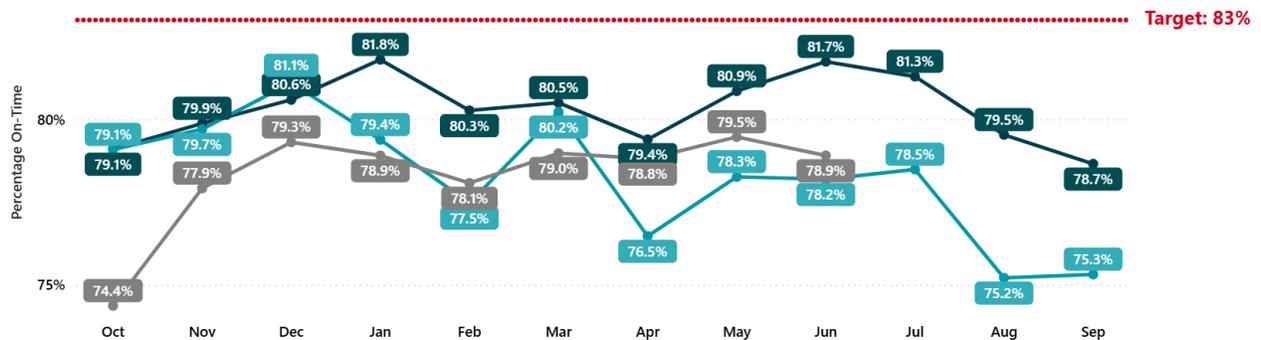
The OTP data collection methodology for Pickup service has been revised to better align with customer expectations and the real-time experience provided by the Pickup software application. It now measures how closely the vehicle's actual arriving time aligns with the initial estimated arrive time provided to the customer by the Pickup software application. The target is for vehicles to arrive within five (5) minutes of the original estimate. The updated OTP goal for Pickup is 83%, which is comparable to the OTP goal for CapMetro Bus, Rapid, and Express.

On-time performance as of Q3 FY2025 was lower than the same period in FY2024 for each service. CapMetro Pickup met the FY2025 goal. A higher percentage indicates better performance.

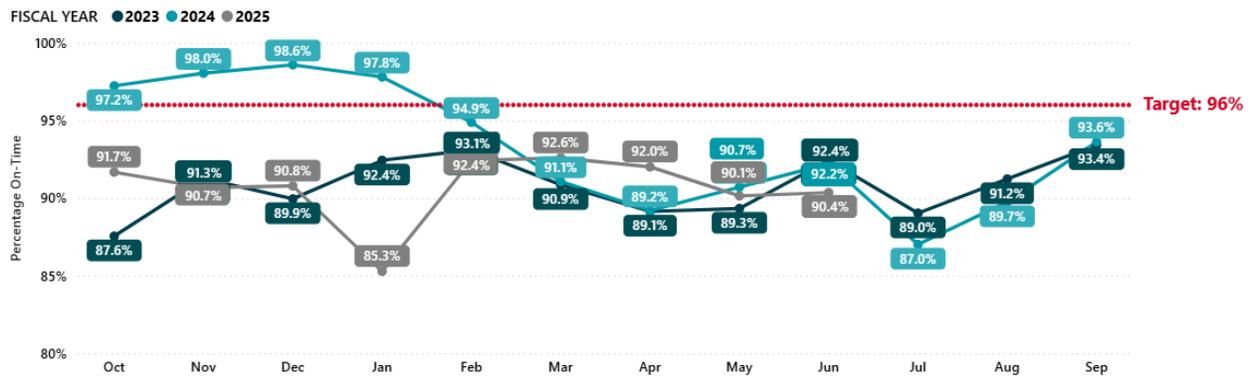
- The on-time performance for CapMetro Bus, Rapid, and Express was 78.3% as of Q3 FY2025. This was 1% lower than Q3 FY2024 (78.9%) and 94% of the FY2025 goal (83%).
- The on-time performance for CapMetro Rail was 90.7% as of Q3 FY2025. This was 4% lower than Q3 FY2024 (94.0%) and 94% of the FY2025 goal (96%).
- The on-time performance for CapMetro Access was 91.8% as of Q3 FY2025. This was 3% lower than Q3 FY2024 (94.4%) and 99.8% of the FY2025 goal (92%).
- The on-time performance for CapMetro Pickup was 86.2% as of Q3 FY2025. This was 0.2% lower than Q3 FY2024 (86.4%) and 104% of the FY2025 goal (83%).

CapMetro Bus, Rapid, and Express On-Time Performance

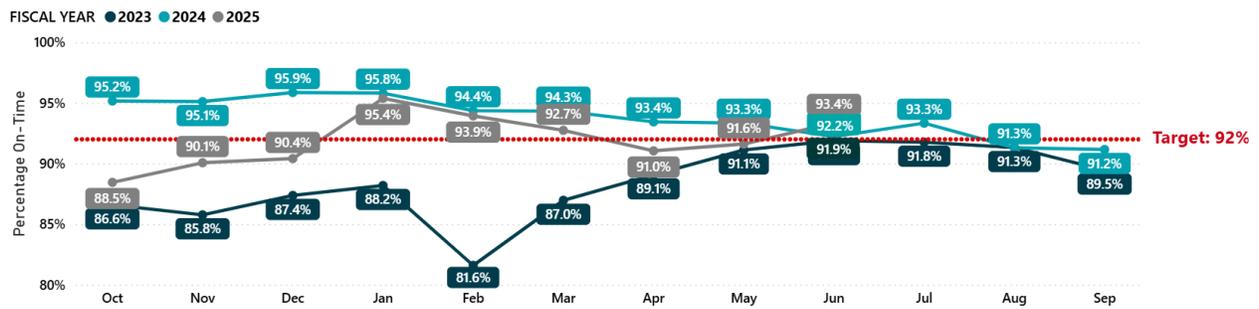
FISCAL YEAR ● 2023 ● 2024 ● 2025



CapMetro Rail On-Time Performance



CapMetro Access On-Time Performance



CapMetro Pickup On-Time Performance



Mean Distance Between Failures

Mean Distance Between Failures (MDBF) is a reliability metric that measures the mean number of miles traveled between the failure of a mechanical element that prevents the vehicle from completing a scheduled revenue trip or starting the next scheduled revenue trip. It is calculated by dividing the total miles by the number of chargeable road calls for CapMetro Bus, Rapid, and Express, and CapMetro Access, or by the number of mechanical failures for CapMetro Rail.

Mean Distance Between Failures performance as of Q3 FY2025 improved year-over-year for CapMetro Bus, Rapid, and Express, and CapMetro Access, but declined for CapMetro Rail. A higher MDBF number indicates better performance.

- The MDBF for CapMetro Bus, Rapid, and Express was 4,426 as of Q3 FY2025. This was 21% higher than Q3 FY2024 (3,646) and 80% of the FY2025 goal (5,500).
- The MDBF for CapMetro Rail was 4,584 as of Q3 FY2025. This was 43% lower than Q3 FY2024 (8,071) and 31% of the FY2025 goal (15,000).
- The MDBF for CapMetro Access and Pickup was 11,978 in Q3 FY2025. This was 22% higher than Q3 FY2024 (9,787) and 60% of the FY2025 goal (20,000).

CapMetro Bus, Rapid, and Express Mean Distance Between Failures



CapMetro Rail Mean Distance Between Failures



CapMetro Access and Pickup Mean Distance Between Failures

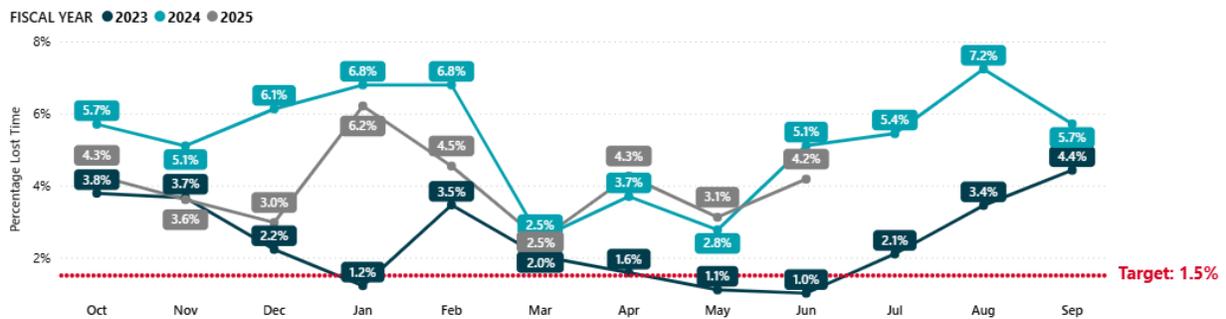


Lost Time

Lost time is the percentage of revenue service hours for CapMetro Bus, Rapid, and Express that are scheduled but not operated. It is calculated by subtracting Actual Bus Revenue Hours from Scheduled Bus Revenue Hours, then dividing the result by Scheduled Bus Revenue Hours to determine the proportion of scheduled service that was not operated. A lower percentage indicates better performance.

The CapMetro Bus, Rapid, and Express lost time performance was 4.0% as of Q3 FY2025. This was 18% lower than Q3 FY2024 (4.9%) and did not meet the FY2025 goal (1.5%).

CapMetro Bus, Rapid, and Express Lost Time



Safety – Preventable Vehicle Collisions per 100,000 Miles

The National Safety Council defines a preventable collision as a collision in which the driver failed to do everything reasonable to avoid it. It measures how often preventable collisions occur relative to miles driven. It is calculated by dividing the total number of preventable collisions by the total miles and then scaling the result to 100,000 miles for standard comparison.

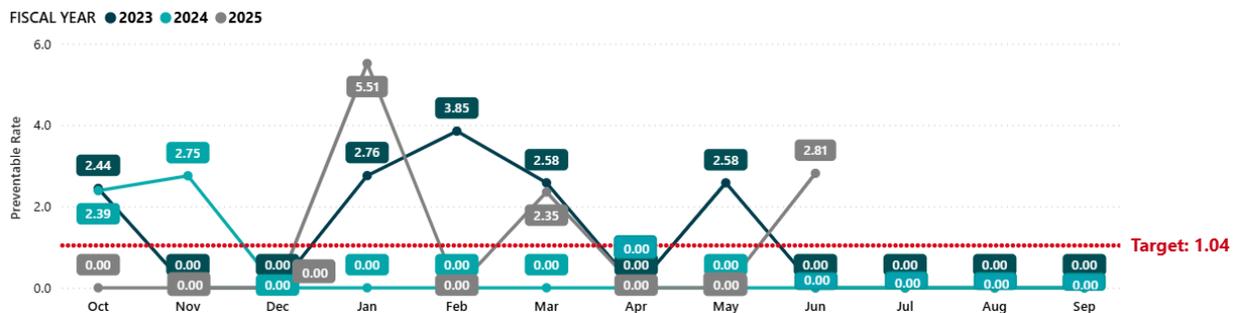
Preventable vehicle collision performance as of Q3 FY2025 improved year-over-year for CapMetro Access and Pickup, but declined for CapMetro Bus, Rapid, Express, and CapMetro Rail. CapMetro Access and Pickup met the FY2025 goal. A lower rate indicates better performance.

- For CapMetro Bus, Rapid, and Express, the preventable vehicle collision rate was 3.79 as of Q3 FY2025. This was 5% higher than Q3 FY2024 (3.60) and did not meet the FY2025 goal (2.80).
- For CapMetro Rail, the vehicle collision rate was 1.17 as of Q3 FY2025. This was 105% higher than Q3 FY2024 (0.57) and did not meet the FY2025 goal (1.04).
- For CapMetro Access and Pickup, the preventable vehicle collision rate was 1.54 as of Q3 FY2025. This was 18% lower than Q3 FY2024 (1.87) and 10% better than the FY2025 goal (1.70).

