

AUSTIN TRANSIT PARTNERSHIP BOARD OF DIRECTORS MEETING

~ Agenda ~

Wednesday, September 21, 2022

2:00 PM

Austin Transit Partnership
203 Colorado St., Austin, TX 78701
ATP Board Room

1. Public Comment

2. Technical Advisory Committee Report

- a. Engineering, Architecture & Construction Committee

3. Executive Director Report

- a. Project Connect Status Report (ATP Board Brief)
- b. ATP Organizational Update

4. Action Items

- a. Approval of minutes from the August 24 Board Meeting
- b. Approval of a resolution authorizing award of a contract with Hilltop Securities Asset Management LLC for investment advisory services for 2 years with an option for two additional 1-year terms in an amount not to exceed a percentage of investment assets managed, estimated to be \$150,000 per year
- c. Approval of a resolution authorizing negotiation and execution of a cooperative contract with Applications Software Technology LLC for an Enterprise Resource Planning system and implementation services for 18 months from date of notice to proceed in an amount not to exceed \$3,000,000
- d. Adoption of the ATP Fiscal Year 2023 Budget
- e. Approval of a resolution declaring ATP's official intent to reimburse itself from proceeds of tax-exempt obligations to be issued for Light Rail lines and associated support facilities expenditures in the total amount of \$50,000,000

5. Discussion Items

- a. Status of Work on Updated Light Rail Implementation Plan

6. Internal Audit Action Item

- a. Approval of ATP's Fiscal Year 2023 Audit Plan

7. Executive Session

- a. Section 551.071 of the Texas Government Code for consultation with attorney and 551.074 for personnel matter discussion regarding the Executive Director search process

ADA Compliance

Reasonable modifications and equal access to communications are provided upon request. Please call (512) 389-7525 or email chloe.maxwell@atptx.org if you need more information.

ATP has resumed in-person board meetings and are [streamed live](#). Public comment may be completed in person or virtual. Those wishing to contribute comments must notify ATP 24-hours before the meeting (by 2:00 p.m. on September 20) by calling 512-389-7525 or emailing chloe.maxwell@atptx.org. Give your name, phone number and the topic you wish to discuss. On the day of the meeting, you will be contacted, added as an attendee of the board meeting, and have 3 minutes to speak.

Please Note: You will have only **one** opportunity at the beginning of the board meeting to speak on **all** items you intend to address.

Public Comment will be over Teams (camera may be turned off) or in person. Once registered for Public Comment, a participation link will be distributed.

BOARD OF DIRECTORS: *Veronica Castro de Barrera, Chair, Steve Adler, Vice Chair, Tony Elkins, Jeffrey Travillion, Gina Fiandaca (ex officio), Dottie Watkins (ex officio).*

The Board of Directors reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above as authorized by Texas Government Code Chapter 551, including, but not limited to: Sections 551.071 (Litigation/Consultation with Attorney), 551.072 (Deliberations regarding real property), 551.073 (Deliberations regarding gifts and donations), 551.074 (Deliberations regarding personnel matters) or 551.076 (Deliberations regarding deployment/implementation of security personnel or devices), and 551.087 (Deliberations regarding Economic Development negotiations).

Date: September 16, 2022

AUSTIN TRANSIT PARTNERSHIP

**Board of Directors Meeting
September 21, 2022**

September 21 - AGENDA

1. Public Comment

2. Technical Advisory Committee Reports

1. Engineering, Architecture & Construction Committee

3. Executive Director Report

1. Project Connect Status Report
2. ATP Organizational Update

4. Action Items

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3. Approval of a resolution authorizing negotiation and execution of a cooperative contract with Applications Software Technology LLC for an Enterprise Resource Planning system and implementation services for 18 months from date of notice to proceed in an amount not to exceed \$3,000,000
4. Adoption of the ATP FY2023 Budget
5. Approval of a resolution declaring ATP's official intent to reimburse itself from proceeds of tax-exempt obligations to be issued for Light Rail lines and associated support facilities expenditures in the total amount of \$50,000,000

5. Discussion Items

1. Status of Work on Updated Light Rail Implementation Plan

6. Internal Audit Action Item

1. Approval of ATP's FY2023 Audit Plan

7. Executive Session

PUBLIC COMMENT

TENCHICAL ADVISORY COMMITTEE REPORT



COMMITTEE: Engineering, Architecture & Construction

DATE: September 7, 2022

ATTENDANCE: 25 attendees, including committee members, interagency staff and consultants.

Committee members in attendance:

- Karen Bondy (EAC)
- Lyndon Henry (EAC)
- Efrain Velez (EAC)
- Justin Adair (EAC)
- Kathryn Broadwater (CAC)
- Gina Fiandaca (CoA/ATP)

PRIMARY AGENDA ITEMS:

- a. Light Rail Program Project Development

COMMITTEE DISCUSSION & RECOMMENDATIONS:

The committee received an update from staff and PMOR regarding the technical review of the light rail program as part of the project development workplan.

Technical staff has convened a series of interagency workshops to identify potential design opportunities to optimize the light rail program and achieve the following objectives: financial viability, community support, FTA support, mobility effectiveness, equity, and sustainability.

The committee reviewed and discussed various categories of opportunities being explored, including simplified underground, elevated, and at-grade options, connecting the orange and blue lines south of the river to allow for a single river crossing, optimized utility coordination, modular construction strategies and other alternative construction methodologies and material selection. In general, design opportunities will be measured against the objectives listed above and will be prioritized; those that have the greatest positive contribution will be combined into various phasing scenarios that can be reviewed with the community.

The committee identified as a priority the need to ensure that the transit network system works as a whole allowing for seamless transitions between the bus and the light rail network.

REQUESTS FOR MORE INFORMATION:

The committee recognized the concurrence of the light rail implementation with other megaprojects in the region. Is there an opportunity to partner with other large infrastructure projects to achieve procurement efficiencies, particularly around more sustainable materials, e.g. low carbon concrete?

