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>> CHAIR, I HAVE BEEN HAVING, FOR SOME REASON, THIS WEBCAM CAME IN AND OUT A COUPLE OF TIMES TODAY, IF THAT DOES HAPPEN, I HAVE ANOTHER ONE THAT I WILL GO TO SO JUST CARRY ON.

>> Chair: OKAY.

THANK YOU, EVERYONE, FOR JOINING US TODAY.

GOOD AFTERNOON.

WE'RE BACK DO OUR VIRTUAL MEETING INSTEAD OF IN PERSON, UNFORTUNATELY.

I HOPE EVERYONE'S FAMILIES ARE SAFE AND THAT EVERYONE IS TAKING THE PROPER PRECAUTIONS.

THIS IS OUR WAY OF TRYING TO STAY AS SAFE AS POSSIBLE, SO WITH THIS I'D LIKE TO CALL THIS MEETING TO ORDER.

THE TIME IS 2:08.

AND I'D LIKE TO REMIND EVERYONE THAT THE AUSTIN TRANSIT PARTNERSHIP OFFERS SERVICES FOR AMERICAN SIGN LANGUAGE, SO IF ANYONE EVER NEEDS ANY TRANSLATION OR INTERPRETATION SERVICES TO PLEASE REACH OUT TO CHLOE MAXWELL AND SHE WOULD HELP ASSIST IN ANY OF THOSE SERVICES THAT YOU NEED.

FOR PUBLIC COMMENT, BEFORE WE MOVE -- BEFORE WE MOVE ON TO PUBLIC COMMENT I'D LIKE TO CLARIFY THE PROCESS FOR MAKING PUBLIC COMMENT.

AUSTIN TRANSIT PARTNERSHIP MEETINGS AND CONSISTENT WITH THE TEXAS OPEN MEETINGS ACT WHICH PROVIDES THAT PUBLIC COMMENT ON A PARTICULAR AGENDA ITEM MAY BE MADE BEFORE OR DURING THE BOARD'S CONSIDERATION OF THAT ITEM.

AND THE BOARD PROCEDURES POLICY WE ADOPTED ON MAY 19th, ALL PUBLIC COMMENTS ON

ANY AGENDA ITEM MAY ONLY BE MADE AT THE BEGINNING OF THE MEETING AND EACH SPEAKER WILL HAVE A TOTAL OF THREE MINUTES TO SPEAK TO ALL ITEMS IN WHICH THE SPEAKER HAS SIGNED UP TO SPEAK.

SO TODAY I'D LIKE TO WELCOME AS THE FIRST SPEAKER FOR PUBLIC COMMENT IS MS. PATEL.
MS. PATEL, ARE YOU ON THE LINE?

HELLO, MS. PATEL.

HELLO.

YOU WILL HAVE THREE MINUTES TO SPEAK ON ALL OF YOUR ITEMS.

AND WELCOME.

PERFECT.

I'LL DO THAT.

>> CALLER: CAN YOU HEAR ME?

>> WE, WE CAN.

IS THIS MS. PATEL?

HELLO?

>> CALLER: CAN YOU HEAR ME?

>> YES, I CAN.

YES, YOU'RE GOOD.

WE CAN HEAR YOU.

CAN EVERYONE GIVE HER A THUMBS UP?

>> CALLER: HELLO, CAN YOU HEAR ME?

>> YES.

YES, WE CAN HEAR YOU.

>> CALLER: CAN YOU HEAR ME NOW?

>> YES.

WE CAN.

>> CALLER: CAN YOU HEAR ME NOW?

I DON'T THINK YOU CAN HEAR ME.

>> WE, WE CAN HEAR YOU.

>> CALLER: CAN YOU HEAR ME?

>> YES, WE CAN HEAR YOU.

AND EVERYONE IS GIVING YOU A THUMBS UP THAT --

>> CALLER: CAN YOU HEAR ME?

>> YES.

>> CALLER: CAN YOU HEAR ME?

>> CHLOE, MAYBE WHAT WE COULD DO IS HANG UP ON THE COMMENTER.

CALL HER BACK AND DIAL HER BACK IN BECAUSE OBVIOUSLY --

>> COMING THROUGH MUCH DELAYED.

HE'S COMING THROUGH MUCH DELAYED.

>> SO THERE IS A LONG DELAY.

>> NOT COMING THROUGH WHEN I SPEAK.

>> I DON'T THINK IT'S WORKING PROPERLY BUT I'LL TRY TO SPEAK.

>> YES, WE CAN HEAR YOU AND YOU SHOULD BE ABLE TO HEAR US BACK, SO IF YOU WANT TO JUST --

>> CALLER: PROJECT PROPOSAL AS IT IS NOW INCLUDES A LOT MORE TUNNELS THAN WAS ORIGINALLY PROPOSED IN THE PROJECT THAT WENT TO THE VOTERS. IN THE CITIZEN OUTREACH THEY SAY THAT THE COST WILL GO UP BUT THEY DON'T SAY HOW MUCH THE COSTS WILL GO UP OR HOW MUCH THE -- HOW MUCH THE TIME WILL BE DELAYED AS A RESULT OF ALL OF THESE EXTRA TUNNELS.

I THINK IT'S IMPORTANT THAT YOU TELL THE PUBLIC AS SOON AS POSSIBLE HOW MUCH THE COST WILL GO UP AND WHERE THAT MONEY WILL COME FROM, WILL IT COME FROM OTHER PARTS OF THE PROJECT THAT WILL HAVE TO BE CUT BACK, WILL YOU GO BACK TO THE VOTERS FOR ANOTHER BOND, IS IT PART OF THE CONTINGENCY, DO YOU THINK YOU WILL GET THAT MONEY FROM THE FEDERAL GOVERNMENT?

WHERE WILL THAT MONEY COME FROM?

IT'S VERY IMPORTANT BECAUSE THIS KIND OF THING HAPPENS AROUND THE COUNTRY.

I FOLLOW PROJECTS AROUND THE COUNTRY.

IT'S NOT AT ALL UNHEARD OF BUT IT CAN RESULT IN OPPOSITION TO THE PROJECT IF PEOPLE FEEL THAT YOU'RE NOT BEING HONEST AND UP FRONT WITH THEM ABOUT THE COST AND ALSO ABOUT THE DELAYS.

I WOULD ALSO REALLY LIKE TO HEAR MORE DISCUSSION ABOUT THE NEED FOR THE TUNNEL UNDER THE RIVER.

THE ADVANTAGE OF HAVING A BRIDGE IS THAT IT PROVIDES ACCESS IN ADDITION TO THE PEDESTRIANS, THE BICYCLISTS AND THE BUSES.

AND I WOULD REALLY LIKE TO HEAR A DISCUSSION PRO AND CON OF A BRIDGE VERSUS A TUNNEL.

THE WAY THE PRESENTATION IS BEING MADE TO THE PUBLIC IS THAT IT HAS TO BE A TUNNEL AND THAT'S COMPLETE -- YOU KNOW, THERE'S NO OPTION.

IT HAS TO BE A TUNNEL.

I UNDERSTAND THE REASONS FOR THE TUNNEL BUT I REALLY THINK THAT COULD USE MORE DISCUSSION.

FINALLY I JUST WANTED TO ACKNOWLEDGE ALL OF THE EFFORTS OF DAVE SCOGGS.

HE PASSED AWAY LAST MONTH.

DAVE WORKED BETWEEN 30 AND 40 YEARS OF HIS LIFE TRYING TO HAVE A LIGHT RAIL PROJECT LIKE WE HAVE NOW, PROJECT CONNECT.

I THINK THE PROJECT WE HAVE NOW IN FRONT OF US IS, IN PART, DUE TO HIS EFFORTS OVER SO MANY YEARS.

THANK YOU.

>> THANK YOU, SO MUCH, MS. PATEL, WITH YOUR PATIENCE WITH VIRTUAL COMMUNICATION.

WE APPRECIATE YOUR COMMENTS.

AND WE WILL -- DOES ANYBODY ON THE BOARD HAVE ANY FOLLOW-UP QUESTIONS FOR MS. Patel?

SHOULD WE MOVE ON TO THE NEXT SPEAKER THEN?

OUR NEXT SPEAKER IS MS. JOSEPH.

MS. JOSEPH, CAN YOU HEAR US?

>> CALLER: THANK YOU, MADAM CHAIR, MEMBERS.

I'M MS. JOSEPH.