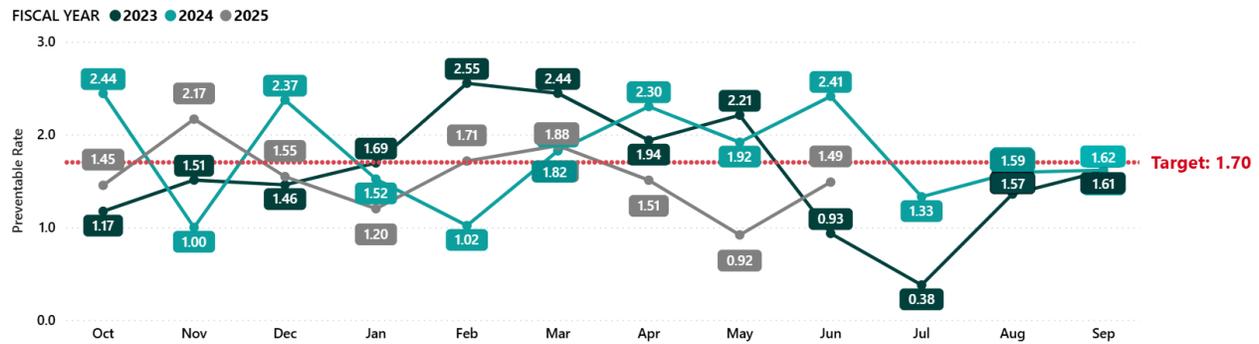
CapMetro Bus, Rapid, and Express Preventable Vehicle Collisions per 100,000 Miles



CapMetro Rail Vehicle Collisions per 100,000 Miles



CapMetro Access and Pickup Preventable Vehicle Collisions per 100,000 Miles



Safety – Passenger Injuries NTD Rates

The National Transit Database (NTD) defines injury as any harm to persons as a result of an event that requires immediate medical attention away from the scene. It does not include harm resulting from a drug overdose, exposure to the elements, illness, natural causes, or occupational safety events occurring in administrative buildings. It measures the rate of passenger injuries relative to total ridership. It is calculated by dividing the total number of passenger injuries by the total ridership and then scaling the result to 100,000 for standard comparison.

As of Q3 FY2025, passenger injuries performance improved year-over-year for CapMetro Bus, Rapid, and Express, and remained the same for CapMetro Rail, but declined for CapMetro Access and Pickup. All service modes met their FY2025 goals. A lower rate indicates better performance.

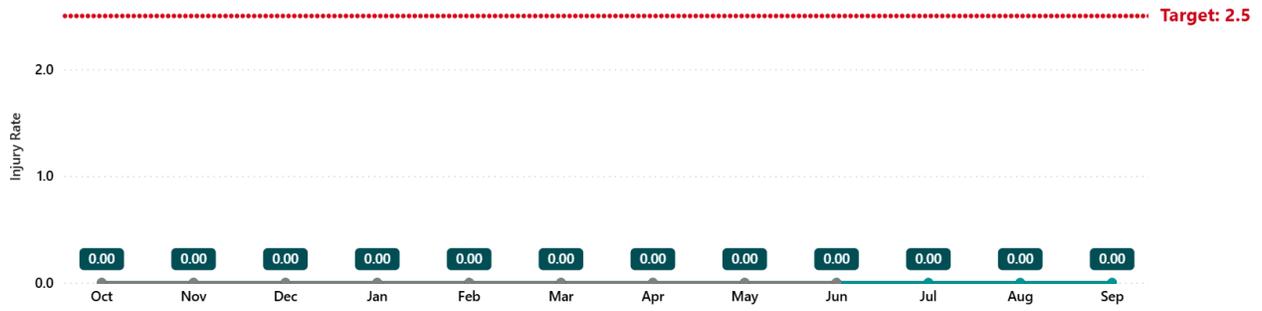
- For CapMetro Bus, Rapid, and Express, the passenger injury rate was 0.30 as of Q3 FY2025. This was 19% lower than Q3 FY2024 (0.37) and 17% better than the FY2025 goal (0.35).
- For CapMetro Rail, the passenger injury rate remained at 0.00 as of Q3 FY2025. This was consistent with Q3 FY2024 (0.00) and met the FY2025 goal (2.50).
- For CapMetro Access and Pickup, the passenger injury rate was 1.93 as of Q3 FY2025. This was 184% higher than Q3 FY2024 (0.68) and 30% better than the FY2025 goal (2.50).

CapMetro Bus, Rapid, and Express Passenger Injuries



CapMetro Rail Passenger Injuries

FISCAL YEAR ● 2023 ● 2024 ● 2025



CapMetro Access and Pickup Passenger Injuries

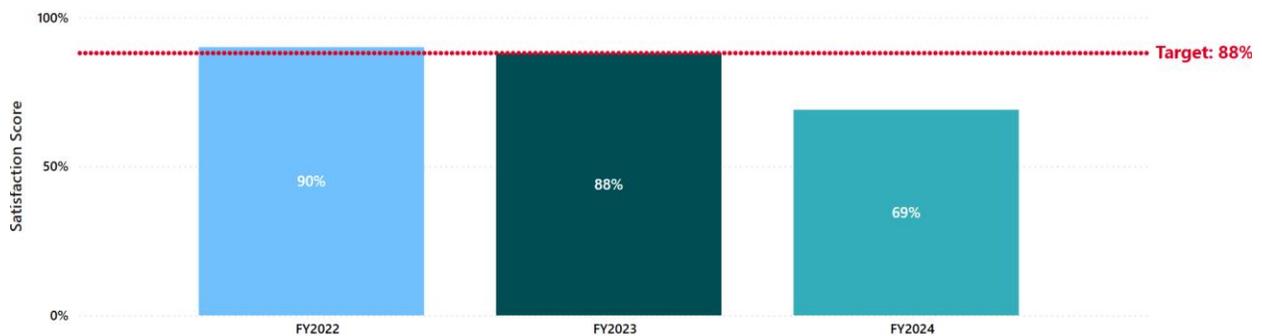
FISCAL YEAR ● 2023 ● 2024 ● 2025



Customer Satisfaction Survey (Annual Metric)

Customer satisfaction tracks the percentage of CapMetro riders who reported they were satisfied with the agency's services. This measure is collected annually through a customer satisfaction survey. The customer satisfaction survey is conducted annually. This metric is assessed annually. A higher rate indicates a greater level of satisfaction.

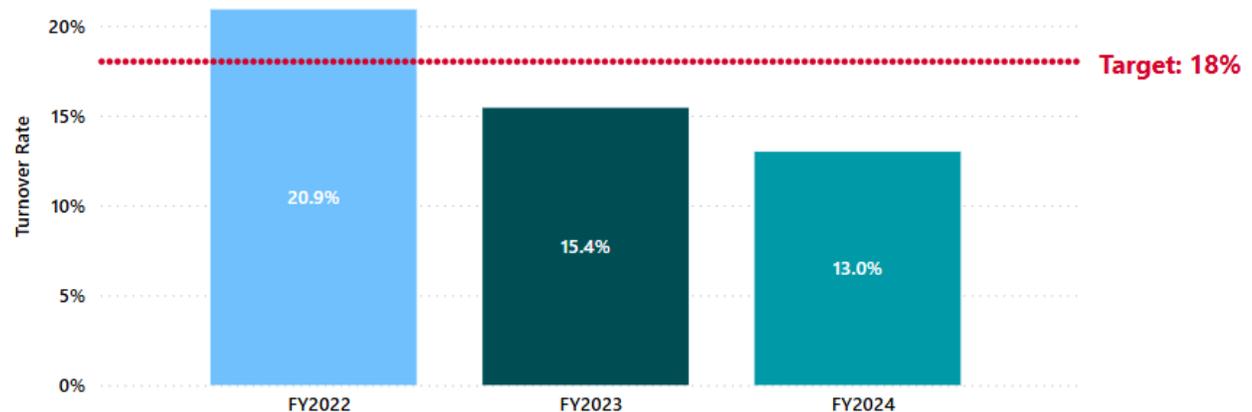
FY2024 saw a decrease in overall customer satisfaction on the survey conducted in April 2024. The target is 88%, but the overall customer satisfaction in FY2024 was 69%. This sentiment was driven by a desire for improvements in bus frequency, on-time performance, protection from the weather at stops and stations, and safety from harassment on the vehicle. Each of these elements (service planning, operational improvements, investments in amenities and a focus on public safety) are being actively addressed in FY2025 to better support the riders.



Employee Turnover (Annual Metric)

The turnover rate is the number of terminations over the average number of employees in a year. This measures turnover for CapMetro employees only. It is calculated by dividing the number of terminations by the average number of employees for the year, where the average is determined by taking the sum of the employee count at the beginning and end of the year and dividing by two. This metric is assessed annually.

In FY2024, the turnover rate was 13.0%, which was lower than the 15.4% in FY2023. Since a lower turnover rate indicates better performance, FY2024 met the goal (18.0%).



Financial Performance

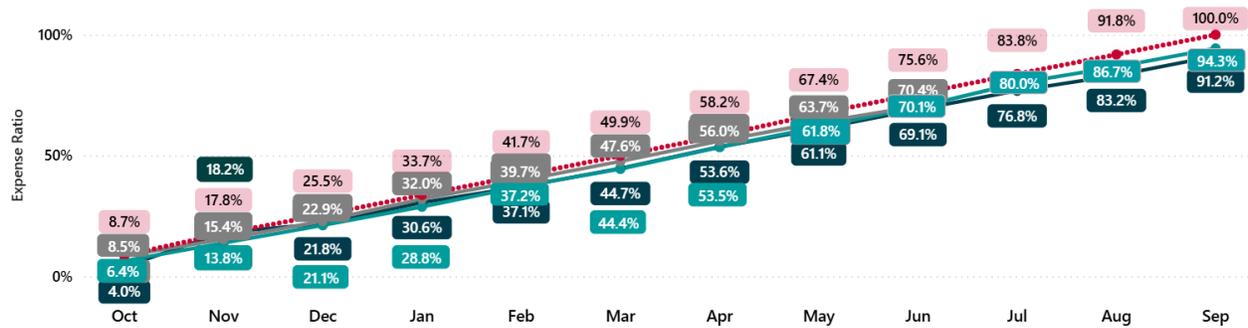
The operating expenditures metric measures the percentage of budgeted operating funds that have been actually incurred over a given period. The capital expenditures metric measures the percentage of budgeted capital funds that have been actually incurred over a given period. Both metrics are calculated by dividing the actual expense by budgeted expense to derive the percentage of actual expense to budgeted expense.

Both metrics improved year-over-year compared to FY2024. A ratio closer to the goal indicates better performance, as it reflects alignment with the planned budget and effective financial management.

- By the end of Q3 FY2025, the operating expenditure ratio was 70.4%. This was 0.4% higher than the end of Q3 FY2024 (70.1%) and 93% of the Q3 FY2025 goal (75.6%).
- By the end of Q3 FY2025, the capital expenditure ratio was 36.8%. This was 79% higher than the end of Q3 FY2024 (20.6%) and 49% of the Q3 FY2025 goal (74.7%).