FUTURE MEETING TOPICS:

EXECUTIVE DIRECTOR REPORT

ACTION ITEM 1:

Approval of minutes from the August 24, 2022 ATP Board Meeting

AUSTIN TRANSIT PARTNERSHIP BOARD OF DIRECTORS MEETING

203 Colorado St. Austin, TX 78701

~ Minutes ~

Board Secretary Casey Burack
512-369-6040

Wednesday, August 24, 2022
2:00 PM

2:10 PM Meeting Called to Order
4:24 PM Meeting Adjourned

1. Official Seating of New Board Member

Board Member Jeffrey Travillion was recognized by board members at his first ATP Board meeting. Mr. Travillion serves as the Capital Metro appointed member to the ATP Board.

2. Public Comment

There was no public comment at the meeting.

3. Technical Advisory Committee Reports

ATP Board Chair Castro de Barrera presented on behalf of the Engineering, Architecture & Construction Committee indicating the main agenda item discussed was the light rail project development.

Ex-officio Board Member Gina Fiandaca shared the Planning, Sustainability, Equity & DBE Advisory Committee report indicating the main agenda item discussed was the light rail project development.

Board Member Tony Elkins represented the following items on behalf of the Finance & Risk Advisory Committee:

- Update on Light Rail Project Development
- FY23 Proposed Budget
- Audit Plan Discussion

4. Executive Director Report

ATP Executive Director Greg Canally discussed the following:

- Organizational Update
- Project Connect Status Report
- ATP Administration Policies Update

- Board of Directors Strategic Planning Opportunities

5. Action Items

1. Approval of minutes from the July 20, 2022 Austin Transit Partnership Board Meeting

RESULT: ADOPTED [UNANIMOUS]

MOVER: Adler

SECONDER: Elkins

AYES: Castro de Barrera, Travillion, Elkins, Adler

ABSENT:

2. Approval of a resolution electing Mayor Steve Adler as ATP Vice Chair

RESULT: ADOPTED [UNANIMOUS]

MOVER: Castro de Barrera

SECONDER: Elkins

AYES: Castro de Barrera, Travillion, Elkins, Adler

ABSENT:

Approval of an amendment to the resolution electing Mayor Steve Adler as ATP Vice Chair noting the effective date through December 31, 2022

RESULT: ADOPTED [UNANIMOUS]

MOVER: Elkins

SECONDER: Travillion

AYES: Castro de Barrera, Travillion, Elkins, Adler

ABSENT:

3. Approval of a resolution appointing Ex-officio Board Member Gina Fiandaca as Board Liaison to the Planning, Sustainability, Equity, and DBE Advisory Committee

RESULT: ADOPTED [UNANIMOUS]

MOVER: Castro de Barrera

SECONDER: Adler

AYES: Castro de Barrera, Travillion, Elkins, Adler

ABSENT:

6. Discussion Items

1. Status of Work on Updated Light Rail Implementation Plan

HDR Vice President Brian Buchanan, ATP Chief of Planning and Risk Management Jennifer Pyne, and Chief of Architecture and Urban Design Peter Mullan presented an update on the workplan with a focus on recent workshops hosted by ATP and attended by other Project Connect partners.

Executive Director Greg Canally stated that ATP staff would update the ATP Board monthly and would also provide regular updates to stakeholders.

2. Proposed Fiscal Year 2023 Budget

Executive Director Greg Canally provided background and context to the proposed budget and introduced Diane Siler, Interim Chief Financial Officer. Ms. Siler presented the Fiscal Year 2023 proposed budget and indicated the Board would have the opportunity to take action on the proposed budget at the September board meeting.

Prompted by questions from Board Member Elkins, Ms. Siler provided additional details on the vacant full-time positions presented in the proposed budget. Information was presented about the process to request additional details before the September Board Meeting.

7. Item from Internal Audit

1. Briefing on ATP's Fiscal Year 2023 Audit Plan

Katie Houston, Director of Internal Audit, presented the projects identified as a priority over the next year. Ms. Houston shared a timeline for project completion and the process she and external auditors will go through to complete each audit.

Ms. Houston provided information on a resource that individuals can use to submit anonymous tips related to ethics violations, concerns, and misconduct.

8. Adjournment

ADA Compliance

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

BOARD OF DIRECTORS: *Veronica Castro de Barrera, Chair; Steve Adler; Tony Elkins; Jeffrey Travillion; Dottie Watkins (ex officio); and Gina Fiandaca (ex officio).*

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.

ACTION ITEM 2:

Approval of a resolution authorizing award of a contract with Hilltop Securities Asset Management LLC for investment advisory services for 2 years with an option for two additional 1-year terms in an amount not to exceed a percentage of investment assets managed, estimated to be \$150,000 per year

A photograph of the Austin skyline at night, featuring several illuminated skyscrapers and a bridge over a body of water. The scene is reflected in the water below.

Investment Advisor Services

RFQ No. 308594

ATP Board Briefing

Vicky Redrick - September 2022



About ATP's Needs

Austin Transit Partnership was seeking proposals from firms interested in providing Investment Advisor services. The proposing firms should be qualified investment advisers with extensive experience, especially with fixed-income securities, to provide non-discretionary portfolio management services for ATP in accordance with Texas Government Code, Chapter 2256 (Public Funds Investment Act) and the Investment Policy adopted by the Austin Transit Partnership Board of Directors.



Solicitation Timeline

Solicitation Issued	May 16, 2022
Pre-Proposal Conference	June 7, 2022
Proposal Submission	June 24, 2022
SEC Evaluations	June 29, 2022 – July 25, 2022
SEC Consensus Meeting	July 27, 2022
Anticipated Award	September 2022

SEC – Source Evaluation Committee



Solicitation Background



The solicitation was sent to 12 registered vendors.



Two vendors responded.



The base contract is 2 years with 2-1-year options.