I JUST WANT TO MAKE MY COMMENTS BY A COUNCILMEMBER IN OPERATIONS MEETING BEFORE YOURS CONVENED.
HE WANTS TO KNOW WHO IS FUNDING WHAT.
I, TOO, WOULD LIKE TO KNOW THE SAME.
MY COMMENTS ARE SPECIFICALLY RELATED TO THE STAFFING.
IN FY 2018 JACKIE NUREMBERG WERE THE MANAGER OF COMMUNITY INVOLVEMENT WITH 3.3 YEARS.
EARNING \$90,000.
FY2021 UNDER ATP SHE'S THE DIRECTOR OF COMMUNITY INVOLVEMENT 6.1 YEARS, \$350,000.
THAT SEEMS OUTRAGEOUS TO ME.
AND FY2018, BANKS, \$49,000 COMMUNITY INVOLVEMENT SPECIALIST ONE, 1.1 YEARS, NO TRANSIT EXPERIENCE.
\$49,000, HIS SALARY HAS DOUBLED UNDER ATT AUSTIN TRANSIT PARTNERSHIP PUBLIC INVOLVEMENT MANAGER.
HIS SALARY IS NOW \$96,000.
I DON'T THINK THIS IS WHAT THE VOTERS APPROVED AND I CERTAINLY WOULD LIKE TO KNOW WHERE THE FUNDING IS COMING FROM TO INCENTIVIZE THESE PUBLIC INVOLVEMENT OUTREACH COORDINATORS AT SUCH A HIGH COST.
MARCH 17, 2021, DIRECTOR RANDY CLARK SAID THAT ATP DOESN'T EXIST AS AN ENTITY FROM A FEDERAL POINT OF VIEW WHEN HE TALKED ABOUT DEE.
SO IT IS CONFUSING TO THE PUBLIC TO UNDERSTAND WHERE THE FUNDING IS COMING FROM.
IT WAS CONFUSING WHEN MR. COLIN GAVE THE BUDGET UPDATE TO CAPITAL METRO'S OPERATIONS COMMITTEE.
AND I DO UNDERSTAND HE MENTIONED THAT OCTOBER YOU'RE GOING TO HAVE A LONG RANGE PRESENTATION CAPMETRO BUDGET'S DIRECTOR SAID THAT.
I GUESS YOU'LL DISCUSS THE JOINT POWERS AGREEMENT THEN.
MAYBE IF YOU WOULD FLUSH IT OUT FOR THE PUBLIC I WOULD APPRECIATE IT.
BUT I STILL THINK THAT \$250,000 IS EXCESSIVE BECAUSE THE CEO, WHEN RANDY CLARK WAS HIRED BY CAPITAL METRO, EARNED \$285,000.
AND YOU HAVE AN OUTREACH SPECIALIST EARNING JUST UNDER \$30,000 LESS.
IT'S OUTRAGEOUS.
MY LAST COMMENT WILL BE, FRAUD, ACCORDING TO THE GOVERNMENT ACCOUNTABILITY OFFICE, FRAUD IS TRYING TO GET SOMETHING OF VALUE THROUGH WILLFULNESS MISREPRESENTATION.
I JUST WANT YOU TO KEEP THAT IN MIND.
I'LL LASTLY TELL YOU THAT RIDERSHIP AND COVERAGE ARE DIFFERENT.
WHEN CAPITAL METRO'S BOARD WAS BRIEFED 2016, JARED WALKER, THE Ph.D. WHO REDESIGNED HOUSTON CEASE SYSTEM, THIS IS MY LAST COMMENT, SAID THAT RIDERSHIP IS WHEN YOU'RE THINKING LIKE A BUSINESS AND YOU CHOOSE THE TARGET AUDIENCE THAT YOU WANT AND COVERAGE IS WHEN YOU ACTUALLY PROVIDE LIFELINE ACCESS FOR EVERYONE.
AND CAPITAL METRO HAS CHOSEN RIDERSHIP, NOT COVERAGE.
I THANK YOU FOR ALLOWING ME TO MAKE MY COMMENTS AND I WOULD ASK YOU TO CONSIDER REVISING YOUR POLICY JUST LIKE CAPITAL METRO TO ALLOW MORE TIME FOR PUBLIC COMMENT AND ACTION ITEMS THAT ARE DISCUSSED AT PRESENT.

THANK YOU.

IF YOU HAVE ANY QUESTIONS I WILL ANSWER THEM AT THIS TIME.

>> I APPRECIATE YOUR COMMENTS, MS. JOSEPH.

DOES ANYONE FROM THE BOARD HAVE ANY QUESTIONS FOR MS. JOSEPH?

NO?

WE'VE TONE NOTE OF YOUR CONCERNS AND WE'RE KEEPING TRACK OF HOW BEST TO ANSWER YOUR CONCERNS.

IT WOULD EITHER BE DONE THROUGH FOLLOW-UP MEETINGS OR WE WILL SEND YOU A DIRECT COMMUNICATION AS WELL, SO THANK YOU FOR YOUR PATIENCE AS WE WORK OUT HOW TO KEEP TRACK OF YOUR CONCERNS.

>> CALLER: THANK YOU, MADAM CHAIR.

>> Chair: THANK YOU, MA'AM.

OUR NEXT SPEAKER IS MS. RUTTILY.

MS. RUTLEY, YOU WILL HAVE THREE MINUTES.

CAN YOU HEAR US, MS. RUTLEY?

I DON'T THINK SHE'S THERE.

IF MS. RUTTILY COMES TO JOIN US LATER, CAN WE MAKE AN EXCEPTION TO MAKE SURE SHE HAS A CHANCE TO SPEAK?

OKAY.

THANK YOU SO MUCH.

SO MOVING ON TO OUR DISCUSSION ITEMS.

FIRST ITEM TODAY IS THE EXECUTIVE DIRECTOR REPORT FROM THE AUSTIN TRANSIT PARTNERSHIP EXECUTIVE DIRECTOR, MR. RANDY CLARK.

>> RANDY CLARK: GREAT.

THANK YOU, CHAIR.

GOOD SEEING YOU TODAY.

THANK YOU, BOARD MEMBERS, FOR BEING HERE.

AND I SEE THAT WE'RE GOING TO CUE UP A SLIDE IT LOOKS LIKE.

A COUPLE OF SLIDES TO GO THROUGH.

THERE WE ARE.

THANK YOU.

THE FIRST THING I WANT TO HIGHLIGHT FOR THE BOARD AND YOU DID GET A NOTE FROM US AND WE DID A LITTLE ENGAGEMENT WITH THE COMMUNITY ON THIS SOCIAL MEDIA-WISE, WAS VERY, VERY CRUCIAL STEP FOR US IN THIS PROGRAM RELATED TO THE ORANGE AND THE BLUE LINES, WHICH ARE THE LARGEST COMPONENTS OF THE PROGRAM.

WE RECEIVED FROM THE FTA ACCEPTANCE INTO PROJECT DEVELOPMENT PHASE OF THE CAPITAL INVESTMENT GRANT PROGRAM.

I CAN'T UNDERSTATE HOW BIG OF A STEP THIS IS FOR THIS PROGRAM.

SO KIND OF IN ONE WAY WE GO FROM BEING TALKING WITH FTA ABOUT SOMETHING AND WATCHING US SAYING WE'RE GOING TO DO TO NOW BEING IN THE FEDERAL PROCESS.

SO FOR THE FACT THAT WE ARE NOW FULLY RECOGNIZED BY THE FTA AS MOVING TWO VERY BIG MOSTLY INFRASTRUCTURE WHAT WE CALL MEGA PROJECTS THROUGH THE PROCESS.

SO TACTICALLY THAT ACTUALLY MEANS TWO VERY IMPORTANT THINGS.

ONE, THE AUTHORITY TO PROCEED WITH THE ENVIRONMENTAL REVIEW PROCESS THAT WE'RE

WORKING VERY HARD ON, ET CETERA, AND ENGINEERING IS DESIGNED 15 TO MOVE TOWARDS 30.

BUT REALLY CRITICAL IS IT GIVES US THE AUTHORITY TO INCUR PROJECT COSTS ON A LOCAL POINT OF VIEW THAT WILL BE ELIGIBLE FOR FUTURE FTA REIMBURSEMENTS.

SO THIS LOCAL/FEDERAL MATCH COMPONENT.

AND GIVES US THE AUTHORITY TO MOVE FORWARD WITH REAL ESTATE.

NOW ALLOWS US -- I THINK IN AN UPCOMING MEETING WE'LL TALK ABOUT WHAT'S CALLED THE RARP, REAL ESTATE ACQUISITION REAL ESTATE PLAN.

WE'RE NOT GOING TO BUY REAL ESTATE TOMORROW BUT IT ALLOWS US TO CRITICALLY GO THROUGH EACH PIECES WHICH IS PRIORITY VERSUS NOT.

HOW TO WORK WITH POTENTIAL LANDOWNERS, START APPRAISAL PROCESS, ALL OF THOSE THINGS THAT WE KNOW WE'RE GOING TO HAVE TO DO.

SO I WANT TO JUST THANK THE FTA.

THEY'VE BEEN A FANTASTIC PARTNER.

AGAIN, I DON'T RECALL ANYWHERE IN THE COUNTRY, CERTAINLY CAN'T SAY THIS 100%, THAT ANYONE GOT TWO NOTICES ON THE SAME DAY FOR TWO MEGA PROJECTS FOR FTA PROJECT DEVELOPMENT APPROVAL AND I GIVE A LOT OF KUDOS TO THE STAFF, DAVE COACH AND HIS TEAM SPECIFICALLY HAVE BEEN WORKING TO GET TO THIS STEP FOR ULTIMATELY A COUPLE OF YEARS.