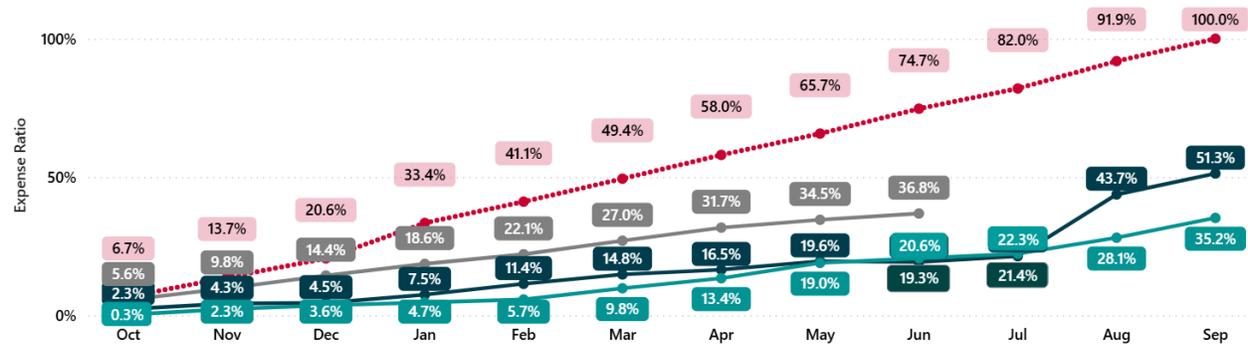
Operating Expenditures

FISCAL YEAR ● 2023 ● 2024 ● 2025 ● FY2025 Target



Capital Expenditures

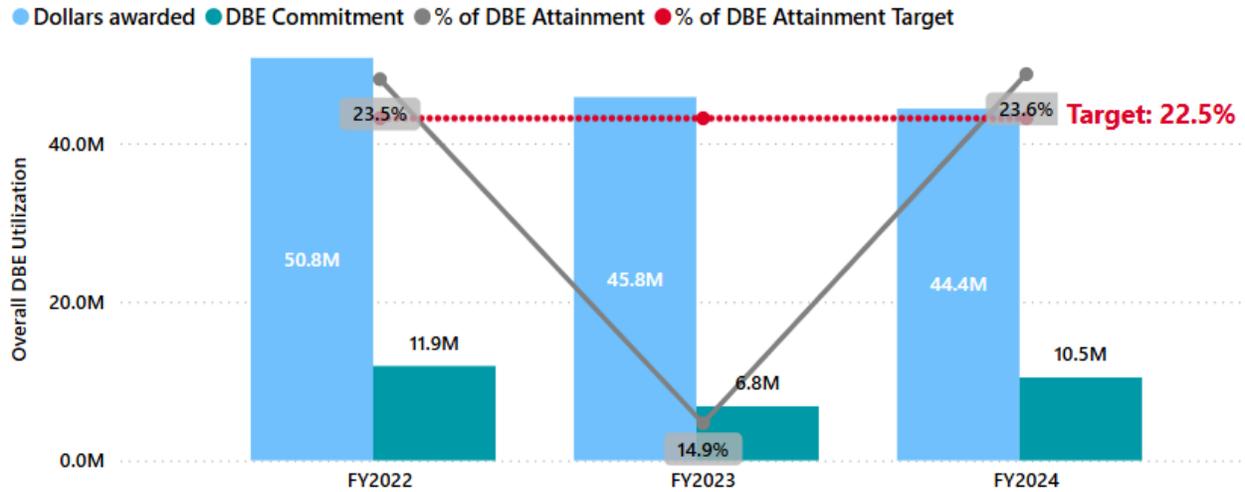
FISCAL YEAR ● 2023 ● 2024 ● 2025 ● FY2025 Target



Disadvantaged Business Enterprise (DBE) Commitments (Annual Metric)

Total commitments to Disadvantaged Business Enterprises (DBE) for goods and services on contracts with FTA funding. It is calculated by dividing the total DBE commitment by the total awarded contract values to determine the DBE utilization rate. This metric is assessed annually.

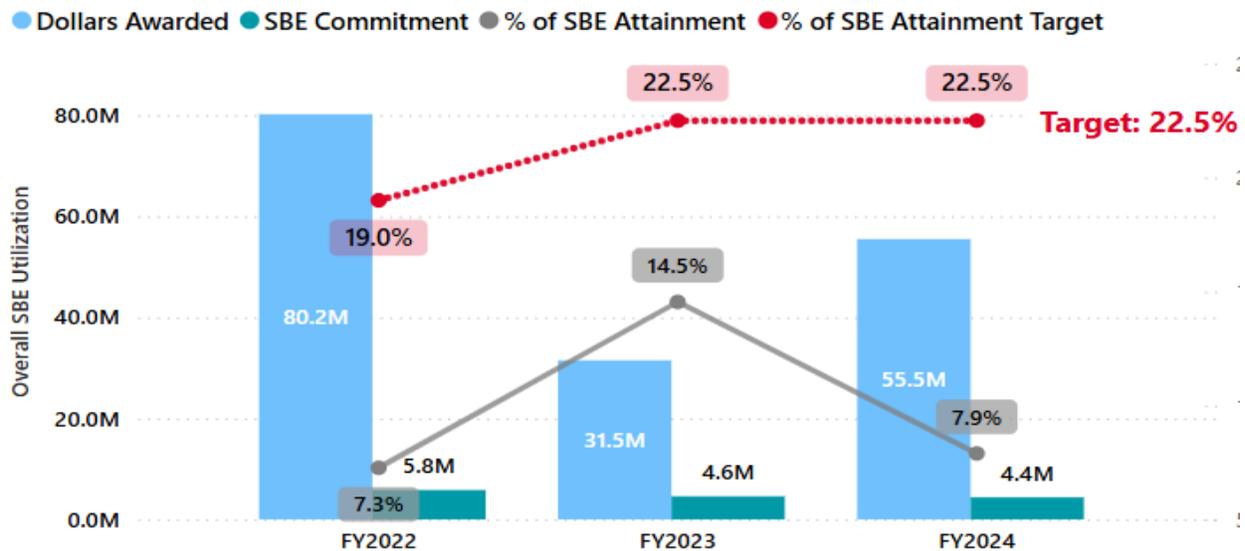
In FY2024, the DBE utilization rate reached 23.6%, exceeding the goal of FY2024 (22.5%). The total dollars awarded to DBEs was \$10.5 million.



Small Business Enterprise (SBE) Commitments (Annual Metric)

Total commitments to Small Business Enterprises (SBE) for goods and services on contracts with FTA funding. It is calculated by dividing the total SBE commitment by the total awarded contract values to determine the SBE utilization rate. This metric is assessed annually.

In FY2024, the SBE utilization rate was 7.9%, falling short of the goal of FY2024 (22.5%). The total dollars awarded to SBEs was \$4.4 million.



Additional Metrics

Riders per Hour

Riders per hour measures passenger capacity effectiveness. It represents the average number of riders transported for each hour of revenue service. It is calculated by dividing total ridership by total vehicle revenue hours over a given period. A higher number indicates better performance.

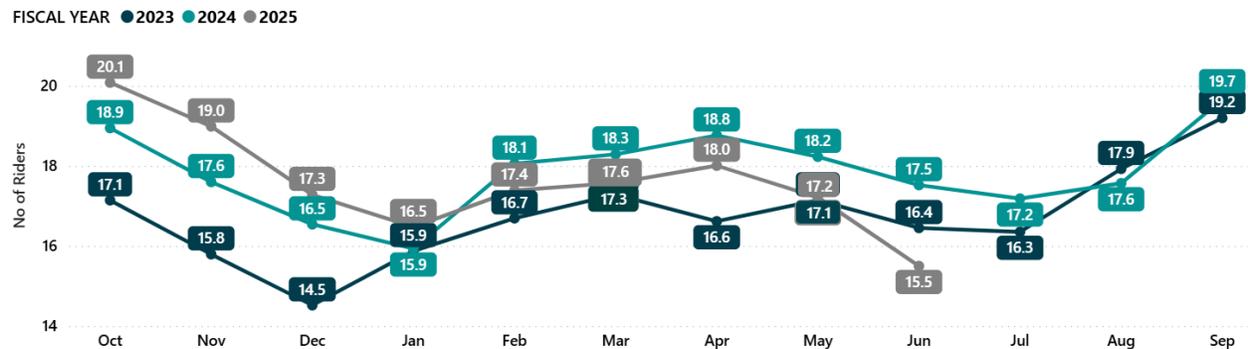
System-wide riders per hour was 14.0 as of Q3 FY2025. It decreased by 1% compared to Q3 FY2024 (14.2).

- For CapMetro Bus, Rapid, and Express, the number of riders per hour was 17.6 as of Q3 FY2025. This was 1% lower than Q3 FY2024 (17.8).
- For CapMetro Rail, the number of riders per hour was 39.8 as of Q3 FY2025. This was 16% higher than Q3 FY2024 (34.4).
- For CapMetro Access, the number of riders per hour was 1.8 as of Q3 FY2025. This was 5% higher than Q3 FY2024 (1.7).
- For CapMetro Pickup, the number of riders per hour was 4.3 as of Q3 FY2025. This was 7% lower than Q3 FY2024 (4.6).

System-Wide Riders per Hour



CapMetro Bus, Rapid, and Express Riders per Hour



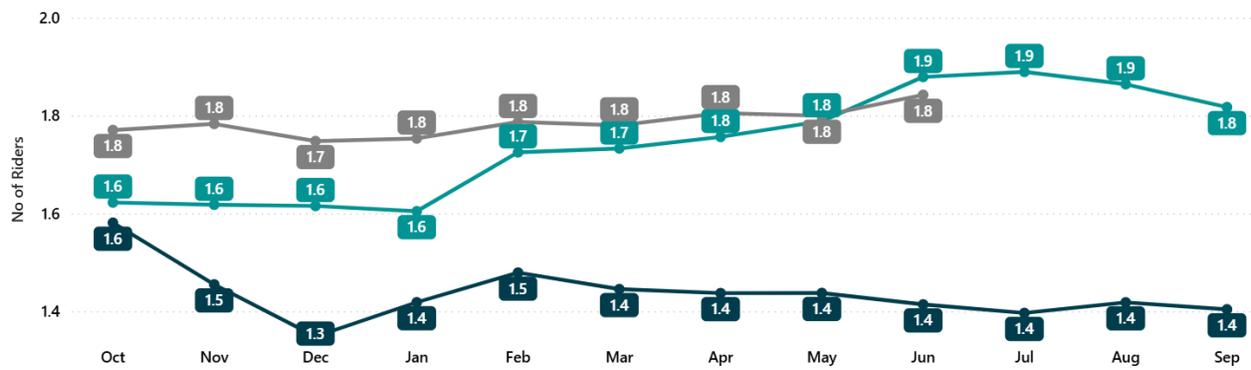
CapMetro Rail Riders per Hour

FISCAL YEAR ● 2023 ● 2024 ● 2025



CapMetro Access Riders per Hour

FISCAL YEAR ● 2023 ● 2024 ● 2025



CapMetro Pickup Riders per Hour

FISCAL YEAR ● 2023 ● 2024 ● 2025



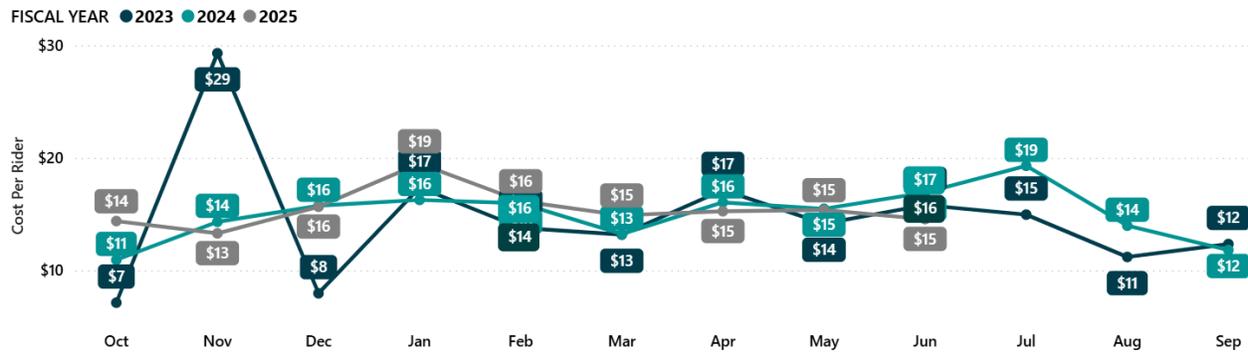
Cost per Rider

The cost per rider metric is an overall cost efficiency measure of ridership, focusing on how well the agency uses resources to deliver services. It is calculated by dividing total operating expense by system-wide ridership. This includes CapMetro Bus, Rapid, and Express, CapMetro Rail, CapMetro Access, and CapMetro Pickup.