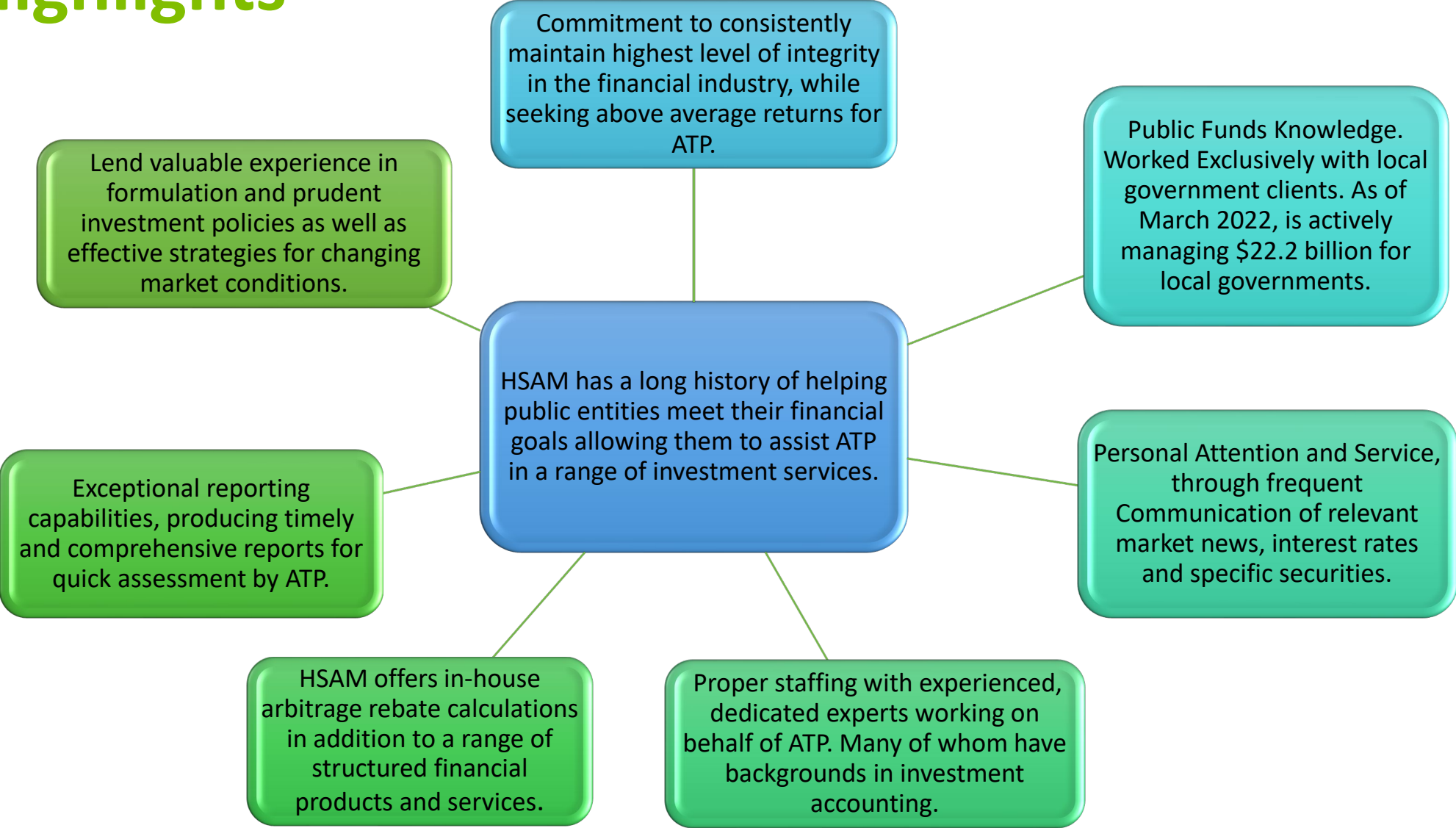
Contract Type is Fee Based Non-Discretionary Account.

Solicitation Evaluation Results

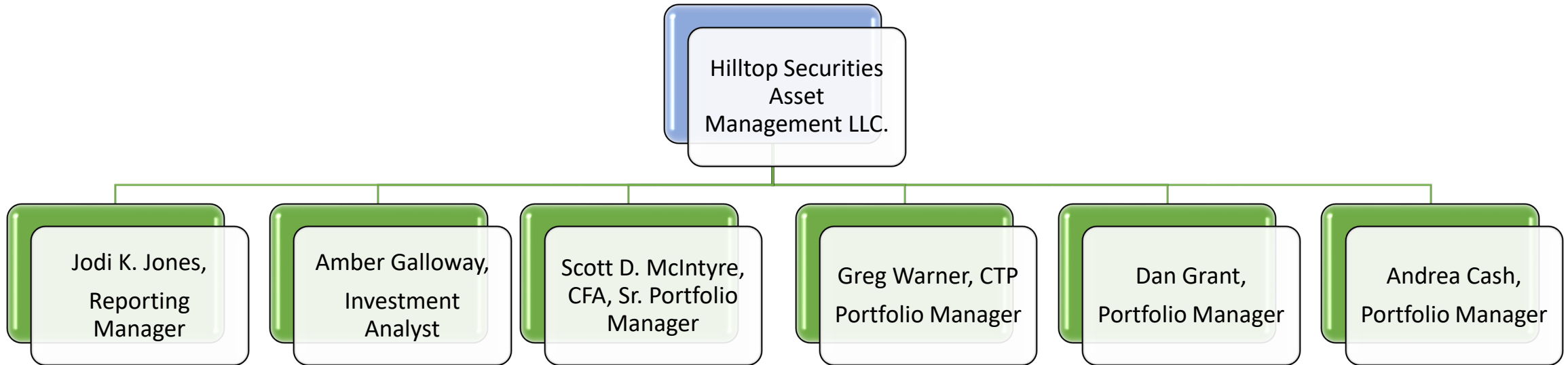
- Both firms were deemed responsive and responsible
- Both were determined qualified to perform the scope of services as specified in the RFP.
- Out of 100 possible points, the scores and rankings are as follows:

Vendor No.	Firm	Total Score	Rank
1	Hilltop Securities Asset Management LLC.	77	1
2	PFM Asset Management LLC.	68	2

Firm Highlights



The Investment Team



Award Recommendation

- Hilltop Securities Asset Management LLC., has received the highest technical score based on the evaluation criteria.
- Hilltop Securities Asset Management LLC., has the capacity and expertise to perform the contract and are recommended for award.