SO THIS REALLY DOES MOVE US FORWARD, MOVES US FORWARD ON 30% DESIGN AND, AGAIN, THE GOAL IS TO GET A 30% DESIGN BY NEXT SUMMER.

THAT MOVES US -- ALLOWS US TO ALSO GET INTO THE FTA HAS A PROCESS WHEREBY TEND OF THE SUMMER, USUALLY THE END OF AUGUST PERIOD THEY CAN ESTABLISH RATINGS FOR PROJECTS AND IT'S A MULTIYEAR RATING PROJECT TO GO THROUGH WHAT WILL LEAD TO A FULL FUNDING GRANT AGREEMENT IDEALLY IN THE 2020 AND 2024, CALENDAR YEAR 2024. AND ALSO ALLOWS US TO CONTINUE THIS PROCESS BECAUSE ONE OF OUR KEY GOALS IS TO GET AN FTA RECORD OF DECISION WE'LL REFER TO IT AS R.O.D. GOING FORWARD BY WINTER OF 2022.

IDEALLY DECEMBER 2022, MIGHT BE JANUARY 2023, AROUND THAT TIME FRAME, SOLIDIFYING THE RECORD OF DECISION FOR BOTH OF THESE BIG LARGE PROJECTS.

AGAIN, I WANT TO HIGHLIGHT THIS, BIG STEP FOR US AS A GROUP.

I THOUGHT IT WOULD BE IMPORTANT FOR US TO TAKE A MOMENT AND TALK ABOUT EVERYTHING THAT'S GOING ON IN THIS -- I TAKE THAT BACK.

NOT EVERYTHING GOING ON IN DC BUT EVERYTHING IN DC RELATED TO THE INFRASTRUCTURE INVESTMENT ACT.

THERE ARE A LOT OF THINGS GOING ON IN DC THAT WE WON'T GET INTO AT ATP.

AS MANY PEOPLE KNOW, THERE'S BEEN YEARS, YEARS OF DISCUSSION, TEN YEARS OF DISCUSSION ABOUT A BIG INFRASTRUCTURE BILL.

AND A LOT OF MOMENTUM THE BUILT.

RECENTLY THERE'S THE BIPARTISAN TRAIN STRUCTURE FRAMEWORK, AND THAT MOVED FORWARD WITH THE SENATE PASSED ON AUGUST 10th THE, VERY HEAVY BIPARTISAN 69-30 TO MOVE FORWARD ON A BIPARTISAN INFRASTRUCTURE PROGRAM.

THE HOUSE IS EXPECTED TO TAKE THAT BILL UP IN SEPTEMBER.

THERE'S VERY COMPLICATED SEQUENCING MAY BE RELATED TO THAT BECAUSE THEY'RE ALSO

TALKING ABOUT RECONCILIATION, A ONE-TIME BUDGET MOVE NOT POLICY DRIVEN BY FINANCIAL DRIVEN AND SOME MAY WANT TO PUT ADDITIONAL TRANSPORTATION INTO RECONCILIATION AND HOW THEY MAY ALIGN WITH POLICY THAT IS DONE THROUGH THIS BILL. THERE'S ALSO THE DEBT CEILING THAT HAS TO GET RESOLVED AND THE OVERALL BUDGET. SO LOTS OF MOVING PARTS IN DC.

SO WHILE I THINK A LOT OF US ARE VERY OPTIMISTIC THAT WHAT GOT PASSED WILL THEN GO TO THE NEXT FINAL STEP WHICH IS THE HOUSE APPROVAL AND THEN TO THE PRESIDENT'S DESK FOR SIGNATURE IS NOT ON NECESSARILY A LINEAR PATH AND NOT A PATH THAT GETS RESOLVED TOMORROW.

HOUSE IS BEING CALLED BACK TO MEET, I THINK, ON THE 23rd OR 24th.

THEY'RE TALKING ABOUT EVERYTHING FROM VOTING RIGHTS TO INFRASTRUCTURE TO RECONCILIATION, LOTS OF THINGS.

GENERAL CONSENSUS THAT I'M HEARING IS THE HOPING BY MID SEPTEMBER TO GET SOMETHING DONE, BUT WE'LL ALL BE WATCHING AND SEE EXACTLY HOW THE LAST ACT OF THIS PLAY KIND OF GOES OUT.

I THOUGHT I WOULD HIGHLIGHT A COUPLE PARTS OF THIS BILL THOUGH THAT ARE DIRECTLY RELATED TO US HERE DOING TRANSIT IN AUSTIN BECAUSE THERE'S SIGNIFICANT ELEMENTS IN THIS BILL THAT ARE HELPFUL FOR THIS PROGRAM.

ONE IS IT'S FORMULA FUNDING.

SO FORMULA FUNDING IS WHAT CAPMETRO NORMALLY RECEIVES BECAUSE OF US RUNNING A TRANSIT SYSTEM.

AND THOSE ARE THINGS LIKE BUS TO BUS FACILITIES AND STATE OF GOOD REPAIR AND CAPITAL COSTS AND MAINTENANCE.

SO LOOKING AFTER SOME OF OUR ASSETS.

AND IT'S KIND OF DONE IN AN URBANIZED FORMULA.

AND AS WE GROW, THAT IS GOOD, BUT GENERALLY SPEAKING IT'S PROPORTIONAL TO YOUR URBANIZED AREA OF WHERE YOU SERVE.

WHAT THEY DID IN THAT, AND THE BIG ONE IS THEY DID A 30% INCREASE IN THE FIRST YEAR IN FY '21 ON THOSE FUNDS AND THEY DID A 2% ANNUALIZED INFLATIONARY ADJUSTMENT 2% INCREASE AS WELL.

THAT IS A BIG DEAL FOR FORMULA FUNDING AN VERY LARGE CONTRIBUTION IN TRANSIT NOT JUST HERE IN AUSTIN BUT ACROSS THE INDUSTRY.

SO THAT WILL CERTAINLY BE GOOD BASELINE FINANCIAL STABILITY FOR THE ORGANIZATION GOING FORWARD TO RUN A LARGER SYSTEM SO REALLY BIG POSITIVES IN THAT.

SECOND, THERE IS THE CAPITAL INVESTMENT GRANT PROGRAM.

AND THAT'S THE PROGRAMS THAT WE'RE GOING TO SPECIFICALLY WE'RE USING FOR PLEASANT VALLEY AND ORANGE AND BLUE LINE IN THE PROJECT DEVELOPMENT PHASE.

SO WHAT THEY DID IN THAT PROGRAM -- AND THIS IS INCREDIBLY COMPLICATED AND I'M HAPPY TO KIND OF -- NOT THAT I'M THE EXPERT IN IT BUT I KNOW ENOUGH TO BE DANGEROUS, I'M HAPPY TO TALK OFFLINE LATER IF SOMEONE WANTS TO GET DEEP INTO IT AND ONE OF OUR EXPERT TO GET REALLY DEEP INTO IT.

WE HAVE X AMOUNT OF MONEY IN APPROPRIATIONS ANNUALLY FOR THIS PROGRAM.

THEY DID \$8 BILLION OF ADVANCE APPROPRIATIONS WHICH MEANS IT IS TRUE GUARANTEED MONEY.

SO IT IS NOT AT THE WHIM OF THE APPROPRIATIONS COMMITTEE.

SO IN THE FEDERAL SIDE IT'S VERY COMPLEX BECAUSE Y'ALL HAVE A BUDGET AND THEN ANNUALLY YOU HAVE APPROPRIATIONS.

SO THERE'S LOTS OF THINGS THAT ARE IN THE BUDGET THAT THE APPROPRIATORS THEN BILL, WELL, WE'RE NOT ACTUALLY GOING TO FUND THAT.

IT'S ALWAYS THIS TWO STEP INSIDE THE FEDERAL PROCESS.

WHAT THEY DID IN THIS BILL, AND THIS IS INCREDIBLY IMPORTANT, THEY ADVANCED APPROPRIATED \$8 BILLION.

GUARANTEED FUNDING IN THE PROGRAM.

CUTS OUT THE APPROPRIATIONS COMMITTEE APPROVAL PROCESS AND SOLIDIFIES THAT FUNDING.

SECOND, IN THE BILL ITSELF R.R. ARE ITSELF THEY DID AN ANNUAL AUTHORIZATION OF \$3.15 BILLION ON TOP OF THE ADVANCE APPROPRIATIONS.

INSIDE THE BILL IT'S KIND OF LIKE YOUR BUDGET CAP, THERE IS ALLOWED TO GO UP TO \$3.15 BILLION ANNUALLY ON OP OF THAT BUT APPROPRIATORS AND THE APPROPRIATION COMMITTEE HAS TO PUSH THAT FORWARD IN THE BUDGET.

SO IT IS VERY GOOD THAT WE HAVE A BIG INCREASE IN THE LOCKED IN AMOUNT.