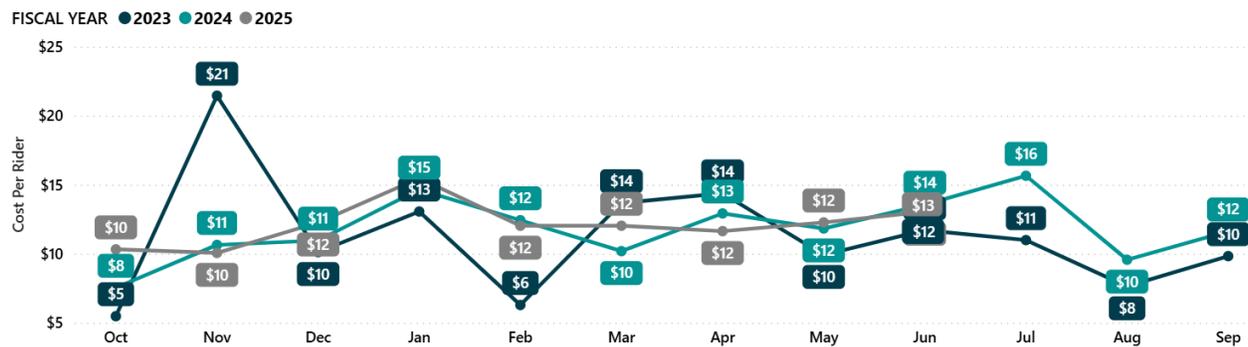
System-wide cost per rider in FY2023 was \$14. In FY2024, it was \$15. As of Q3 FY2025, the average cost per rider was \$15.

- For CapMetro Bus, Rapid, and Express, the cost per rider in FY2023 was \$11. In FY2024, it was \$11. As of Q3 FY2025, the average cost per rider was \$12.
- For CapMetro Rail, the cost per rider in FY2023 was \$73. In FY2024, it was \$63. As of Q3 FY2025, the average cost per rider was \$55.
- For CapMetro Access, the cost per rider in FY2023 was \$113. In FY2024, it was \$115. As of Q3 FY2025, the average cost per rider was \$113.
- For CapMetro Pickup, the cost per rider in FY2023 was \$27. In FY2024, it was \$25. As of Q3 FY2025, the average cost per rider was \$26.

System-Wide Cost per Rider

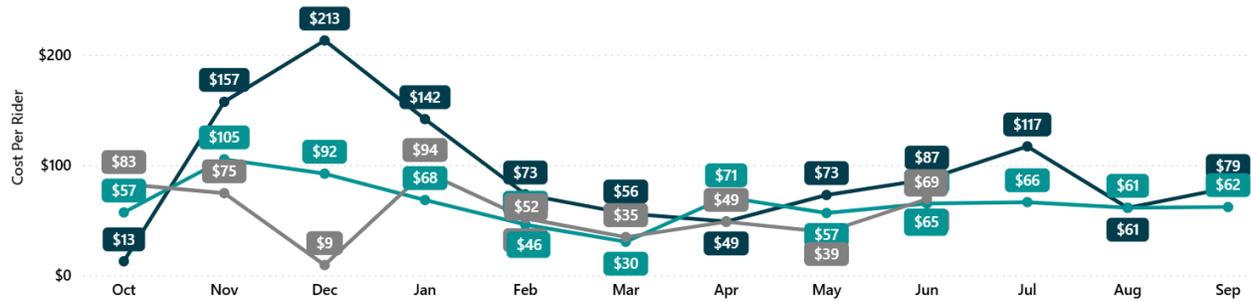


CapMetro Bus, Rapid, and Express Cost per Rider



CapMetro Rail Cost per Rider

FISCAL YEAR ● 2023 ● 2024 ● 2025



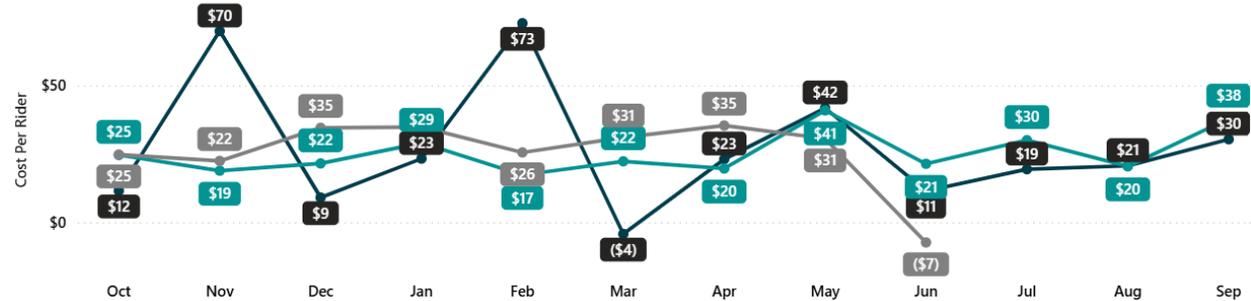
CapMetro Access Cost per Rider

FISCAL YEAR ● 2023 ● 2024 ● 2025



CapMetro Pickup Cost per Rider

FISCAL YEAR ● 2023 ● 2024 ● 2025



Cost per Vehicle Hour

The cost per vehicle hour metric is an hourly cost efficiency measure of vehicle service delivery, focusing on how well the agency uses resources to deliver services. It is calculated by dividing total operating expense by system-wide scheduled vehicle hours (including revenue plus deadhead hours). This includes CapMetro Bus, Rapid, and Express, CapMetro Rail, CapMetro Access, and CapMetro Pickup.

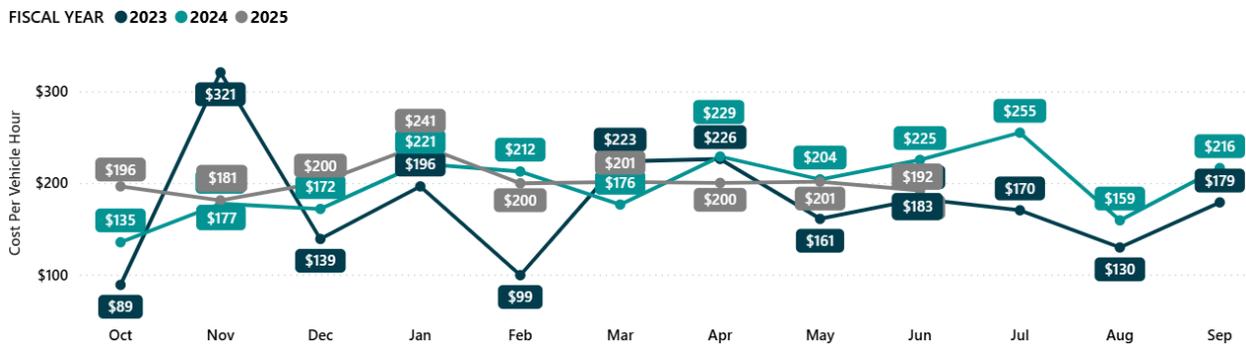
System-wide cost per vehicle hour in FY2023 was \$175. In FY2024, it was \$189. As of Q3 FY2025, the average cost per vehicle hour was \$186.

- For CapMetro Bus, Rapid, and Express, the cost per vehicle hour in FY2023 was \$170. In FY2024, it was \$199. As of Q3 FY2025, the average cost per vehicle hour was \$202.
- For CapMetro Rail, the cost per vehicle hour in FY2023 was \$1,708. In FY2024, it was \$1,567. As of Q3 FY2025, the average cost per vehicle hour was \$1,584.
- For CapMetro Access, the cost per vehicle hour in FY2023 was \$162. In FY2024, it was \$161. As of Q3 FY2025, the average cost per vehicle hour was \$145.
- For CapMetro Pickup, the cost per vehicle hour in FY2023 was \$95. In FY2024, it was \$94. As of Q3 FY2025, the average cost per vehicle hour was \$86.

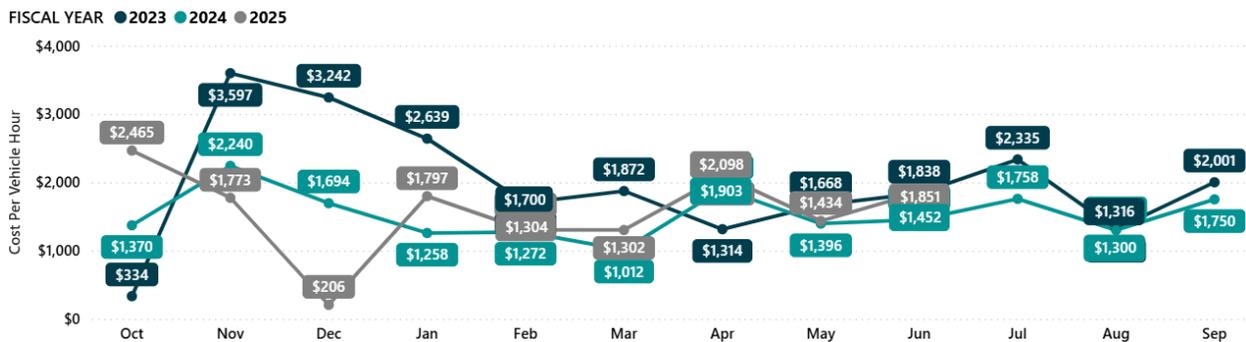
System-Wide Cost per Vehicle Hour



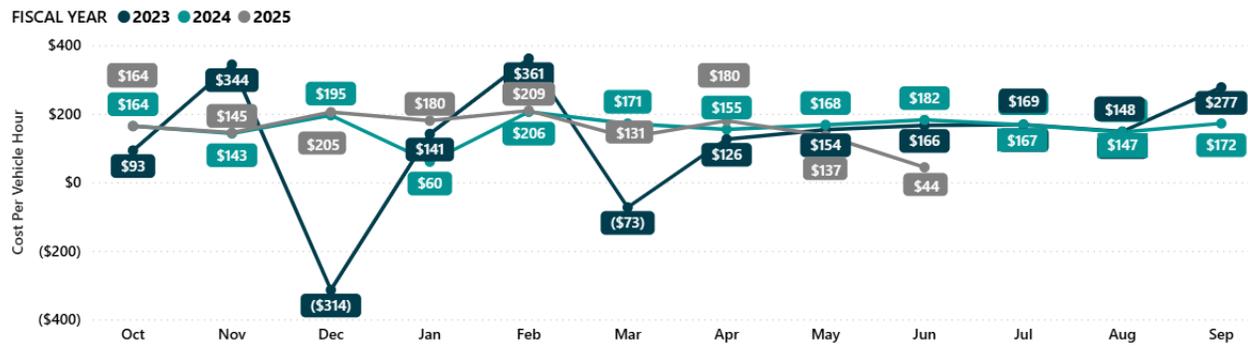
CapMetro Bus, Rapid, and Express Cost per Vehicle Hour