Award Recommendation: *Board Action Item*

Approval of a resolution authorizing award of a contract with Hilltop Securities Asset Management LLC for investment advisory services for 2 years with an option for two additional 1-year terms in an amount not to exceed a percentage of investment assets managed, estimated to be \$150,000 per year.



SUBJECT: Approval of a resolution authorizing the Executive Director, or his designee, to execute a contract with Hilltop Securities Asset Management, LLC (“HSAM”) for investment advisory services for two (2) years with an option for two additional 1-year terms in an amount not to exceed a percentage of investment assets managed, estimated to be \$150,000 per year.

FISCAL IMPACT: Funding for this contract will be based on a percentage of assets managed and paid for out of the interest received on the investments.

BUSINESS CASE: Austin Transit Partnership (“ATP”) sought proposals from qualified investment advisers with extensive experience, especially with fixed-income securities, to provide non-discretionary portfolio management services for ATP in accordance with Texas Government Code, Chapter 2256 (Public Funds Investment Act) and the Investment Policy adopted by the Austin Transit Partnership Board of Directors. ATP will benefit from HSAM providing investment advisory services.

EXECUTIVE SUMMARY: ATP will be the recipient of public funds from both local and federal sources of funding. In accordance with the ATP Investment Policy adopted by the Board on December 15, 2021, ATP staff has been tasked with investing received funds in a manner that allows for the safety of principal while maximizing the highest reasonable market return on investments using a diversified portfolio. This contract will help ATP reach its investment goals by hiring a professional investment advisor.

RESPONSIBLE DEPARTMENT: Procurement

PROCUREMENT SUMMARY: ATP issued a request for proposals (RFP) on May 16, 2022, and directly sent the RFP to 12 firms. Two vendors provided a response to the solicitation. After an evaluation process, staff has determined HSAM to be the highest rated firm to provide these services.

**RESOLUTION
OF THE
AUSTIN TRANSIT PARTNERSHIP
BOARD OF DIRECTORS**

STATE OF TEXAS

Resolution ID: ATP-2022-013

COUNTY OF TRAVIS

Award of Contract for Investment Advisor

WHEREAS, the Austin Transit Partnership (ATP) Board of Directors recognizes the need for ATP to procure investment advisory services; and

WHEREAS, the Austin Transit Partnership Board of Directors and Austin Transit Partnership management endeavor to conduct investment operations in an efficient, responsible, and economical manner; and

WHEREAS, the Board acknowledges that Hilltop Securities Asset Management, LLC is the highest rated responsible firm in response to the solicitation to provide investment advisory services;

NOW, THEREFORE, BE IT RESOLVED by the Austin Transit Partnership Board of Directors that the Executive Director, or his designee, is authorized to execute a contract for investment advisory services with Hilltop Securities Asset Management, LLC.

Casey Burack
Secretary of the Board

Date: _____



ACTION ITEM 3:

Approval of a resolution authorizing negotiation and execution of a cooperative contract with Applications Software Technology LLC for an Enterprise Resource Planning system and implementation services for 18 months from date of notice to proceed in an amount not to exceed \$3,000,000

A photograph of the Austin skyline at night, featuring several illuminated skyscrapers and a bridge over a body of water. The scene is reflected in the water below.

ENTERPRISE RESOURCE PLANNING (ERP)

RFQ No. 308594

ATP Board Briefing

Vicky Redrick - September 2022

Business Requirement: *Enterprise Resource Planning System*

- ATP has been utilizing CapMetro Financial/HR Systems since creation
 - In 2021, ATP staff participated in CapMetro's selection of a new Enterprise Resource Planning solution
- Consistent with April ATP Board Action to further Independence
 - Starting October 1, 2022 ATP will have a separate chart of accounts from CapMetro
 - By October 1, 2023 ATP's financial and human resources systems will **stand alone**
- Allows system configuration to meet ATP's unique business needs
- Mitigates financial and cybersecurity risk of sharing system with separate entity



Solicitation Timeline

Quote Requested	August 15, 2022
Proposal Received	September 8, 2022
Negotiations	September 19, 2022
Anticipated Award	September 2022

- Contract will utilize Cooperative Purchase Agreement authority approved by ATP Board
- Leverages existing work ATP staff has progressed over last year

ERP: Summary of Contract

Cooperative Agreement

The base (ATP) contract is **18 months** from date of Notice to Proceed

Contract Type is Fixed Price

- Configuration of multiple financial and HR modules
 - Cloning of shared platforms
 - Customization of system to meet ATP's business needs
 - Integration with more than 20 other systems, including banking, insurance, project management
- Oracle Licenses for 5 years
- 6 months of managed care post Go-Live

Award Recommendation: *Board Action Item*

DRAFT

Approval of a resolution authorizing negotiation and execution of a cooperative contract with Applications Software Technology (AST) LLC for an Enterprise Resource Planning system and implementation services for 18 months in an amount not to exceed \$3,000,000.



SUBJECT: Approval of a resolution authorizing the Executive Director, or his designee, to negotiate and execute a cooperative contract with Applications Software Technology LLC for an Enterprise Resource Planning (“ERP”) system and implementation services for 18 months in an amount not to exceed \$3,000,000.

FISCAL IMPACT: Funding for this contract is available in the fiscal year 2022 budget.

BUSINESS CASE: Austin Transit Partnership (“ATP”) sought proposals from Applications Software Technology, LLC (AST) to provide implementation of Oracle Cloud applications to operate in a production environment for an independent Enterprise Resource Planning (ERP) System, utilizing a cooperative contract under CapMetro Contract No.200692, Enterprise Resource Planning (ERP) System contract.