SECONDARILY, IF CONGRESS ON AN ANNUALIZED BASIS AFTER THE -- AFTER THE ADVANCED APPROPRIATIONS, IF THEY HAVE MORE, THEY HAVE ROOM IN THE BUDGET VEHICLE TO DO THAT WHICH IS REALLY GOOD.

THE NEXT PART I WANT TO MENTION IS THE COMPETITIVE GRANT PROGRAMS.

THOSE PROGRAMS WE ASSUME NO FUNDING FOR ANY COMPETITIVE GRANT PROGRAM AS WE BUILT OUR INTEGRATED FINANCIAL MODEL BECAUSE WE COULDN'T THINK TO SAY WE'RE GUARANTEED COMPETITIVE GRANT PRIME MINISTER PROGRAMS.

WE KNEW THE CIG PROGRAMS, WHILE COMPLICATED AND COMPETITIVE, WE WOULD EVENTUALLY GET THROUGH THAT PROGRAM AND ATTEND WE'LL HAVE TO DO A FULL FUNDING GRANT AGREEMENT ASSOCIATION WITH THE FTA SO WE'LL HAVE TO SEE WHERE THAT PERCENTAGE ENDS UP.

WE'LL ALSO HAVE TO SEE WHERE THE ANNUAL APPROPRIATIONS LEVEL ENDS UP FOR EACH PROGRAM.

BUT WE KNOW THAT PROGRAM IS STABLE.

ON THE COMPETITIVE GRANT PROGRAM, IT'S HOLISTIC AROUND TRANSIT COULD BE VALUABLE AS WELL.

ONE OF THE BIG INITIATIVES IN THE BILL IS TO MOVE THE LOW AND NO EMISSIONS BUS PROGRAM FORWARD AND THEY DID 5.25 BILLION, AGAIN, ADVANCED APPROPRIATION, IE, GUARANTEED MONEY FOR LOW AND NO EMISSION BUS PROGRAM.

THAT IS AN INCREDIBLE LEAP FORWARD FOR THAT CONSIDERING MOST ALL AGENCIES IN THE COUNTRY ARE GOING ZERO EMISSION.

WE'RE ALSO DOING THAT AT CAPMETRO AND THE BUDGET CONNECT VEHICLES WILL ALL BE THAT.

THAT IS REALLY GOOD AS WELL.

IT ALSO FUNDS THINGS LIKE CHARGING, NOT JUST THE BUSES THEMSELVES.

SO WE'LL APPLY VERY ACTIVE WITH THOSE GRANTING PROGRAMS.

WE'VE WON LOW AND NO EMISSION PROGRAM THREE YEARS STRAIGHT AT CAPITAL METRO

SO WE'RE HOPING WE'RE SET UP VERY WELL FOR THAT PROGRAM.

BUS AND BUS FACILITIES ARE REPLACEMENT BUSES, WHICH IS NOT REALLY RELEVANT TO THE PROJECT CONNECT.

BUT BUS FACILITIES ARE, WE NEED A NEW DEMAND RESPONSE FACILITY AND BUS MAINTENANCE FACILITY AND THE BIG INCREASE IN THAT FACILITY PROGRAM WILL ALLOW US TO BE COMPETITIVE FOR THOSE KIND OF MATCHING FUNDS TO HELP US WITH THOSE FACILITIES, WHICH AGAIN IS PRETTY SIGNIFICANT COSTS THAT WE'LL NEED IN THE PROGRAM. STATE OF GOOD REPAIR, THEY UPPED THAT AS WELL.

IT'S NOT OVERLY RELEVANT TO ATP AND THE CONNECT PROGRAM.

RATES GRANTS USED TO BE CALLED T.I.G.E.R. AND THEY WERE CALLED B.U.I.L.D. AND NOW THEY'RE CALLED R.A.I.S.E.

1.5 BILLION ANNUALLY.

THAT IS A LOT OF MONEY.

IT'S USUALLY VERY OVER-SUBSCRIBED, MEANING IT COULD BE A 4-1 RATIO OF PEOPLE APPLY TO GET BUT THIS NUMBER IS THE HIGHEST NUMBER EVER.

THAT PROGRAM, TOO, HAS AN ENORMOUS AMOUNT OF DISCRETION IN THE SECRETARY'S OFFICE.

AND IN THIS BILL IT ALLOWS THE ADMINISTRATION, WHATEVER ADMINISTRATION IS THERE BECAUSE IT'S A FIVE-YEAR BILL, TO REALLY SET A LOT OF THE CRITERIA OF HOW THOSE GRANTS WILL BE JUDGED.

ONE THING THIS ADMINISTRATION HAS MADE IT VERY CLEAR IS THE CLIMATE AND EQUITY AND KIND OF CONNECT AND COMMUNITY WILL BE THE MOST IMPORTANT VALUES THEY WILL BE LOOKING FOR IN THE GRANT.

THERE'S STILL YOUR NORMAL BENEFIT COST ANALYSIS AND OTHER THINGS.

WE'RE HOPEFUL WE'LL BE AGGRESSIVE IN GOING AFTER R.A.I.S.E. GRANTS.

FOR EXAMPLE, COULD BE FACILITIES, TUNNELING, COULD BE WE HAVE SOME COMPLICATIONS AROUND VIEWS AS EVERYONE KNOWS WITH FREIGHT TRAINS ON THE STREET VERSUS ELEVATION, ALL THOSE KINDS OF THINGS.

IT JUST GIVES US AN OPPORTUNITY TO DO A LOT OF PARTS OF THE PROGRAM AS ANOTHER SOURCE.

LASTLY, THERE'S THE RAIL AND HIGHWAY PROGRAMS.

I WANT TO HIGHLIGHT THAT THE BILL, IF PASSED, ALLOWS STATES, D.O.T.s, TO USE A LOT MORE OF THEIR STATE HIGHWAY MONEY FOR TRANSIT.

THAT HAS BEEN ALREADY KIND OF A PRACTICE IN SOME STATES, LIKE I CAME FROM MASSACHUSETTS, SO DOES GINA, THAT WAS USED -- THERE'S A LOT MORE FLEXIBILITY I WOULD SAY IN MASSACHUSETTS THAN I'VE SEEN IN OTHER PLACES.

THIS NOW ENSHRINES IN THAT LEGISLATION, IF PASSED, D.O.T.s ARE ENCOURAGED OR HAVE THE ABILITY TO FLEX MORE OF THAT MONEY SPECIFICALLY FOR BUS RAPID TRANSIT AND OTHER ELEMENTS INCLUDING FACILITIES.

WE WILL SEE HOW THAT COULD WORK.

IT DOES A PROGRAM CALLED CRISI, RAIL SAFETY, FREIGHT AND COMMUTER RAIL.

THEY HAVE \$5 BILLION.

AND WE ARE ONE OF THE -- THERE'S TWO OF US, AUSTIN AND ONE IN ALASKA, CAPMETRO, PASSENGER AND A FREIGHT RAIL.

WE THINK WE WILL BE ABLE TO GO AFTER GRANTS RELATED TO THAT AND THAT CAN BE CONNECTED TO RED LINE OR FUTURE GREEN LINE AS AN EXAMPLE.

THEN THERE'S THE INFRASTRUCTURE PROGRAM, \$700 MILLION ON THAT PROGRAM, NFRA.

AGAIN, WE THINK WE MIGHT BE ABLE TO PLAY IN THAT AS WELL.

THIS IS A REALLY SIGNIFICANT DEAL COMING OUT OF DC.

I WANTED TO HIGHLIGHT THAT WE BELIEVE THAT THERE WILL BE VARIOUS WAYS TO PARTICIPATE IN THIS PROGRAM AND THE THING THAT WE HAVE REALLY WELL SET OUT HERE FOR US IN AUSTIN THAT A LOT OF OTHER CITIES AND AGENCIES WILL NOT HAVE IS TO PLAY FOR ALL THESE GRANTS YOU REALLY NEED TO HAVE TWO THINGS.

YOU NEED A LOCAL FUNDING COMMITMENT FOR A MATCH, AND EACH MATCH WILL BE DIFFERENT, AND YOU NEED TO HAVE A PROJECT.

WHETHER, YOU KNOW, DOESN'T HAVE TO BE FULLY DESIGNED BUT IT'S A REAL PROJECT. TANGIBLE.

NOT JUST AN IDEA.

WE NOT ONLY HAVE A LOCAL FUNDING COMMITMENT BECAUSE OF THE VOTER'S CONFIDENCE LAST NOVEMBER BUT WE'RE ALSO MOVING A LOT OF PROGRAMS THROUGH DESIGN PROCESS. AND SO WE ARE GOING TO BE VERY STRATEGIC LAYOUT A MULTI-YEAR STRATEGY TO GO AFTER THESE PLANS IN RELATION TO THE OVERALL PROGRAM BY THINKING THROUGH DESIGN SPECIFICALLY.

THAT IS WHY A LOT OF YOU ARE ENCOURAGING US AND OTHERS IN THE COMMUNITY, HEY, STAY ON SCHEDULE, KEEP THIS THING MOVING.