CapMetro Rail Cost per Vehicle Hour



CapMetro Access Cost per Vehicle Hour



CapMetro Pickup Cost per Vehicle Hour





Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2025-1580

Agenda Date: 8/25/2025

President and CEO Monthly Update - August 2025

CapMetro

President's Report

August 2025

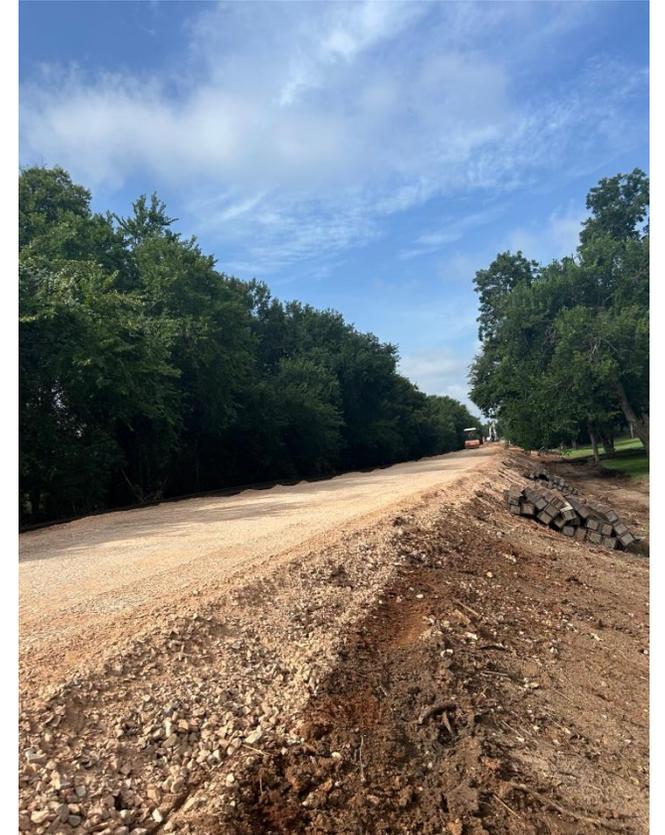
CapMetro in the Community



Transit Industry Day



Freight Service Restoration



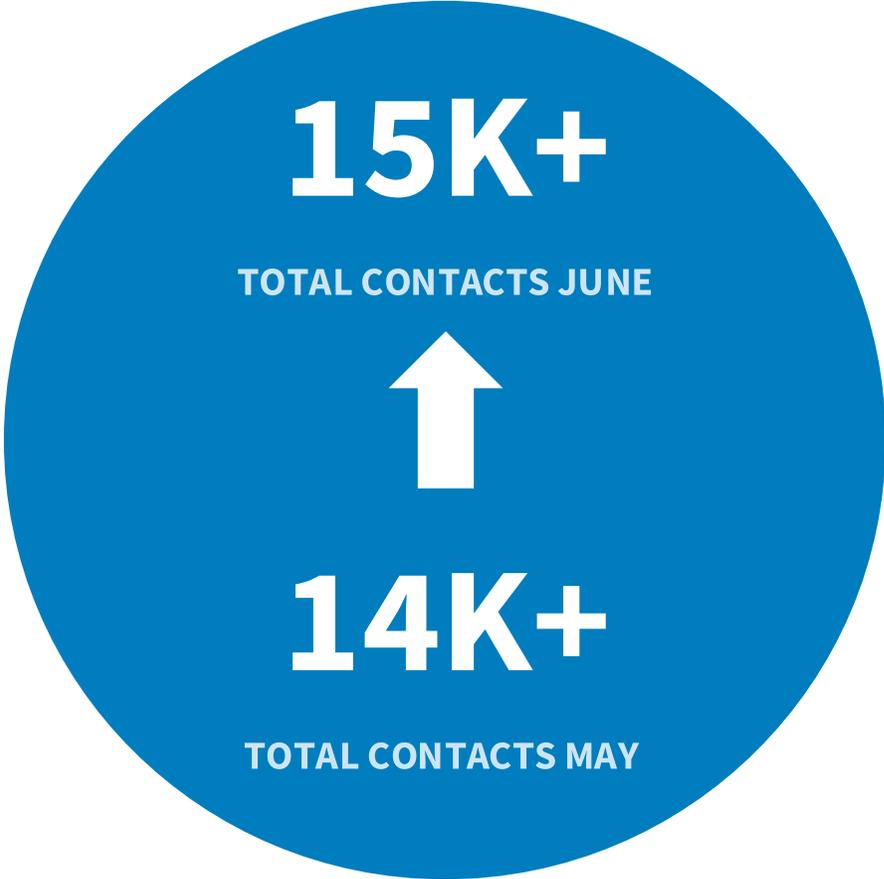
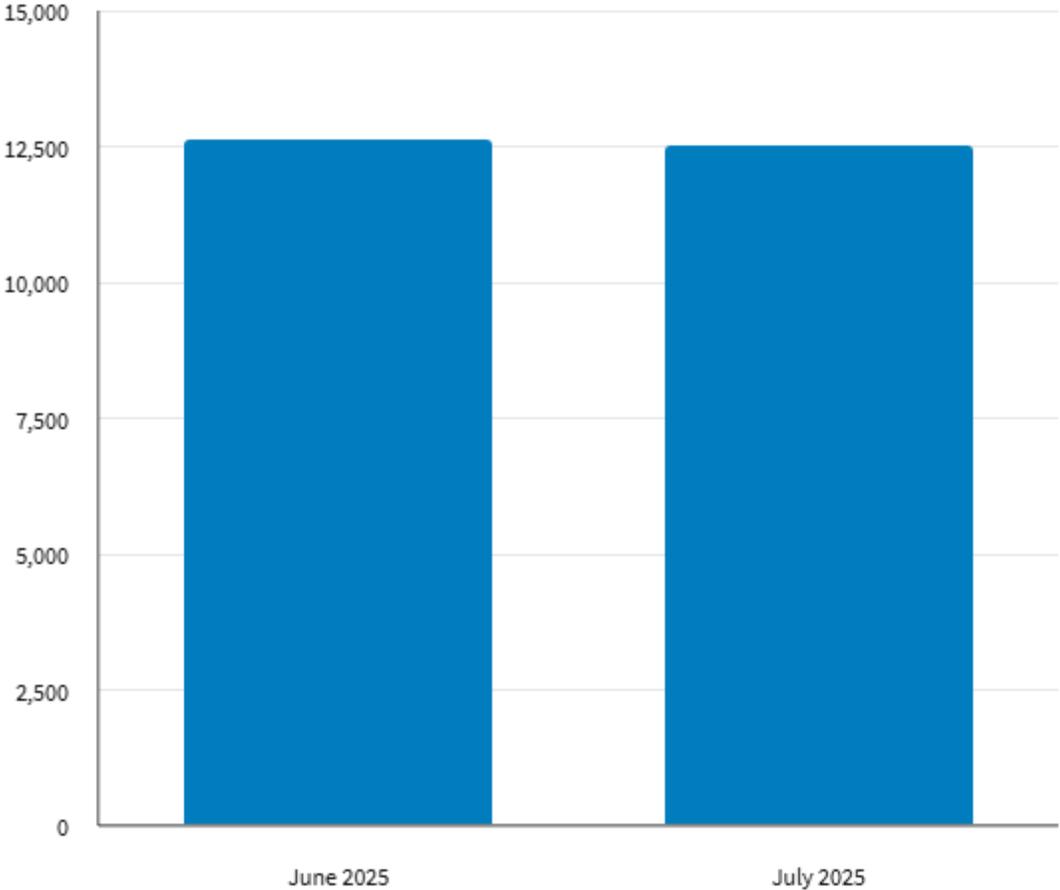


Pride Parade

Awards and Recognitions

CapMetro Customer Care

Total Calls



CapMetro

Thank You!

August 2025



Capital Metropolitan Transportation Authority

2910 East 5th Street
Austin, TX 78702

Board of Directors

Item #: AI-2025-1575

Agenda Date: 8/25/2025

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

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.

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

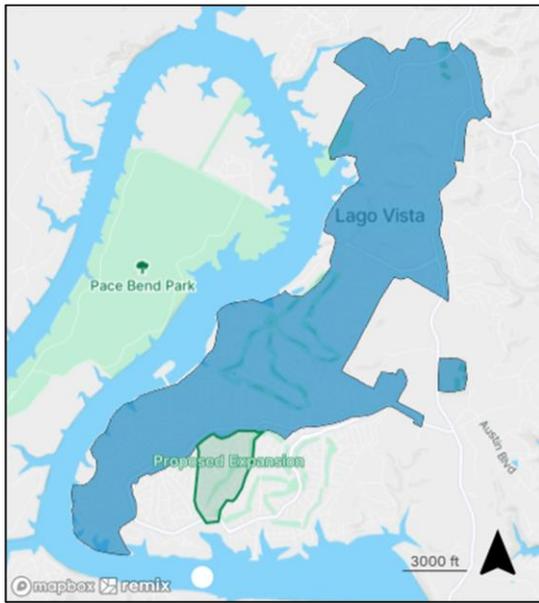


Figure 5: Zone Adjustment in Pickup Manor



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

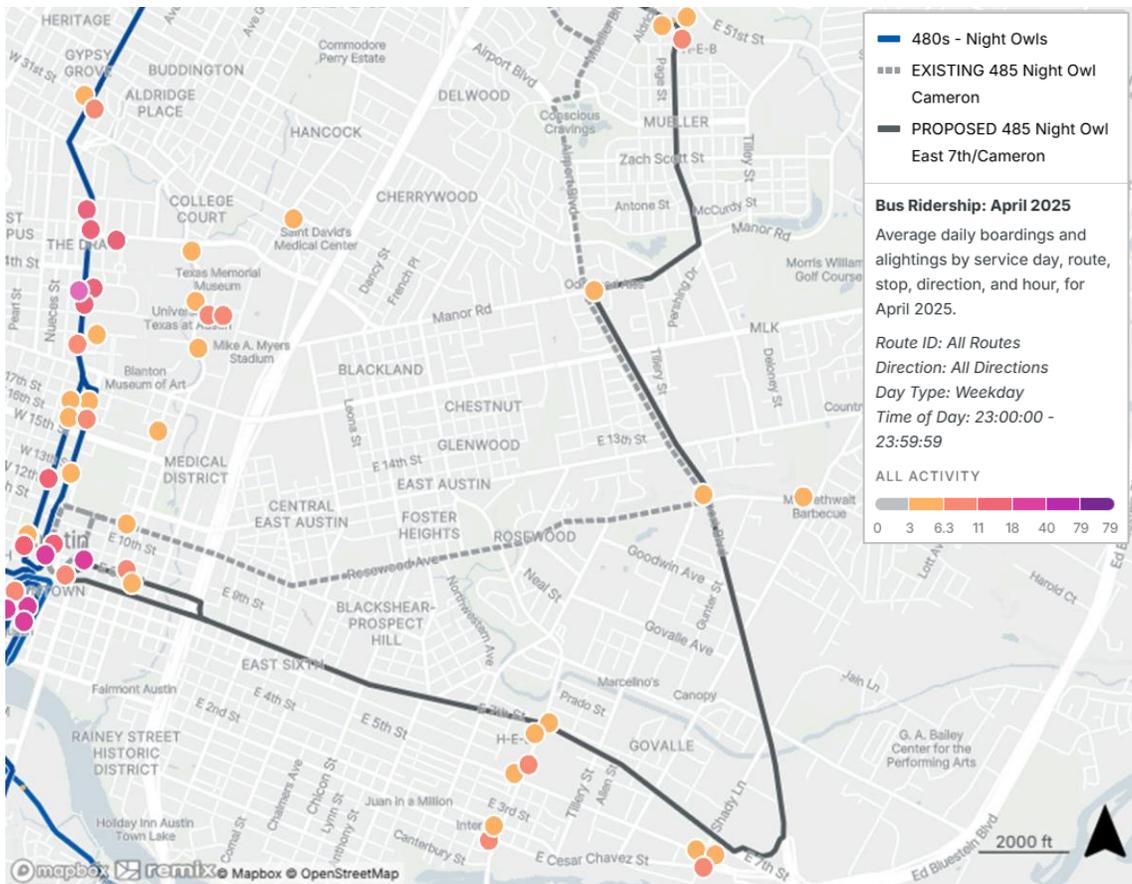
Appendix A: Detailed Overview of Proposed Changes

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.)