EXECUTIVE SUMMARY:

The ERP system is needed for the management of the day-to-day business activities of ATP such as accounting, procurement, project and grants management, payroll, timekeeping, and leave management. AST has the capacity to deliver ATP’s ERP System requirements platform, structure, and components to deliver a functional, fit ERP system and are recommended for award.

During 2021, Capital Metro began the solicitation of an Enterprise Resource Planning (ERP) System to replace the existing financial and human resources systems. ATP participated in the proposal evaluations and concurred with the unanimous decision to award the contract to Applications Software Technology, LLC (AST). Over the past year, AST has worked with both ATP and Capital Metro staff to design and implement the Oracle Fusion ERP system to be shared by both organizations. The financial components of the system will be brought online October 1, 2022, and the HR components are scheduled to go live on January 1, 2023.

To complete the decoupling of ATP from Capital Metro’s systems, AST is being contracted to stand-up independent instances of both the financial and HR systems, for ATP with a planned go-live date of October 1, 2023. ATP is able to leverage most of the work done in designing the shared system. Services provided include cloning the shared system, customizing the set up and structures to reflect ATP as the single business unit contained within the system, removing non-ATP data, adjusting system configurations as needed, and reintegrating multiple third-party systems with Oracle.

This contract will also provide up to six months of after implementation support. However, staff is planning to begin the solicitation on a separate contract for managed services to support the ERP system. Services would include system administration and maintenance, report development, user support, and technical expertise. Use of the implementation support will be contingent upon award of the managed services contract.

RESPONSIBLE DEPARTMENT: Procurement

PROCUREMENT SUMMARY: ATP is a member of the City of Austin Texas Interlocal Purchasing Cooperative (TIPC). Through the TIPC, ATP is able to use the competitively procured contracts of other member agencies, including CapMetro. Staff has determined that it is reasonable to use the cooperative contract under CapMetro Contract No.200692, Enterprise Resource Planning (ERP) System contract, for the procurement of these services for ATP.

**RESOLUTION
OF THE
AUSTIN TRANSIT PARTNERSHIP
BOARD OF DIRECTORS**

STATE OF TEXAS

Resolution ID: ATP-2022-012

COUNTY OF TRAVIS

**Approval for Negotiation and Execution of ERP
Contract**

WHEREAS, the Austin Transit Partnership (ATP) Board of Directors recognizes the need for ATP to procure its own Enterprise Resource Planning (ERP) System for the management of the day-to-day business activities such as accounting, procurement, project and grants management, payroll, timekeeping, and leave management; and

WHEREAS, ATP is a member of the City of Austin Texas Interlocal Purchasing Cooperative (TIPC), which allows ATP to use the competitively procured contracts of other member agencies, including CapMetro; and

WHEREAS, ATP helped CapMetro procure a contract with Applications Software Technology, LLC, that meets ATP’s ERP requirements and is available as a cooperative contract under the TIPC; and

WHEREAS, the Board acknowledges that Applications Software Technology, LLC is a responsible firm, and this contract is available for ATP to use under the TIPC based on cooperative contract CapMetro Contract No. 200692, ERP System;

NOW, THEREFORE, BE IT RESOLVED by the Austin Transit Partnership Board of Directors that the Executive Director, or his designee, is authorized to negotiate and execute a cooperative contract with Applications Software Technology LLC for an Enterprise Resource Planning (“ERP”) system and implementation services for 18 months in an amount not to exceed \$3,000,000.

**Casey Burack
Secretary of the Board**

Date: _____

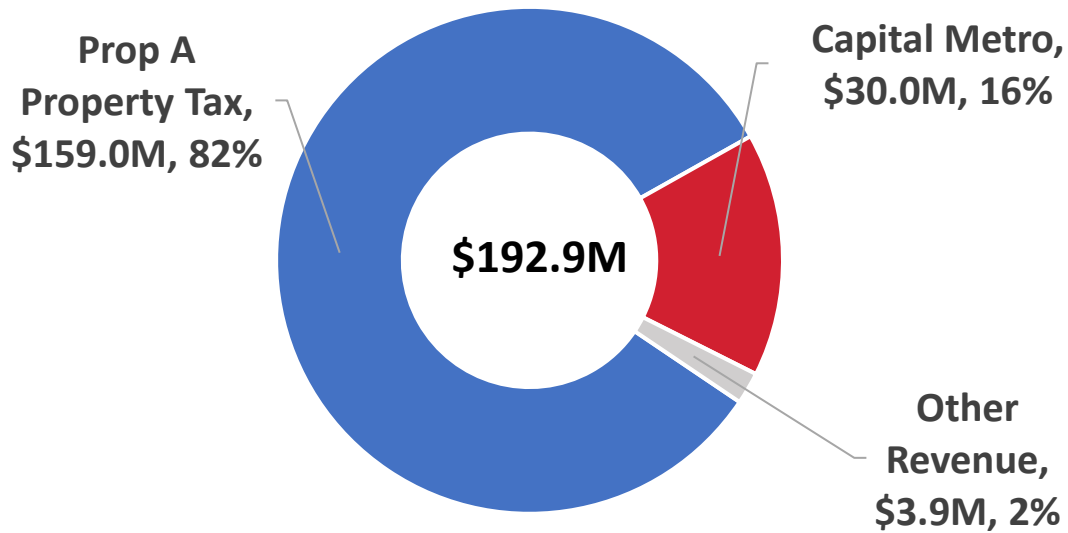
ACTION ITEM 4:

Adoption of the ATP FY2023 Budget

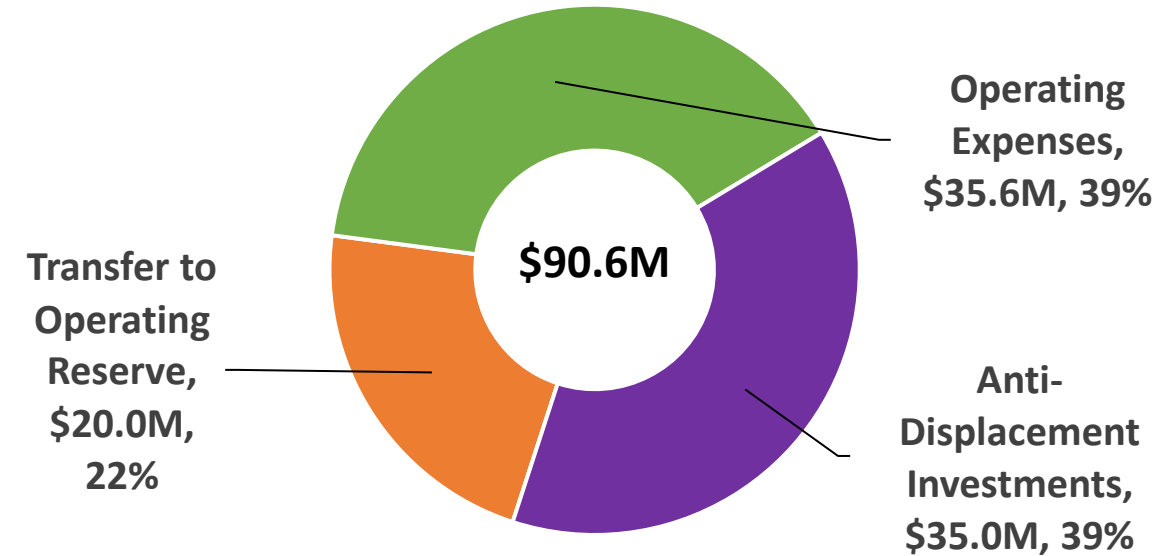
FY2022-23 Budget Adoption



FY23 PROPOSED BUDGET: *Sources & Uses of Funds*

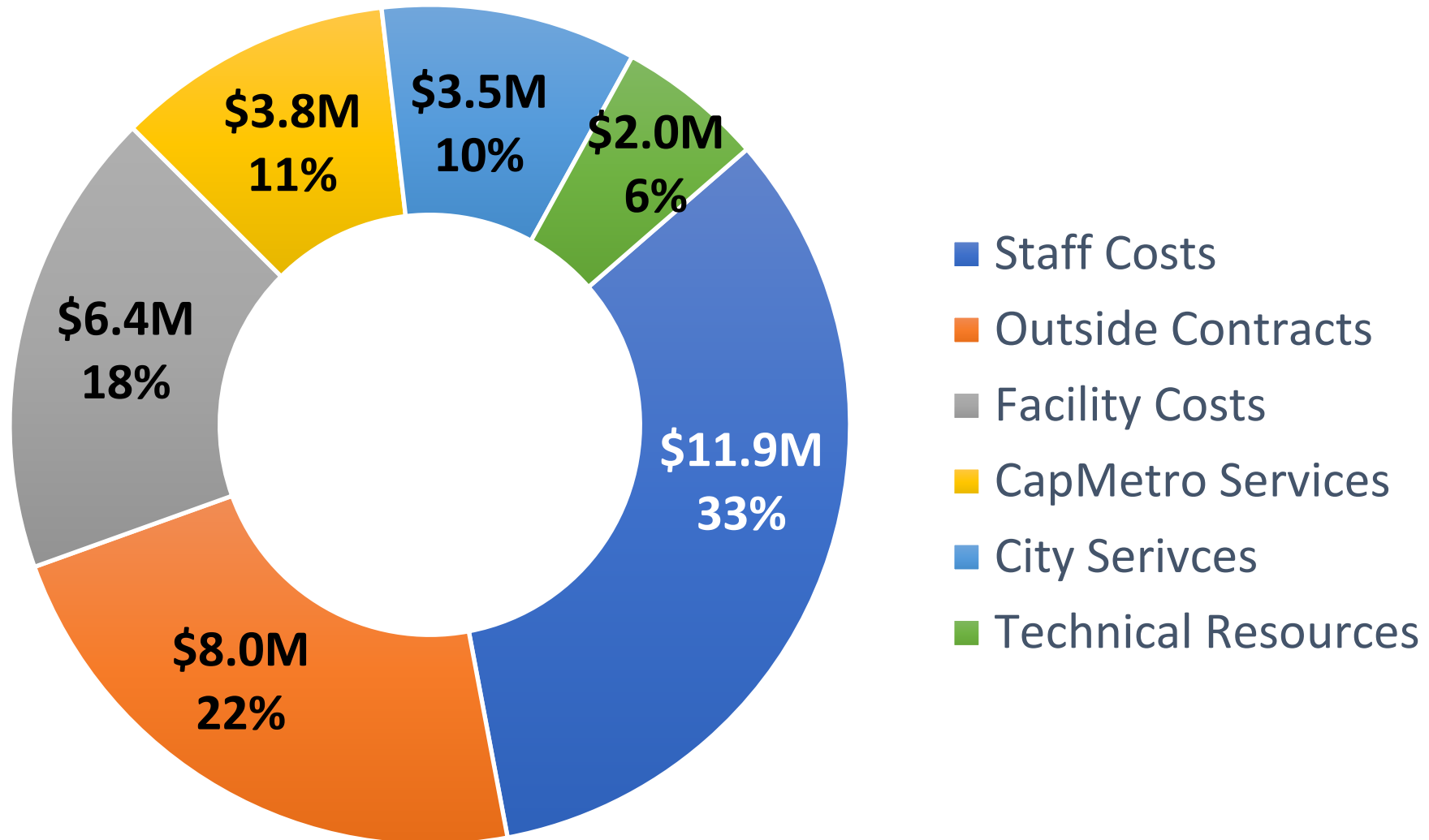


- Prop A Property Tax Revenue maintains assumption of 3.5% revenue growth
- \$30.0 million CapMetro contribution per commitment
- Began collecting investment interest income in FY22, projected to total \$3.9 million in FY23



- No FY23 transfer to capital needed
- Continue to fund transit-supportive anti-displacement investments per ILA schedule
- Establishes a new operating reserve
- Operating expenses total \$35.6 million

FY23 PROPOSED BUDGET: *Operating Expenses of \$35.6 million*





SUBJECT: Approval of a resolution adopting the Fiscal Year 2023 Budget.