ONE OF THE KEY GOALS OF THAT IS, AS WE ADVANCE THE ENVIRONMENTAL DESIGN PROCESS, IT WILL ALLOW US TO PARTICIPATE IN MORE GRANT OPPORTUNITIES.

SO THE BETTER WE DO AT OUR JOB, THE BETTER CHANCE WE HAVE TO GET EVEN MORE FEDERAL PARTICIPATION.

SO SORRY TO TAKE A LITTLE BIT OF DIME WITH THAT BUT I THOUGHT IT WAS IMPORTANT TO GROUND THE BOARD ON WHAT IS HAPPENING OUT IN DC.

I HOPE TO COME BACK IN SEPTEMBER TO TELL YOU THE DEAL IS DONE AND MAYBE THERE'S MORE ELEMENTS THAT ARE POSITIVE FOR US, BUT, YOU KNOW, SO FAR SO GOOD IN DC RELATED TO INFRASTRUCTURE.

I HAVE ONE MORE SLIDE AND THEN I'M OBVIOUSLY HAPPEN -- HAPPY TO TAKE ANY COMMENTS.

WE SIGNED OUR LEASE.

THANK YOU, BOARD, FOR APPROVING THIS -- I THINK IT WAS LAST MONTH OR THE MONTH BEFORE.

I APOLOGIZE FOR NOT REMEMBERING EXACTLY.

THIS IS OUR NEW SPACE AT 203 COLORADO IN DOWNTOWN.

IT'S REALLY GREAT COLLABORATION SPACE FOR A JOINT PROGRAM OFFICE.

IT'S GOING TO BE WHERE ATP STAFF, CAPMETRO STAFF, CITY OF AUSTIN STAFF, CONSULTING STAFF, ET CETERA, WILL BE SUPER COLLABORATIVE ALL ABOUT PART CHER ANY.

HOW TO GET THIS PROGRAM DONE.

SPACE IN THERE FOR BOARD MEMBERS, ADVISORY MEETINGS, I NOTICE WE'LL BE COMING UP SOON.

WE'RE STILL TRYING TO GET THE FINAL DATE BUT IT LOOKS LIKE IN LATE SEPTEMBER WE WILL

DO A PUBLIC OPEN HOUSE.

YOU KNOW, JUST TOUR THE SPACE, KIND OF, AGAIN, RE-ENFORCE THE IDEA THAT THIS IS A PARTNERSHIP, IT'S COLLABORATIVE.

THE PARKING LOT OUT FRONT IS IN A WAY THAT ALLOWS US TO DO DEMONSTRATIONS FOR VEHICLE SET-UPS OR TENTS AND ALL THESE KIND OF THINGS AS WELL.

SO THAT WAS PART OF THE BENEFIT OF THE SPACE AS WELL.

SO REALLY JUST EXCITED THAT WE'RE GOING TO HAVE A COLLABORATION SPACE, ESPECIALLY AS WE'RE RAMPING UP STAFFING.

SO WITH THAT, THAT WAS MY UPDATE.

I'M HAPPY TO TAKE COMMENT, CONCERNS, QUESTIONS, THOUGHTS, ANYTHING ELSE THAT I COULD GIVE TO THE BOARD AS WE GET GOING ON THE OTHER UPDATES.

>> THANK YOU, MR. CLARK.

I'D LIKE TO START BY SAYING CONGRATULATIONS ON GOING INTO PROJECT DEVELOPMENT. I KNOW THIS IS AN ENORMOUS MILESTONE THAT YOU HAVE REACHED WITH YOUR TEAM, CONGRATULATIONS.

>> THANK YOU, CHAIR.

>> Chair: DO WE HAVE ANY QUESTIONS?

MEMBER ELKINS?

>> Tony Elkins: THANK YOU, MADAM CHAIR.

TO ECHO WHAT MADAM CHAIR SAID, A RANDY, YOU AND THE STAFF, KUDOS TO GETTING THE ACCEPTANCE.

THAT'S A HUGE STEP.

BIG MILESTONE.

AND IT'S GREAT TO SEE THAT PROGRESS.

CONGRATS.

>> AS A CAPMETRO BOARD MEMBER I WANT TO SAY, RANDY, WOW, MAN, IT'S BEEN A JOURNEY.

AUGUST 7th OF LAST YEAR WE WERE AT THAT JOINT MEETING WITH CONTRACT, WITH THE VOTERS AND THE COMMITMENT TO THE VOTERS FROM THE CITY OF AUSTIN AND THE CAPMETRO BOARD AT THAT JOINT MEETING.

YOU KNOW, HERE WE ARE.

YOU GUYS IN LESS THAN A YEAR WE PULLED THIS ALTOGETHER AND THAT IS A -- THAT'S JUST A HUGE TESTIMONY TO THE AMAZING INCREDIBLE TEAM WORK AND THE COMMITMENT THAT THE VOTERS OF AUSTIN AND THE RIDERS OF CAPMETRO AND YOU AND YOUR TEAM AND THE FOLKS IN THE CITY OF AUSTIN AND THEIR STAFF AND NOW THE ATP STAFF HAVE PUT TOGETHER.

I CANNOT FATHOM ANYTHING THAT I'VE SEEN IN MY SHORT TIME IN TRANSIT IN THE LAST COUPLE YEARS AND LARGER PICTURE IN GOVERNMENT WHERE SOMETHING THAT IS STARTED THAT QUICKLY THINKING ABOUT THAT ATP FIRST, WE HAD OUR FIRST BOARD MEETING IN JANUARY KICKING THIS THING OFF AND BY JULY -- WHAT WAS IT, JULY, THERE YOU ARE.

AND YOU'VE GOT THE LETTER OF ACCEPTANCE.

SO KUDOS TO EVERYBODY IN THE COMMUNITY, ESPECIALLY YOU AND YOUR TEAM, THAT HAS BEEN JUST BUSTING DUST AND KICKING TAIL AND MAKING THIS HAPPEN.

MAN, I REALIZE THAT IT IS JUST THE BEGINNING HERE BUT KUDOS, MAN.

CONGRATULATIONS.

AND REALLY PROUD OF YOU GUYS.

THANKS SO MUCH FOR EVERYTHING.

>> THANK YOU.

I APPRECIATE THAT.

I CAN'T THANK THE STAFF ENOUGH.

THE STAFF AND I THINK THE BOARD RECOGNIZES, WE HAVE A GREAT TEAM.

THEY ARE WORKING VERY HARD EVERY DAY.

I CAN PROMISE YOU THAT.

THE EFFORT IS VERY STRONG.

THE OTHER PART IS THEY'RE COMMITTED TO THE COMMUNITY.

PEOPLE HAVE SIGNED UP TO BE PART OF THIS PROGRAM BECAUSE THEY WANT TO DO THIS FOR THE COMMUNITY AND IT'S VERY MISSION DRIVEN.

GINA AND HER TEAM, AGAIN, WE SAY THIS ALL THE TIME.

I HAVE NEVER SEEN A PARTNERSHIP AS GOOD AS OUR TEAM AND THE CITY ALTOGETHER.

I THINK IT'S ONLY GOING TO GET BETTER WITH THE COLLABORATIVE SPACE, TO BE HONEST.

AS EVERYONE GETS CLOSER, MASKS OFF AND WE'RE SAFER ENVIRONMENT, IT'S GOING TO EVEN GET BETTER.

THE PART I'M THE MOST PROUD OF IS WE TOLD THE COMMUNITY WE HAD A SCHEDULE OF A VARIETY OF THINGS AND WE HAVE YET TO NOT MEET A DATE.

WE ARE DOING A COUPLE THINGS ACTUALLY A LITTLE BIT AHEAD.

SO IT NOT ONLY GOING TO THE STAFF.

I JUST GET THE JOY OF BEING HERE ON THE CAMERA AND TELLING YOU THE GOOD NEWS, BUT THE STAFF IS REALLY DOING A GREAT JOB.

SO THANK YOU FOR RECOGNIZING THE REFERENCE.

I WILL SAY THE FTA, COULDN'T ASK FOR A BETTER PARTNER.

THE USD AND FTA REALLY CAME UP WITH US.

THEY'RE DOING A GREAT JOB.

I ENCOURAGE THE COMMUNITY.

I KNOW WE'RE GOING TO GET THE COMMUNITY UPDATE.

WE'RE 1515% DESIGN.

THAT DOESN'T MEAN DESIGN IS OVER BY ANY MEANS.

ONE OF THE COMMENTS, WE NEED THE COMMUNITY TO GIVE US NEED FEEDBACK ON SOME OF THESE BIG KIND OF QUESTIONS AND DESIGN ITEMS SO THEN BY NEXT SUMMER 30% DESIGN WE WILL HAVE A GOOD FRAMEWORK AROUND 30% COST.

AND THAT HELPS KIND OF MOVE THOSE CRITICAL DECISIONS FORWARD.