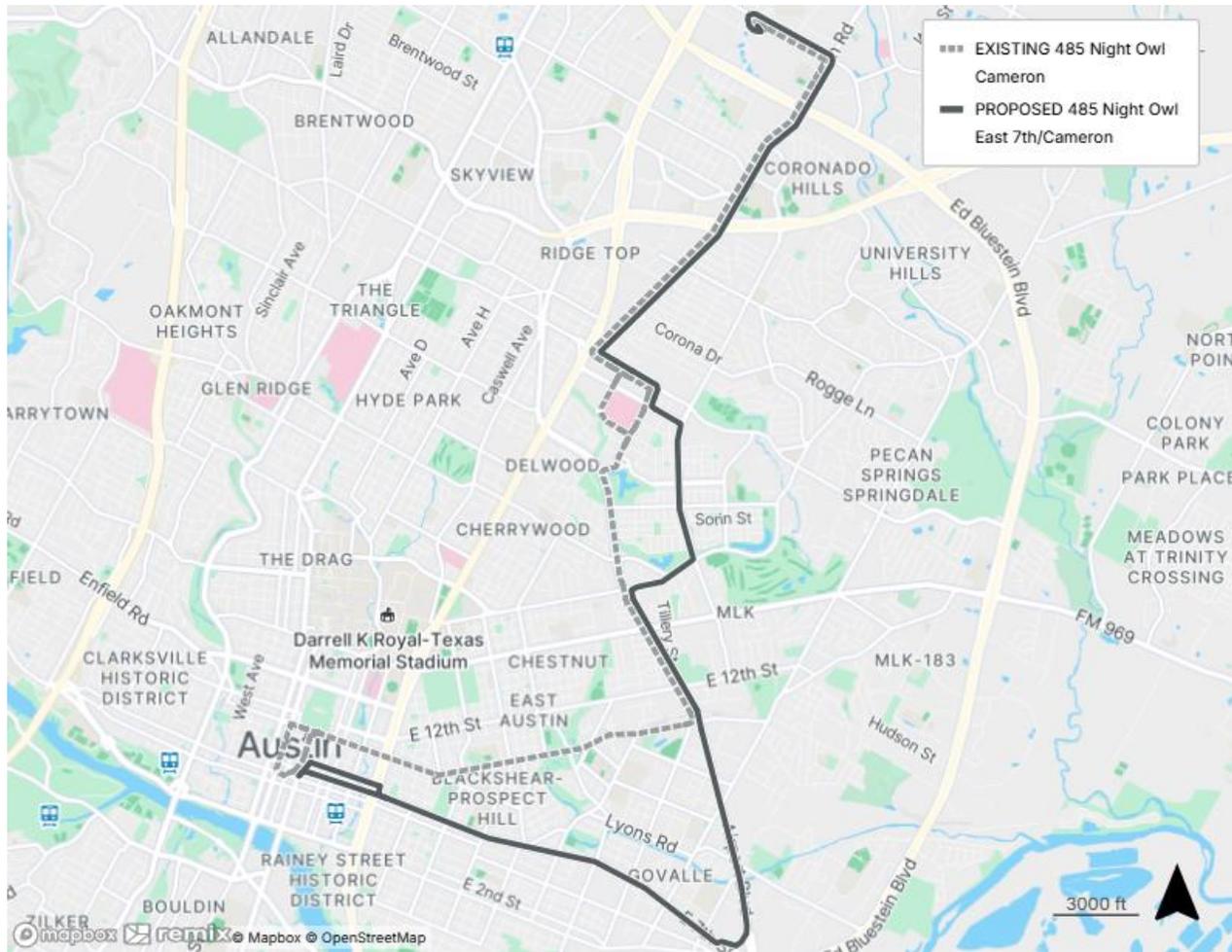
CapMetro staff also reviewed community feedback and requests for late-night service. The feedback demonstrated strong interest in providing late-night connections to the eastside entertainment district. Below are some comments we received from the public:

- “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

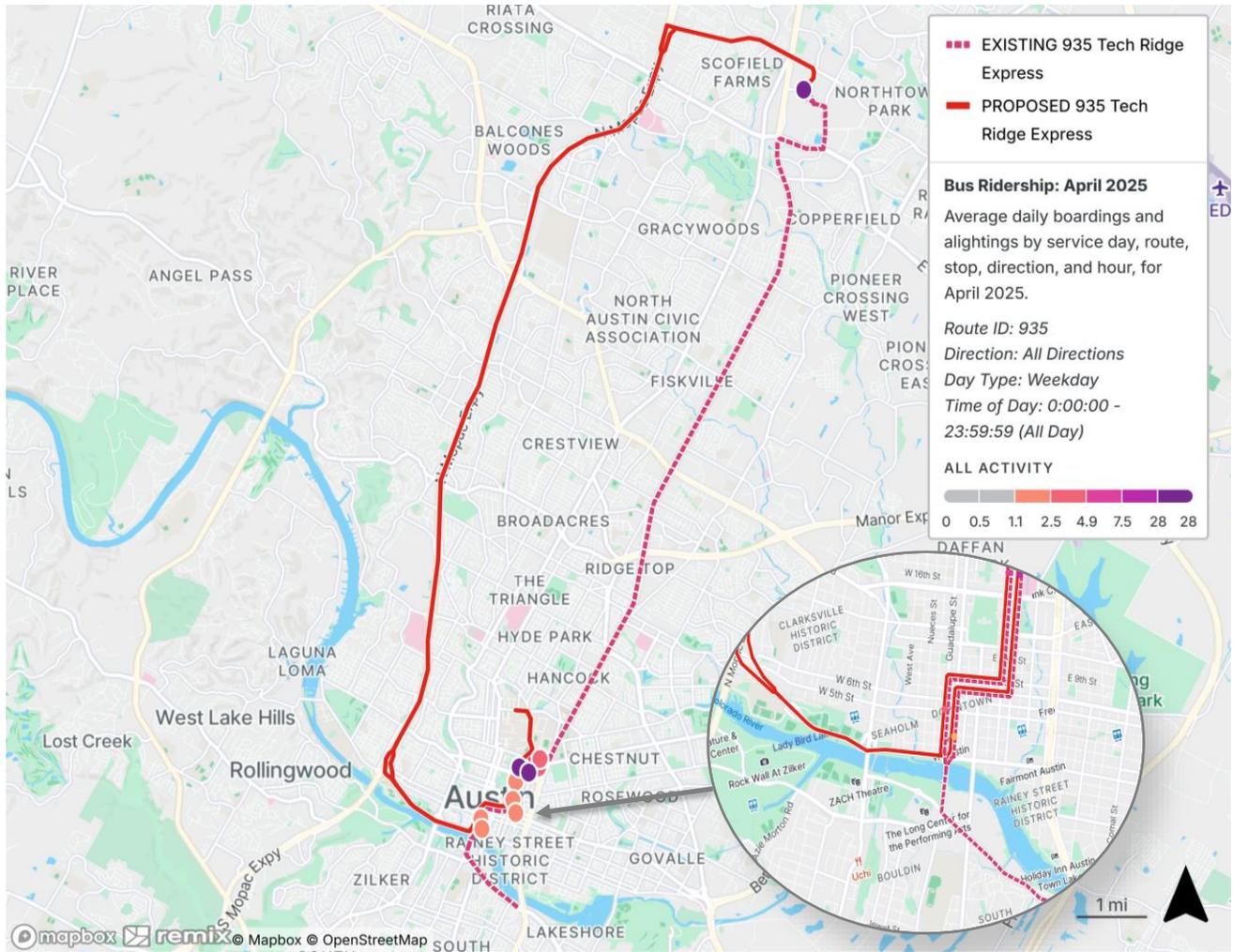


Realignment of Route 935 Tech Ridge Express

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

Board of Directors

Item #: AI-2025-1578

Agenda Date: 8/25/2025

Memo: FY2025 Financial Report - June 2025 (August 22, 2025)

To: CapMetro Board of Directors
From: Kevin Conlan, Interim Chief Financial Officer
Date: August 22, 2025
Re: FY2025 Financial Report – June 2025

CapMetro's June 2025 year-to-date financial report outlines revenue received for the first nine months of the fiscal year, along with operating expenses, budget transfers that cumulatively exceeded \$150,000 for the third quarter, summary of the agency's reserve, allocated and restricted funds, statement of net position, budget variances by department, and the agency's capital projects summary through June 2025. Typically this memo is provided to the members of the CapMetro Finance, Audit and Administration Committee, however, given that board committee meetings were cancelled in August, this memo is being provided to the full Board.

Revenue

June year-to-date revenue receipts total \$444.9 million compared to a budget of \$451.0 million, or 98.6% of the year-to-date budget. Sales tax continues to remain flat compared to the prior fiscal year. Freight railroad revenue, operating and capital contributions and grants remain on track with budgeted amounts. Other revenue has seen an uptick mainly due to favorable investment income.

Operating Expense

Operating expenses through June totaled \$316.0 million compared to a budget of \$338.9 million, or 93.2% of the year-to-date budget. Salaries and benefits, fuel, insurance and purchased transportation are all tracking with budgeted amounts. Savings are anticipated in professional services, utilities, leases and other expenses.

Reserve, Allocated and Restricted Funds

CapMetro continues to meet all of its reserve requirements. The Statutory Operating and Budget Stabilization reserves are fully funded, and Facility and Vehicle reserves created in FY2025 continue to be utilized to address the agency's largest capital needs.

Capital Projects

June year-to-date capital project expense totals \$84.6 million, along with outstanding commitments of \$52.1 million. Expenses and commitments are 59.5% of \$229.8 million total fiscal year 2025 budget. Highlighted project spending includes CapMetro Rapid lines, paratransit van replacements, electric bus replacements, bus electrification infrastructure and the new administration building build-out. Delayed expenses and savings will be realized across many projects in the project portfolio.