FISCAL IMPACT: Establishes the FY2023 Operating Budget at \$90,552,489 and authorizes 87.0 full-time equivalent employees.

RESPONSIBLE DEPARTMENT: Finance

EXECUTIVE SUMMARY: Austin Transit Partnership (“ATP”) requires an approved budget for FY2023 to cover operations and capital expenditures necessary to oversee and finance the acquisitions, construction, equipping, and operations and maintenance of Austin’s rapid transit system. The ATP FY2023 budget totals approximately \$90.6 million, including \$35 million for transit-supportive anti-displacement investments, \$20 million for an operating reserve, and \$35.6 million for operating expenses which includes funding for 87.0 full-time equivalents.

**RESOLUTION
OF THE
AUSTIN TRANSIT PARTNERSHIP
BOARD OF DIRECTORS**

STATE OF TEXAS

Resolution ID: ATP-2022-010

COUNTY OF TRAVIS

**Resolution Approving the ATP Fiscal
Year 2023 Budget**

WHEREAS, Austin Transit Partnership staff has developed a budget for Fiscal Year 2023 to fund the operations and capital expenditures necessary to oversee and finance the acquisition, construction, equipping, and operations and maintenance of Project Connect during the next fiscal year.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of ATP that the ATP Fiscal Year 2023 budget is hereby adopted, including amendments, attached hereto as Exhibit A.

Casey Burack
Secretary of the Board

Date: _____

ACTION ITEM 5:

Approval of a resolution declaring ATP's official intent to reimburse itself from proceeds of tax-exempt obligations to be issued for Light Rail lines and associated support facilities expenditures in the total amount of \$50,000,000



*Reimbursement Resolution for the capital expenditures associated with the
Light Rail lines and associated support facilities*

SUBJECT: Approve a resolution declaring Austin Transit Partnership's (ATP) official intent to reimburse itself from proceeds of tax-exempt obligations to be issued for Light Rail lines and associated support facilities expenditures in the total amount of \$50,000,000.

FISCAL IMPACT: \$50,000,000 in tax-exempt obligations to be issued August 2023 or later.

RESPONSIBLE DEPARTMENT: Finance

EXECUTIVE SUMMARY: For ATP to spend money today but reimburse itself from the issuance of tax-exempt debt obligations in the future, a reimbursement resolution is required by state and federal law. The resolution must contain certain information and is generally drafted by bond counsel to protect the tax-exempt status of the future issuance. The resolution must be passed not more than 60 days after the date that the cost to be reimbursed is paid. This resolution is intended to cover the capital expenditures associated with the Light Rail lines and associated support facilities incurred in Fiscal Year 2023. Failure to adopt a qualified declaration of official intent will prohibit ATP from reimbursing the cost with the proceeds of tax-exempt obligations. Reimbursement bonds generally must be issued 18 months after the later of, the date the expenditure was made, or the date that the project, with respect to which the expenditure was made is placed in service (but in no event more than three (3) years).

**RESOLUTION
OF THE
AUSTIN TRANSIT PARTNERSHIP
BOARD OF DIRECTORS**

STATE OF TEXAS

Resolution ID: ATP-2022-011

COUNTY OF TRAVIS

**Adoption of Reimbursement
Resolution for the capital
expenditures associated with the
Light Rail lines and associated
support facilities**

WHEREAS, the Austin Transit Partnership Local Government Corporation (ATP) plans to issue one or more series of tax-exempt obligations to finance the capital expenditures associated with the Light Rail lines and associated support facilities in the amounts of \$47,500,000 and \$2,500,000, respectively; and

WHEREAS, prior to the issuance of the tax-exempt obligations, ATP will make expenditures for the Light Rail lines and associated support facilities from existing funds on hand, and it is the intent of ATP to reimburse these funds with the proceeds of sale of tax-exempt obligations; and

WHEREAS, under Treasury Regulation Section 1.150-2 (Regulation), an official intent to reimburse expenditures with the proceeds of tax-exempt obligations must be made by ATP within 60 days of the date of the original expenditure; and

WHEREAS, ATP desires to preserve its ability to reimburse the Light Rail and associated support facilities expenditures with the proceeds of tax-exempt obligations;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of ATP reasonably expects to reimburse capital expenditures associated with the Light Rail lines and associated support facilities paid with funds on hand from the proceeds of the sale of one or more series of tax-exempt obligations to be issued, and this resolution shall constitute a declaration of official intent under the Regulation.

BE IT FURTHER REOSLVED that the maximum aggregate principal amount of the tax-exempt obligations expected to be issued for the capital expenditures associated with the Light Rail lines and associated support facilities is \$50,000,000.

BE IT FURTHER RESOLVED that the Board intends to reimburse itself within eighteen (18) months from the later of the date of expenditure or the date the property financed is placed in service (but in no event more than three (3) years after the original expenditures are paid).

Casey Burack
Secretary of the Board

Date: _____

DISCUSSION ITEM

Status of Work on Updated Light Rail Implementation Plan

INTERNAL AUDIT ACTION ITEM

Approval of ATP's FY2023 Audit Plan



SUBJECT: Adoption of the Fiscal Year 2023 Audit Plan.

FISCAL IMPACT: No Fiscal Impact.

BUSINESS CASE: The ATP Board (“Board”) established the Internal Audit Department (“Internal Audit”) as a key component of ATP’s governance structure. The Fiscal Year 2023 Audit Plan provides the list of audit projects that Internal Audit will undertake in fiscal year 2023.