I REALLY ENCOURAGE THE COMMUNITY TO GET INVOLVED AND IF THERE'S WAYS WE CAN BETTER COMMUNICATE WITH ANY PARTS OF THE COMMUNITY, WE JUST NEED TO HEAR THAT BECAUSE IT WILL NOT BE A LACK OF EFFORT ON THE COMMUNITY, IT COULD BE JUST UNINTENTIONAL.

THE BOARD MEMBERS OR OTHERS CAN TELL US WE'VE GOT TO GET OUT AND DO OTHER THINGS, WE WILL DO THAT.

SO THANKS AGAIN.

>> Chair: RANDY, ONE QUESTION.

ONE OF THE -- WHEN WE READ THE LETTER THAT YOU RECEIVED FROM THE FTA THEY MENTIONED THEY HAD SOME FOLLOW-UP QUESTIONS BEFORE THEY GAVE THE APPROVAL TO PROCEED.

CAN YOU GIVE US AN UPDATE OR DO YOU KNOW WHAT KIND OF QUESTIONS THEY HAD TO FOLLOW UP ON?

>> RANDY: WE GOT A FORMAL LETTER OF ACCEPTANCE.

WE GOT A LETTER BEFORE THAT SAYING WE GOT YOUR PACKAGE, WE NEED MORE INFORMATION, TO WHICH THE TEAM GAVE THEM.

IF THERE'S ANYTHING MORE SPECIFIC WHEN DAVE GETS UP TO DO HIS PIECE, I'LL DEFER TO HIM.

IF THERE'S A COUPLE OF THINGS THAT WE STILL KIND OF OWE THEM, BUT MY GENERAL UNDERSTANDING IS WE'RE THROUGH THE PROCESS.

I GUESS I WILL SAY THIS, IT'S A NEVER ENDING PROCESS IN CONVERSATION.

WE WILL LOOK TO MEET -- WE'LL TALK TO FTA EVERY WEEK PROBABLY REALISTICALLY NEXT DECADE AND WE ALREADY HAVE A FANTASTIC RELATIONSHIP WITH THE HEADQUARTERS.

IF ANYTHING, IT'S A CONSIDER TO SAY YOU WILL CONTINUE TO MEET WITH US AND, MORE IMPORTANTLY, I THINK ONE OF THE CONDITIONS IN THERE IS YOU WILL NOTIFY US OF A DESIGN AND PROCESS IT'S NOT SO MUCH WHERE YOU ARE TODAY BUT FORMALITY OF YOU HAVE TO KEEP COMMUNICATING WITH US IS THE PART THAT YOU'RE REFERENCING.

I'LL ASK DAVE IF I GOT THAT WRONG.

HE CAN JUMP IN.

THAT'S HIS PIECE.

I THINK THAT'S WHAT YOU'RE REFERRING TO.

>> YES.

THAT'S IT.

IF YOU DON'T HAVE THE ANSWER NOW.

I WAS JUST CURIOUS.

BUT WITH THAT, DO WE HAVE ANY MORE QUESTIONS FOR MR. CLARKE?

>> IF YOU WANT ME TO JUMP IN HERE?

THE ONES THAT ARE IN THAT LETTER PRINCIPALLY ARE THE ITEMS THAT NEED TO BE COMPLETED FOR US TO GET OUT OF PROJECT DEVELOPMENT AND THEN INTO THE NEXT STEP, WHICH IS THE ENGINEERING PORTION.

ALL OF THAT WILL INCLUDE ADVANCING THE DESIGN, COMPLETING EVERYTHING THAT'S THERE IN THE ENVIRONMENTAL PROCESS, SO IT'S NOT THAT WE WERE MISSING ANYTHING TO GET INTO PROJECT DEVELOPMENT.

THEY WOULD NOT GRANT IT IF WE WERE MISSING ANYTHING.

AS MR. CLARKE SAID, THERE WERE SOME THINGS THEY LOOKED FOR ABOUT A MONTH BEFORE WE GOT THAT LETTER THAT WE PROVIDED BUT AS WE GO FORWARD IT WILL BE A WHOLE SERIES OF THINGS.

I'LL TALK ABOUT SOME OF IT A LITTLE BIT LATER.

>> OKAY.

GREAT.

THANK YOU, MR. COUCH.

DR. BURNET?

>> Colette Pierce Burnette: I ADD MY CONGRATULATIONS TO YOU, RANDY AND THE STAFF. I HAVE A QUESTION BACK TO YOUR PRESENTATION ABOUT LAND ACQUISITION. THE ACRONYM YOU USED, WAS IT RAM OR RAMP?

>> RAMP, REAL ESTATE ACQUISITION MANAGEMENT PLAN.

IT'S BASICALLY A PROCESS, HOW WE'LL GO THROUGH THAT PROCESS OF IDENTIFYING PARCELS, APPRAISAL, CONTACTING PEOPLE.

PROBABLY CONNECT PROCUREMENT POLICY, YOU KNOW, ALL THOSE KINDS OF THINGS.

>> Colette Pierce Burnette: OKAY.

I'LL REMEMBER THE ACRONYM.

IN THE SPIRIT OF THE PARTNERSHIP, HOW DO WE FORM A PROCESS FOR THAT TO BE IN SYNC WITH THE ANTIDISPLACEMENT STRATEGIES?

HOW DO THOSE TWO HANDSHAKE CONSISTENTLY?

>> SO IN THE ILA THAT WE GAVE TO THE BOARD AND THE BOARD APPROVED FOR THE ANTI-DISPLACEMENT FUNDING GOING TO THE CITY OF AUSTIN, BECAUSE AT THE END OF THE DAY ATP, WE HAVE NO CONTROL OR JURISDICTION OVER THE \$300 MILLION, THAT IS TO THE CITY OF AUSTIN.

>> Colette Pierce Burnette: UNDERSTOOD.

TOTALLY UNDERSTOOD.

>> RANDY CLARKE: IT SAYS THE CITY OF AUSTIN WILL CHECK WITH THE PROJECT OFFICE. SO REAL ESTATE TEAM AS WELL, THAT ANYTHING THAT THEY MAY WANT TO ACQUIRE ALONG THOSE CORRIDORS WILL BE CONNECTED TO US FIRST SO WE ALSO CHECK THAT BOX TO SAY THIS WILL NOT CREATE A CONFLICT.

AND SO, YES, YOU CAN PROCEED WITH THAT PROPERTY.

SO THERE COULD BE A LOT OF -- WE WANT TO BUY THIS LOT AND IT MIGHT BE FOR THE BUILDING, SENIOR APARTMENT OR -- GREAT, YOU KNOW, EITHER YES, DO IT BUT YOU CAN'T TAKE THESE 12 FEET OR, NO, THAT LOT CAN'T WORK IN THAT CASE.

SECONDARILY, YOU KNOW, LONGER TERM AND CERTAINLY NOT FOR NOW, YEARS FROM NOW, WE WILL HAVE TO WORK THROUGH PROPERTY THAT ATP ACQUIRES FOR THIS PROGRAM WHAT OPPORTUNITIES BUILD UPON THE CONSTRUCTION LONG TERM TO MAYBE WORKING WITH THE CITY OR MAYBE OTHER NONPROFIT PARTNERS OR WHATNOT TO ACTIVATE THOSE LOTS.

WE'RE YEARS AWAY -- WE'RE NOT EVEN AT THE POINT WE KNOW ALL THE PROPERTIES WE NEED TO ACQUIRE LET ALONE IN TEN YEARS WHAT THOSE ACQUISITIONS COULD FOLD INTO. WHEN WE GET TO THE JOINT PARTNERSHIP AGREEMENT WE'LL STITCH A LITTLE BIT MORE ON THAT AND WHAT EACH AGENCY PLAYS.

THAT'S GENERALLY THE FRAMEWORK OF THAT.

>> Colette Pierce Burnette: OKAY.

I WANT TO BE SURE THAT WE HAVE SOMETHING THAT IS A FORMAL PROCESS SO THAT THINGS DON'T FALL THROUGH THE CRACKS OR WE'RE NOT CHASING -- THE TAIL DOESN'T START WAGGING THE DOG. SO I WANT TO MAKE SURE WE HAVE A FORMAL PROCESS WITH THAT.

>> RANDY CLARKE: YES, THANK YOU.

>> Chair: YES?

>> I WASN'T GOING TO SAY ANYTHING BUT WHEN EVERYBODY ELSE CONGRATULATES THE STAFF ON GETTING PASSED THIS MILESTONE I DON'T WANT TO BE THE ONLY ONE SILENT

BECAUSE I RECOGNIZE THE ACHIEVEMENT THAT IT IS AND KIND OF THE GUN HAS GONE OFF IN REALLY BIG WAYS AND IT'S EXCITING STEP.

THANK YOU.

>> SO WITH THAT, CHAIR...

>> CHAIR, IF I COULD.

I WOULD ALSO LIKE TO JUST CONGRATULATE RANDY AND HIS TEAM BUT ALSO THE CITY TEAM AND BOTH TEAMS AT CAPITAL METRO AND ATP.