Financial Report – Fiscal Year 2025

Year to Date June 30, 2025

Major Highlights

Revenue

- Sales tax remittances received YTD May 2025 are 0.3% higher than YTD May 2024 and 3.0% lower than YTD budget

Operating Expenses

- \$316.0 million expended to date, or 70.4% of full-year budget
- Professional services are below budget due to timing of consultation, software and professional fees

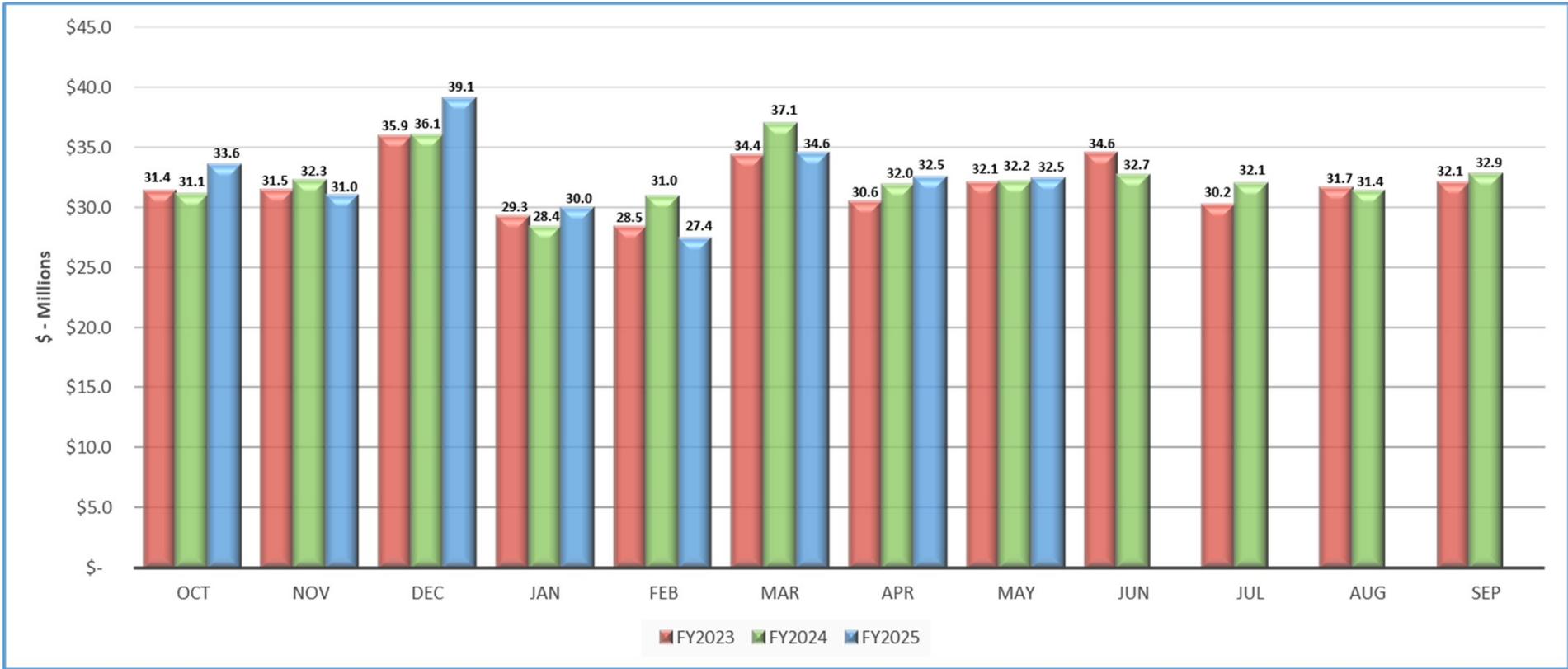
Capital Projects

- FY2025 capital project budget of \$229.8 million
- \$84.6 million expended to date, or 36.8% of full-year budget
 - Electric Bus Replacements, CapMetro Rapid Lines, Paratransit Van Replacement, Bus Electrification Infrastructure and New Administration Building Build-out
- \$52.1 million outstanding commitments have been issued, or 22.7% of full-year budget
 - CapMetro Rapid Lines, Bus Electrification Infrastructure, Paratransit Van Replacement, Demand Response Operations and Maintenance Facility Replacement, Existing Park & Ride Constructions & Repairs and Double Tracking from Onion St to East Timbes and Plaza Saltillo Station

Revenue

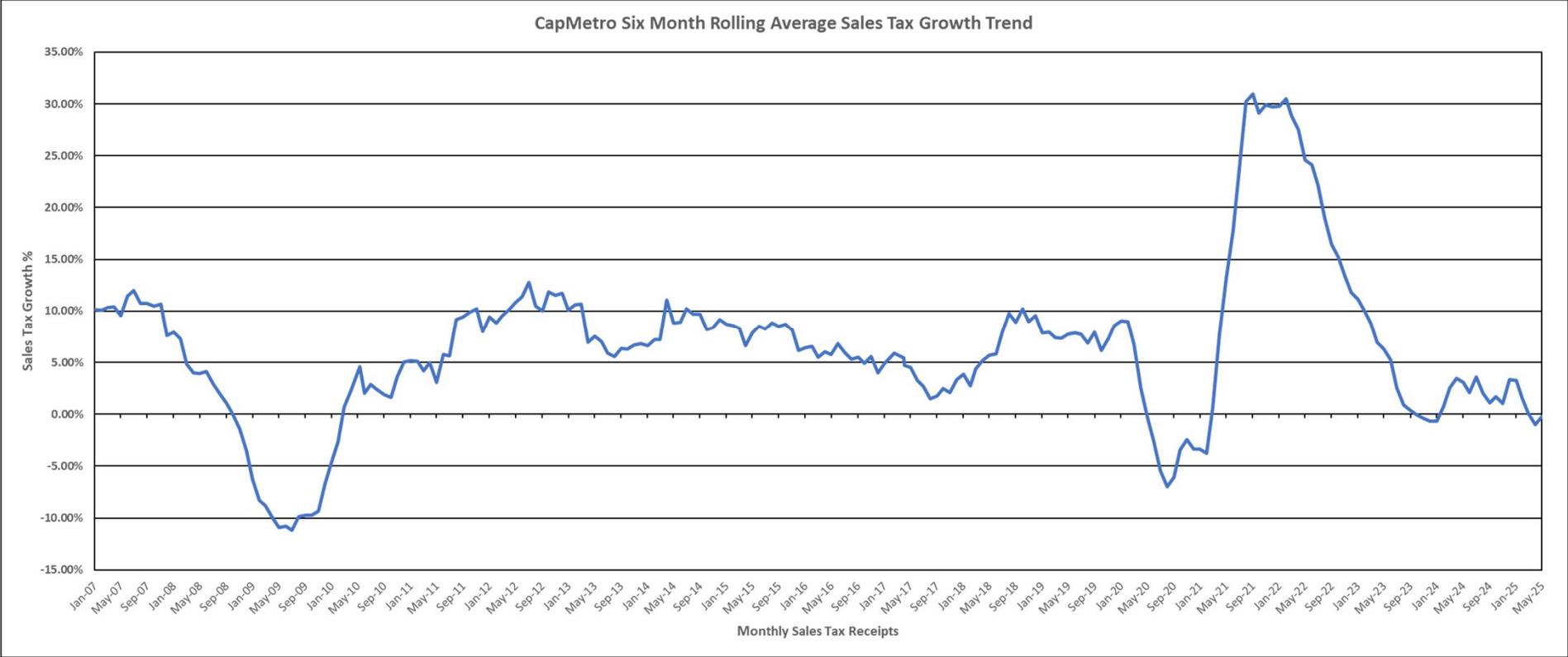
\$' Million Category	FY24 Jun YTD Actual	FY25 Jun YTD Actual	FY25 Jun YTD Budget	% of YTD Budget	FY25 Full Year Budget	% of Budget	Comments
Sales Tax	\$294.5	\$295.2	\$303.4	97.3%	\$402.8	73.3%	June sales tax receipts accrued
Passenger Revenue	11.5	11.6	14.8	78.6%	20.1	57.9%	
Freight Railroad Revenue	5.0	5.5	5.1	109.2%	6.7	82.7%	
Other Revenue	22.7	25.2	14.5	174.2%	19.2	131.1%	Favorable investment income and gain on asset sale
Operating Contributions and Grants	43.0	43.8	47.5	92.3%	64.8	67.7%	
Capital Contributions and Grants	42.5	63.5	65.9	96.4%	87.9	72.3%	
Total	\$419.2	\$444.9	\$451.0	98.6%	\$601.3	74.0%	

Actual Sales Tax Receipts



Total	\$382.4M	\$389.1M	\$260.8M
YOY % Growth	4.2%	1.7%	0.3%

Sales Tax Rolling Average Trend



Operating Expense

\$' Million Category	FY24 Jun YTD Actual	FY25 Jun YTD Actual	FY25 Jun YTD Budget	% of YTD Budget	FY25 Full Year Budget	% of Budget	Comments
Salaries and Benefits	\$64.5	\$69.8	\$72.1	96.8%	\$97.2	71.9%	
Professional Services	32.1	32.3	47.2	68.5%	60.6	53.4%	Timing of consultation, software and professional fees
Materials and Supplies	16.0	17.5	14.4	121.7%	19.2	91.3%	Higher than budgeted spending for bus maintenance materials expense
Fuel and Fluids	11.2	11.0	11.3	97.8%	15.1	72.9%	
Utilities	3.2	3.7	6.3	59.2%	8.3	44.4%	Electricity-propulsion power timing and savings
Insurance	1.0	1.7	1.8	98.3%	2.0	89.5%	
Purchased Transportation	164.2	174.1	172.6	100.9%	228.8	76.1%	
Lease/Rentals	4.7	2.3	4.8	48.1%	6.2	37.5%	
Other Expenses	2.6	3.3	8.4	39.7%	11.2	29.8%	Unspent contingency
Total	\$299.5	\$316.0	\$338.9	93.2%	\$448.5	70.4%	

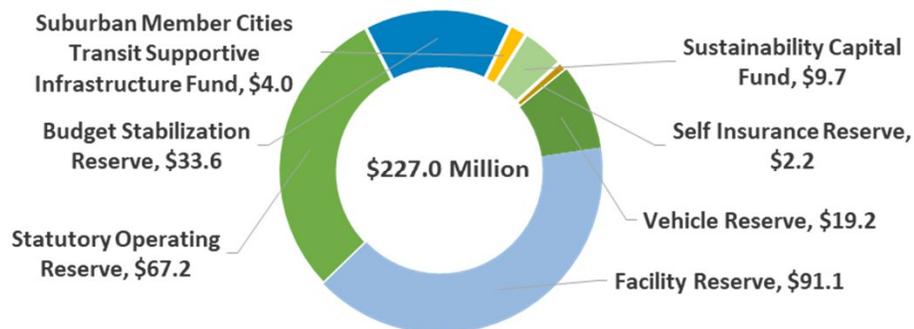
Budget Transfers

Consistent with CapMetro's Financial Policies, there were five budget transfers that cumulatively exceeded \$150,000 to report to the board for the 3rd quarter of FY2025.