EXECUTIVE SUMMARY: The mission of Internal Audit is to help improve ATP’s governance, control, and risk management through independent, objective assurance and advisory services.

RESPONSIBLE DEPARTMENT: Internal Audit

PROCUREMENT SUMMARY: N/A



**RESOLUTION
OF THE
AUSTIN TRANSIT PARTNERSHIP
BOARD OF DIRECTORS**

STATE OF TEXAS

Resolution ID: ATP-2022-014

COUNTY OF TRAVIS

Adoption of the Fiscal Year 2023 Audit Plan

WHEREAS, the Austin Transit Partnership (ATP) Board of Directors has reviewed the Fiscal Year 2023 Audit Plan; and

WHEREAS, the intent of the Board is to help improve ATP's governance, control, and risk management through independent, objective audits;

NOW, THEREFORE, BE IT RESOLVED by the Austin Transit Partnership Board of Directors that the Fiscal Year 2023 Audit Plan, attached hereto as Exhibit A, is adopted.

Casey Burack
Secretary of the Board

Date: _____



austintransitpartnership.org



info@austintransitpartnership.org

**INTERNAL AUDIT PLAN
FISCAL YEAR 2023**

The mission of Internal Audit is to help improve ATP’s governance, control, and risk management through independent, objective assurance and advisory services. Internal Audit assessed the governance, risk environment, and operations of ATP to prepare this audit plan. Using that assessment, this plan was developed following a risk-based approach to provide the greatest possible benefit to ATP given resources and combined assurance from other oversight functions.

Projects in this plan include auditⁱ and advisory servicesⁱⁱ conducted by Internal Audit, as well as projects co-sourced and outsourced to external assurance providers. If needed, this audit plan will be revised throughout the fiscal year in response to changes in ATP’s risk environment, operations, programs, systems, and controls. Significant deviations will be presented to the ATP Board.

AUDIT PROJECTS				
Project Topic	Preliminary Objective	Priority	Source	Resources & Cost
Contract Compliance Audits of HDR, AECOM, and HNTB agreements¹	Are ATP contract monitoring practices ensuring task orders are effectively evaluated and contractor compliance with key contract provisions?	High	Co-source	Tiered contract with external assurance provider
Joint Powers Agreement	Are processes being designed and implemented to ensure ATP fulfills key provisions of the joint powers agreement? Focus areas may include: <ul style="list-style-type: none"> • Conducting community engagement • Establishing transit equity goals and metrics • Developing the Disadvantaged Business Enterprise (DBE) program • Ensuring OSHA compliance • Identifying ways to clarify expectations 	High	Internal Audit	Internal Audit staff*

¹ **NOTE:** Agreements were executed by the Capital Metropolitan Transportation Authority (CapMetro) in December 2018, March 2019, and April 2019 respectively prior to the establishment of Austin Transit Partnership. As the contracting entity, the CapMetro Board continues to provide oversight of contract modifications related to these agreements.

* To complete this audit plan, two Internal Audit staff positions are requested for FY23. Decisions regarding how to staff Internal Audit will be made as part of ATP’s budget deliberations in September 2022.

AUDIT PROJECTS (cont.)				
Project Topic	Preliminary Objective	Priority	Source	Resources & Cost
Procurement Process	Do procurement processes comply with ATP policies and promote efficient and fair contracting processes?	Medium	Co-source	Contract with external assurance provider
Public Information Requests	Do current processes ensure ATP is following open records laws and ensure ATP is prepared to properly respond to public information requests (PIRs) in accordance with State law?	High	Internal Audit	Internal Audit staff

NON-AUDIT AND ADVISORY PROJECTS				
Project Topic	Objective	Priority	Source	Resources & Cost
Annual Audit Planning	Perform entity-wide risk evaluation and prepare annual audit plan	High	Internal Audit	Internal Audit staff
Ethics Investigations²	Review complaints received through the ethics hotline and conduct related investigations as needed	High	Internal Audit	Internal Audit staff
Other Risk Advisory Services	<ul style="list-style-type: none"> Review executive travel and expense reimbursements Provide input on ATP policies to enhance internal controls, as requested by management Participate as risk advisor in various capacities 	Low	Internal Audit	Internal Audit staff

² Suspected misconduct or ethics-related concerns can now be reported at atp.ethix360.com or by calling 888-57-ATPTX (2-8789).

Project Alternatives

If it is determined that one or more of the projects above cannot be completed or completion would provide more value at a later date, priority should be given to the following replacement projects. Needed resources and costs will be evaluated as project replacements occur.

Project Topic	Type	Preliminary Objective	Priority	Source
Communication with Impacted Businesses	Audit	Are communications with impacted businesses transparent and timely?	Medium	Internal Audit
Human Resources	Advisory Service	Evaluate human resources policies to identify priority areas for further development. Focus areas may include: <ul style="list-style-type: none"> • Recruiting and hiring • Onboarding and training • Employee relations • Employee benefits • Organizational structure and culture • Performance management 	High	Internal Audit
Shared Services	Advisory Service	Evaluate functions shared with partner organizations to identify gaps and redundancies.	Medium	Internal Audit
Transparency: External	Advisory Service	Assemble community feedback on what information the public would most like to receive and determine if ATP has established processes to communicate transparently and meet those needs.	High	Internal Audit

ⁱ An audit, or assurance, engagement is a project whereby an independent internal auditor objectively assesses an entity, operation, function, process, system, or other subject matter to provide an opinion or overall conclusion on the efficacy of the audited subject. The nature and scope of an assurance engagement are determined by the internal auditor. Results are reported to an oversight entity such as a Board of Directors or Audit Committee.

ⁱⁱ An advisory, or consulting, service is generally performed at the specific request of an engagement client, or the intended recipient of the advisory service. The nature and scope of the consulting engagement are subject to agreement with the engagement client. Internal auditors are required to maintain objectivity throughout advisory engagements, and not assume management responsibility despite the advisory nature of the project.

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