A LOT OF WHAT YOU SEE HERE IS THE SUCCESS THAT WE'RE SORT OF REAPING NOW, THAT THE GROUNDWORK FOR THAT WAS LAID LONG BEFORE THE VOTE WAS TAKEN.

SO KUDOS TO RANDY AND THE CAPITAL METRO TEAM THAT, YOU KNOW, BROUGHT THIS CITY TEAM TO MEET WITH THE FTA, ACTUALLY PROBABLY IN -- I THINK IT WAS 2019, RIGHT?

SO REALLY CONGRATULATIONS.

LOTS OF HARD WORK.

LOTS OF HARD WORK AHEAD.

AND WE APPRECIATE THE PARTNERSHIP.

>> GINA, A FEW OF US CAN FEEL THE BOARD'S LAUGHTER, WE SPENT AN HOUR AND A HALF STUCK IN WACO TOGETHER THROUGH I-35 CONSTRUCTION WHICH RE-ENFORCED OUR VALUE MAKING SURE TRANSIT MOVES PEOPLE.

THAT'S MY REPORT FOR THIS MONTH, CHAIR.

THANK YOU, AGAIN, BOARD MEMBERS, FOR YOUR SUPPORT OF THE STAFF AND SUPPORTING THIS ORGANIZATION.

WITH THAT, I'LL HAND IT BACK TO YOU, CHAIR.

>> Chair: THANK YOU, MR. CLARKE.

AND IF WE WERE ALTOGETHER THIS IS ONE OF THOSE MOMENTS THAT EVERY ONE OF THE MILESTONES WE COULD DO A STANDING OVATION FOR SOMEBODY IN THE ROOM TO DO. WAY TO GO, TEAM.

SO NOW WE'RE MOVING ON TO THE MONTHLY PROGRAM UPDATES.

I WOULD LIKE TO WELCOME OUR DIRECTOR OF PROGRAM STRATEGY, MR. SAM SERGEANT.

>> SAM SERGEANT: THANK YOU.

I'M GOING TO PROVIDE THIS MONTH'S COMMUNITY ENGAGEMENT AND INVOLVEMENT UPDATE IN PLACE OF JACKIE NUREMBERG.

IT'S BEEN AN EXCITING MONTH.

CHLOE, NEXT SLIDE, PLEASE.

SO AS YOU KNOW, AND THANK YOU ALL FOR NOT ONLY GETTING THE WORD OUT ABOUT OUR VIRTUAL COMMUNITY MEETINGS BUT ALSO PARTICIPATING IN SOME OF THEM, BUT WE CLOSED OUT OUR 15% DESIGN SCHEDULED MEETINGS FOR ORANGE AND BLUE LINE THAT OCCURRED BETWEEN JULY 27th AND AUGUST 13th AS WELL AS THE SELF-GUIDED VERSION OF THOSE WHICH BOTH HAD REALLY SUCCESSFUL BREAKOUT SESSIONS FOR THE VARIOUS SEGMENTS OF THE LINE, WHICH I THOUGHT WAS A REALLY GREAT WAY TO DO IT AND REALLY APPRECIATE JACKIE AND HER TEAM, LONNIE STERN, YANIS BANKS, JOCELYN AND OTHERS WHO MADE THAT POSSIBLE.

I THINK IT REALLY GAVE FOLKS A LOT MORE OWNERSHIP OVER THEIR SEGMENT OF THE LIKE AND LET THEM SAY THEIR PIECE ABOUT THE WORK WE'RE DOING.

YOU CAN SEE THE TOTALS FOR THE ENGAGEMENT.

I THINK THIS IS VERY STRONG.

WE HAD HOPED TO HAVE A LARGE IN-PERSON MEETING AT THE CENTRAL LIBRARY BUT WE WILL HAVE TO DO THAT AGAIN AT ANOTHER TIME.

774 PEOPLE PARTICIPATED THIS TIME AROUND.

AND THEN WE ALSO HAVE HAD OUR ITAG, PSEC, EAC, PCAN, JOINT MEETING OF TAC AND CAC MEETING SINCE THE LAST BOARD MET.

VERY BUSY MONTH OF ENGAGEMENT, SUCCESSFUL AND EXCITING CONSIDERING THE PLACE WE'RE AT RIGHT NOW.

CHLOE, NEXT SLIDE.

SO SOME OF THE THINGS THAT WE'VE HEARD SO FAR DURING THIS 15% DESIGN OUTREACH ROUND, A LOT OF POSITIVE RESPONSES ABOUT THE FOURTH STREET CONCOURSE CONCEPT, BOTH AT THE STREET LEVEL AS WELL AS BELOW CONNECTING ALL OF THOSE STATIONS TOGETHER HAVING THAT SEAMLESS CONNECTIVITY DOWNTOWN.

REACHING OUT TO IMPACTED BUSINESSES AND PROPERTIES ARE CRITICAL.

WE COULDN'T AGREE MORE.

WE WILL HAVE MORE ON THAT FUTURE COMMUNITY AND BUSINESS ENGAGEMENT PROGRAM AT ANOTHER MEETING.

A LOT OF COMMENTS ON THE LONG AND SHORT TUNNEL OPTIONS BUT A LOT OF POSITIVE COMMENTS FOR THE LONG TUNNEL OPTION ON SOUTH CONGRESS.

QUESTIONS ABOUT HOW WE'RE INTEGRATING WITH THE CAPITOL COMPLEX, ESPECIALLY THE EXPANSION TO THE NORTH AND I THINK A LOT OF THAT IS COVERED WITH OPTIONS B AND C THAT YOU WOULD HAVE SEEN AT ONE OF DAVE COUCH'S LAST PRESENTATIONS FOR THE NORTH PORTAL.

SO WE GOT A LOT OF GOOD FEEDBACK THERE.

TRAFFIC LANES ON RIVERSIDE AND THEN CONNECTIVITY TO OTHER GOOD TRIP GENERATORS LIKE ACC AS WELL AS HEALTHCARE.

SO WE GOT A LOT OF GOOD FEEDBACK.

THIS IS JUST A SAMPLING OF IT.

MAYOR, DID YOU HAVE A COMMENT?

I'M SORRY.

THANK YOU.

CHLOE, NEXT SLIDE.

AND THEN SOME OF THE UPCOMING ENGAGEMENTS.

SO CONTINUING OUR FORWARD MARCH, WE HAVE THE NEXT COMMUNITY ADVISORY ON AUGUST 25th ALONG WITH METRO RAIL WE'RE GOING TO HAVE A VIRTUAL COMMUNITY MEETING TO TALK ABOUT THE RED LINE IMPROVEMENTS.

WE'VE BEEN FOCUSED ORANGE AND BLUE BUT WE'RE GOING TO HAVE A MEETING ON METRO RAIL AS WELL AS ONE IN SEPTEMBER ON METRORAPID.

IN SEPTEMBER AND OCTOBER PETER MULLIN AND HIS ARCHITECTURE AND URBAN DESIGN TEAM ARE GOING TO KICK OFF A SERIES OF DESIGN CHARRETTES TO GET PUBLIC INPUT AND A REALLY COLLABORATIVE, OPEN, FACILITATED SETTING AROUND SOME OF OUR MORE COMPLEX AND MOST IMPORTANT DESIGN OPTIONS THAT ARE STILL ON THE TABLE.

DOING A FACEBOOK LIVE TOWN HALL IN SPANISH ON OCTOBER 7th AND CONTINUING OUR OUTREACH TO PROPERTY OWNERS, BUSINESSES AND ENGAGEMENT WITH COMMUNITY AND

NEIGHBORHOOD GROUPS HOPING TO GET OUT THERE TO MORE AND MORE COMMUNITY NEIGHBORHOOD GROUPS WHO ARE STILL HOLDING MEETING VIRTUALLY AND TAKING THAT GOING TO THEM APPROACH, WHICH I THINK FROM EXPERIENCE IS ONE OF THE BEST WAYS TO TALK TO PEOPLE ON THEIR TERMS ON THEIR TIME.

SO CONTINUING THE GREAT WORK JACKIE'S GROUP IS DOING AND, WITH THAT, I WILL TAKE ANY QUESTIONS THAT THE BOARD MIGHT HAVE.

>> Chair: DO WE HAVE ANY QUESTIONS?

THANK YOU SO MUCH, SAM.

ANYBODY ELSE HAVE ANY QUESTIONS FOR MR. SERGEANT?

I'M EXCITED TO LEARN ABOUT THE UNIVISION ON FACEBOOK LIVE IN SPANISH.

KUDOS FOR YOU ALL FOR INCLUDING THEM AS WELL.

THEY'RE GREAT PARTNERS.

>> YES, I'LL WORK WITH JACKIE AS WELL AS OUR COMMUNICATIONS TEAM TO MAKE SURE WE CONTINUE TO GET THE WORD OUT ABOUT THAT OPPORTUNITY.

THANK YOU.

>> Chair: THANK YOU.