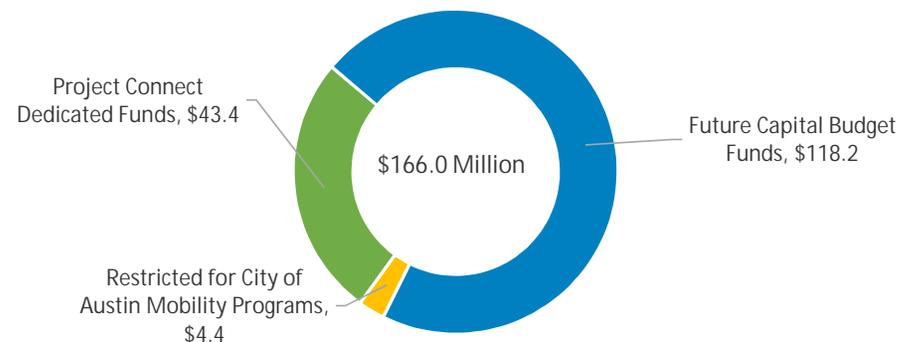
May-25				
Transfer #1				
From:	PAM2332	Maintenance Office Renovation	(276,314)	Returning funds to capital contingency for the 2910 E Fifth vehicle maintenance building administration renovations and future phase design. This project will begin in FY2026.
To:	FIN0311	Capital Contingency	276,314	
May-25				
Transfer #2				
From:	PAM0240	Paratransit Eligibility	(1,590,178)	Returning unneeded funds to capital contingency for level 2 renovations of 624 Pleasant Valley.
To:	FIN0311	Capital Contingency	1,590,178	
May-25				
Transfer #3				
From:	FIN0311	Capital Contingency	(5,963,100)	Transferred funds from capital contingency to take advantage of favorable pricing for 75 new vans originally planned for FY2026.
To:	OMO2204	Paratransit Van Replacement	5,963,100	
May-25				
Transfer #4				
From:	PLN2108	MetroRapid Pleasant Valley, CapMetro	(1,500,000)	Transferred funds from MetroRapid Pleasant Valley to begin phase 2 of construction at the new administration building as the project is ahead of schedule.
To:	PAM0234	3100 E Fifth Purchase and Build-out	1,500,000	
June-25				
Transfer #5				
From:	ITS2003	Customer Payment Systems	(231,000)	Transferred funds from the customer payment systems for newly identified cybersecurity and network items to acquire and put into service in FY2025.
To:	ITS2008	Network Infrastructure	231,000	

Reserve, Allocated & Restricted Funds

Reserve Funds



Allocated & Restricted Funds



Notes:

- Additional funding was allocated to the statutory operating and budget stabilization reserves based on the board-approved funding formula. The statutory operating reserve equals 2 months of audited FY2023 operating expenses. Contributions to the budget stabilization reserve began in February 2016 with \$7 million reserved in FY2016 and \$3 million in FY2017. An additional contribution was made in FY2018 to fully fund the budget stabilization reserve. The sustainability capital fund was established in FY2022 with \$10 million to support CapMetro's Sustainability Vision Plan. In March 2022, a regional partnership with small-member cities and a \$10 million Transit Supportive Infrastructure Fund was established. A \$100 million Facility Reserve and a \$50 million Vehicle Reserve were established in FY2025 as CapMetro addresses the largest needs of the agency.
- Funds for capital investment are required to help address extensive capital needs. The capital budget for FY2025 is \$229.8 million, with \$142.0 million funded by FY2025 income and \$87.9 million from capital contributions and grants. These capital improvements are needed to maintain the state of good repair of the community's transit infrastructure and to be in compliance with Federal regulations. The FY2025 capital budget also contains CapMetro held contracts of the Project Connect program of projects. The City of Austin Mobility Fund was reduced by \$335 thousand from projects in FY2024.

Statement of Revenue, Expenses and Change in Net Position

\$' Million	FY24 Jun YTD Actual	FY25 Jun YTD Actual	FY25 Jun YTD Budget	FY25 Full Year Budget	% of Budget
<i>Operating Revenue</i>					
Passenger Revenue	\$11.5	\$11.6	\$14.8	\$20.1	57.9%
Freight Railroad Revenue	5.0	5.5	5.1	6.7	82.7%
Other Revenue	5.6	5.2	3.2	4.2	123.4%
Total	22.1	22.3	23.1	31.0	72.1%
<i>Operating Expenses</i>					
Salaries and Benefits	64.5	69.8	72.1	97.2	71.9%
Professional Services	32.1	32.3	47.2	60.6	53.4%
Fuel and Fluids	11.2	11.0	11.3	15.1	72.9%
Utilities	3.2	3.7	6.3	8.3	44.4%
Purchased Transportation	164.2	174.1	172.6	228.8	76.1%
Other Expenses	19.6	22.6	24.6	32.4	69.9%
Lease/Rental	4.7	2.3	4.8	6.2	37.5%
Depreciation & Amortization	36.9	42.0	46.7	62.2	67.5%
Total	336.4	357.9	385.6	510.7	70.1%
<i>Operating Income/Loss</i>	<i>(314.3)</i>	<i>(335.6)</i>	<i>(362.5)</i>	<i>(479.8)</i>	<i>69.9%</i>
<i>Non-Operating Revenue/(Expenses)</i>					
Sales Tax	294.5	295.2	303.4	402.8	73.3%
Investment Income	16.9	17.5	11.3	15.0	116.8%
Operating Contributions and Grants	43.0	43.8	47.5	64.8	67.7%
Capital Contributions and Grants	42.5	63.5	65.9	87.9	72.3%
Mobility Interlocal Agreements	(1.0)	(3.4)	(3.1)	(5.2)	65.8%
Other	.2	2.5	-	-	0.0%
<i>Non-Operating Income/(Loss)</i>	<i>396.1</i>	<i>419.1</i>	<i>424.9</i>	<i>565.2</i>	<i>74.2%</i>
Change in Net Position	\$81.8	\$83.6	\$62.4	\$85.4	97.8%

Budget Variances by Department

\$'000 Department	FY24 YTD Actual	FY25 YTD Actual	FY25 YTD Revised Budget	YTD % of Revised Budget	YTD Budget vs. Actual	Comments
100 - Non-Allocated Benefits	\$14,454	\$17,080	\$14,977	114.0%	(\$2,103)	Timing of pension expenses
102 - Wellness Center	212	187	296	63.2%	109	Timing of pre-employment testing
103 - Child Care Center	702	139	425	32.6%	286	Stipend savings to budget
105 - Business Center	205	274	285	96.0%	11	
110 - Executive Staff	1,095	1,179	1,315	89.7%	136	
118 - Government Affairs	797	775	890	87.1%	115	Vacancy savings and timing of consulting fees
119 - Small Business Programs and Compliance	687	621	753	82.5%	132	Vacancy savings and timing of advertising and sponsorships
120 - Board Of Directors	135	139	160	87.1%	21	
125 - Internal Audit	539	703	821	85.6%	118	Vacancy and quadrennial performance audit services savings
130 - Organizational Strategy and Projects	1,302	1,884	1,723	109.3%	(161)	Timing of consulting fees
140 - Safety	1,555	1,539	1,732	88.9%	193	Vacancy savings and timing of advertising and consulting fees
141 - Public Safety and Emergency Management	5,611	5,477	6,491	84.4%	1,014	Vacancy and APD officer shift savings
142 - Systemwide Accessibility	309	247	420	58.9%	173	Timing of professional fees
143 - Transit Police	532	1,665	2,202	75.6%	537	Vacancy savings
150 - Legal	978	812	1,257	64.6%	445	Timing of legal services year-end accruals
220 - Finance	4,987	6,931	11,556	60.0%	4,625	Unspent contingency, saving in passes and tickets and timing of fare collection system roll out
230 - Information Technology	17,878	17,507	22,161	79.0%	4,654	GASB 96 entry for expense reclass to balance sheet and timing of computer software and hardware
250 - Procurement	1,912	2,131	2,035	104.7%	(96)	
275 - Vanpool	1,674	2,424	2,662	91.1%	238	Lower purchased transportation expenses due to higher mix of smaller vehicles
320 - Strategic Planning and Development	3,765	4,043	6,261	64.6%	2,218	Savings and timing for 5&10-year long range plan, Transit Priority and Orange & Blue and Crestview ETOD framework
330 - Marketing and Communications	4,095	4,137	6,042	68.5%	1,905	Timing of UMO roll out, Fall & Spring, special events, user experience testing and customer satisfaction surveys
331 - Community Engagement	1,111	931	1,302	71.5%	371	Vacancy savings and timing of temporary help, special events, public involvement and pass distribution
332 - Customer Care	944	1,015	989	102.6%	(26)	
340 - People and Culture	3,880	4,052	5,108	79.3%	1,055	Vacancy savings and timing of professional services and recognition programs
457 - Facilities Maintenance	3,353	3,591	1,975	181.8%	(1,616)	Unbudgeted custodial and maintenance services
530 - Capital Design and Construction	2,369	1,039	1,158	89.7%	119	Timing of professional services and no spend for non-capital project expenses
531 - Capital Construction, Engineering and Design	200	277	735	37.7%	458	Savings and timing of consulting fees
532 - Power Systems and Sustainability	357	520	1,578	33.0%	1,058	Savings and timing of professional fees and supplies
533 - Rolling Stock and Support Equipment	364	490	528	92.9%	38	
534 - Systems Engineering and Design	212	208	196	106.4%	(12)	
535 - Capital Construction and Facility Management	0	798	908	87.9%	109	Vacancy savings
536 - Facility Design and Construction	0	402	408	98.6%	6	
540 - Facility Programming and Management	1,421	4,322	6,193	69.8%	1,872	Savings and timing of professional services and repairs moved to capital expenses

Budget Variances by Department (continued)

\$'000 Department	FY24 YTD Actual	FY25 YTD Actual	FY25 YTD Revised Budget	YTD % of Revised Budget	YTD Budget vs. Actual	Comments
542 - Freight Rail Management	1,542	1,575	1,455	108.3%	(120)	Higher transit services expense offset by higher revenue
544 - Commuter Rail Operations	18,007	16,800	19,662	85.4%	2,862	Savings from fewer hours and DMU overhaul postponed to next fiscal year
550 - Real Estate	3,899	2,077	3,976	52.2%	1,899	GASB 87 entry for expense reclass to balance sheet
600 - Bus Operations and Maintenance	151,290	153,064	148,209	103.3%	(4,855)	Higher maintenance materials consumption and overtime pay
615 - Microtransit	6,022	6,978	7,965	87.6%	988	
616 - Bikeshare	1,007	629	1,191	52.8%	562	Vacancy savings and timing of software and supplies and materials
620 - Demand Response Oversight	33,349	32,828	36,603	89.7%	3,775	
640 - Demand Response Control and Call Center	1,972	2,151	2,050	105.0%	(101)	
650 - Paratransit Eligibility	980	969	1,135	85.3%	166	Vacancy savings and timing of professional fees
920 - Project Connect	3,809	11,355	12,784	88.8%	1,429	
Total	299,513	315,965	340,569	92.8%	24,604	

Capital Projects Summary

\$'000 Project Category	Expended	Outstanding Commitments	Original Budget	Revised Budget	Expended & Committed as % of Revised Budget	Comments
Commuter Rail	\$1,872	\$1,990	\$6,307	\$6,307	61.2%	Grade Crossing Signal Health Monitoring and SOGR for Rail Grade Crossings
Vehicles	34,104	7,958	34,131	51,782	81.2%	Electric Bus Replacements and Paratransit Van Replacements
Information Technology	4,717	4,984	11,144	12,001	80.8%	Customer Payment Systems and Single Sign-On Solution
Facilities	15,455	13,187	32,944	34,299	83.5%	Bus Electrification Infrastructure and Double Tracking from Onion St to E. Timbes and Plaza Saltillo Station
Freight Railroad	89	0	0	60	147.8%	Bridge Replacement
Property & Asset Management	11,727	5,803	55,350	27,267	64.3%	Demand Response Operations & Maintenance Facility and New Administration Building Build-out
Contingency	0	\$0	10,000	37,863	0.0%	CapMetro Rapid Park & Rides and New Administration Building Build-out return to contingency
Project Connect	15,880	17,483	68,445	49,546	67.3%	CapMetro Rapid Lines, Park & Rides and End of Line Charging
Strategic Planning	306	408	9,600	9,600	7.4%	North Burnet/Uptown Station Rail Development
Security	498	276	1,912	1,109	69.8%	Vehicle Camera System
Total	\$84,647	\$52,089	\$229,834	\$229,834	59.5%	

CapMetro

Thank you!