>> MADAM CHAIR, BEFORE WE MOVE ON, SAM, WHEN SOMEONE ASKS A QUESTION LIKE WHY CAN'T THERE WITH A STATION AT THE CAPITOL COMPLEX, DO WE ANSWER THEM SOMEWHERE?

>> WE DO.

IT'S OUR PRACTICE TO RESPOND TO EVERY COMMENT THAT COMES IN.

I WOULD NEED TO CONSULT WITH JACKIE OR POTENTIALLY DAVE COUCH AND MAYBE WE COULD COVER THIS AT ANOTHER TIME.

BUT, YES, WE DO RESPOND.

IT MAY BE -- ESPECIALLY IN THE SETTING OF THE BREAKOUT GROUPS WHERE WE'RE RESPONDING TO PEOPLE VERBALLY, SO WE DO HAVE THOSE RECORDED BUT DAVE, I KNOW THAT WE LOGGED COMMUNITY ENGAGEMENT COMMENTS AND DO RESPOND TO THEM.

BUT, YES, WE DON'T WANT TO LET ANY OF THOSE SLIDE.

AND IF WE FIND OURSELVES IN A POSITION WHERE WE DON'T HAVE A READY ANSWER WE FOLLOW UP WITH THEM IN OTHER WAYS.

I SEE THAT PETER HAS HIS HAND UP.

HE IS LIKELY THE BEST PERSON TO ANSWER THAT QUESTION.

>> YES, WE ABSOLUTELY WILL RESPOND TO ALL THE COMMENTS.

THE COMMENT PERIOD IS STILL OPEN.

I WANT TO POINT THAT OUT, FOR ANYBODY LISTENING.

IT WILL GO UNTIL AUGUST 27th.

SO ONCE THAT COMMENT PERIOD IS OVER, WE'LL COLLECT ALL OF THEM, GROUP THEM INTO LIKE KINDS OF TOPICS AND RESPOND TO ALL OF THEM AND HOW WE'RE GOING TO ADDRESS THEM.

THAT WILL BE POSTED ON THE COMMUNITY ENGAGEMENT SECTION.

>> JUST TO ADD TO IT, I MENTION THAT THERE IS A STATION AT THE CAPITOL AND THAT IS ANOTHER WAY THAT WE'LL MAKE SURE THAT DR. BURNETTE, ANY INFORMATION YOU NEED

ON THAT, THERE IS A STATION CALLED CAPITAL CENTER WEST THAT HAS -- THERE IS MULTIPLE OPTIONS WHERE THIS COULD BE, BUT I THINK WE'LL HAVE FANTASTIC ACCESS TO THE CAPITOL COMPLEX TO THAT PARTICULAR QUESTION.

>> AND I HAVE ANOTHER QUESTION.

WHEN DO WE MOVE FROM WORKING NAMED STATIONS TO -- HOW IS THE ACTUAL NAMES OF THE STATIONS TO BE DETERMINED?

>> WELL, GENERALLY SPEAKING, MOST ALL THE NAMES WE FEEL ARE PRETTY DEFINED.

I MEAN THAT'S THE NAMES THAT WE WENT TO THE COMMUNITY FOR THE REFERENDUM ON.

A FEW OF THEM ARE STILL BEING TWEAKED IN THE SENSE OF THEY COULD -- LIKE GOVERNMENT CENTER/CAPITAL WEST AND HOW THAT IS TWO NAMES FOR ONE STATION.

RAINEY AND MCKALLA IS A GOOD EXAMPLE.

THROUGH THIS COMMUNITY PROCESS THE 30% DESIGN, BY 30% WE HAVE TO LAND ON WHAT THESE NAMES ARE, BUT IF THERE IS SOME UNIQUE TWEAKS, IF YOU WILL, BUT WE WANT THEM TO REFLECT THE NEIGHBORHOOD, BUT AT THE SAME TIME ACCESSIBILITY IS VERY CRUCIAL.

SO WE NEED OUR WAY FINDING TO BE UNIVERSAL OF HOW WE DO EVERYTHING.

SO THERE IS ACTUALLY A LOT OF DISCUSSION IN OUR INDUSTRY RIGHT NOW ABOUT HOW SOME PEOPLE HAVE SYMBOLS AND SOME PEOPLE HAVE ALPHA AND NUMERIC COMBINATIONS.

SO WE'RE KIND OF WORKING THROUGH THAT.

I THINK THAT'S STUFF THAT MAY BE IN THE WINTER TO SPRING WE'LL EVOLVE THROUGH THAT.

I CAN SEE US ENDING UP WHERE THE ORANGE LINE WILL BE THE ORANGE LINE, BUT MAYBE IT'S THE NO. 1 LINE.

AND THE BLUE LINE IS THE BLUE LINE BUT ALSO THE NO. 2 LINE JUST FROM AN ACCESSIBILITY BOTH IN SOFTWARE, UNIVERSAL ACCESS FOR MULTI-LINGUISTIC, STUFF LIKE THAT.

SO THAT'S KIND OF AS WE WORK TOWARDS 30%, WE HAVE TO LAND TO EXACT DEFINITION OF THAT STATION.

>> OR OF THE STATIONS, LIKE --

>> YEAH, EACH STATION WILL [INDISCERNIBLE].

BUT WE WANT TO MAKE THEM AS CLEAR AS POSSIBLE SO SOMEONE KNOWS IT IS AT THIS LOCATION AND IT FEEDS THIS TYPE OF AREA.

SO A GOOD EXAMPLE RIGHT NOW IS OUR DOWNTOWN STATION, THAT'S THE RED LINE.

WE PROBABLY CAN'T ENVISION AS THAT STAYING AS DOWNTOWN STATION.

IT'S DOWNTOWN STATION NOW BECAUSE IT'S THE ONLY STATION DOWN OPPORTUNITY TO.

MORE ABOUT BRUSH SQUARE AND CONVENTION CENTER RATHER THAN DOWNTOWN STATION AS AN EXAMPLE.

>> Burnette: THANK YOU.

>> Chair: THANK YOU FOR YOUR QUESTION, DR. BURNETTE.

DID YOU GO ANYBODY HAVE THEIR HAND UP OR THAT I CAN'T SEE FROM STAFF OR ANYBODY ELSE?

OKAY, GREAT.

SO I THINK WE'RE NOW MOVING ON TO MR. COUCH.

HE'S GOING TO GIVE US THE MONTHLY -- WHO IS OUR CHIEF PROGRAM OFFICER.

AND HE'S GOING TO GIVE US THE MONTHLY TECHNICAL UPDATE.

WELCOME, MR. COUCH.

>> THANK YOU VERY MUCH, CHAIR, MEMBERS OF THE BOARD, DIRECTOR CLARKE. I'D LIKE TO GO THROUGH THE TECHNICAL PORTION OF THE UPDATE FOR THE MONTH AND GO INTO WHERE WE ARE WITH MANY OF THE THINGS THAT MR. CLARKE WENT THREW WITH RESPECT TO THE ENVIRONMENTAL AND APTA.

AS WE GO FORWARD LOOKING AT THE REAL ESTATE BEING VERY MINDFUL OF WHAT'S THERE AND WHAT WE ARE REQUIRED TO TAKE, TRYING TO MINIMIZE THAT.

WE CONTINUE TO GET COMMENTS AND FINISH THEM WITH THE CITY AND THE 15% DESIGN.

AND WE'RE GETTING READY TO GO AHEAD AND ALSO RAMP UP THE SEWER.

THERE IS A CERTAIN AMOUNT THAT IS INCLUDED RIGHT NOW BUT OUR OBJECTIVE IS TO BE ABLE TO GET THE PIPES THAT WE NEED TO RELOCATE EARLY IN THE PROGRAM IDENTIFIED SO THAT WE CAN GO AHEAD AND PREPARE THAT AS EARLY WORK BEFORE WE GET ANY OF THE MAJOR CONTRACTS OUT THERE.

THE TWO PICTURES ON THE RIGHT ARE SOMETHING THAT YOU'VE SEEN A DIFFERENT VERSION OF PREVIOUSLY.

THIS IS BASICALLY THE OPERATION TO GO AHEAD AND TAKE THE SOIL BORINGS AND THIS IS THE AREA WE HAD SHOWN YOU BEFORE THAT WAS DOWN CLOSER TO THE LAKE.

WE NOW ARE TAKING THESE ALONG THE ENTIRETY OF THE ALIGNMENT AND THE NEXT SLIDE WILL SHOW YOU -- NEXT SLIDE, PLEASE.

THIS SHOWS YOU WHAT THAT -- BACK UP ONE, PLEASE.

THIS SHOWS YOU WHAT IT ULTIMATELY TURNS INTO.

YOU'VE GOT THE PLAN AT THE TOP THAT SHOWS THE ROUTE.

AND THEN WHAT YOU SEE IN THE SECTION AT THE BOTTOM WITH THE DIFFERENT COLORS IS THE DIFFERENT MATERIALS THAT ARE THERE THAT WE'RE FINDING AS A RESULT OF THOSE BORINGS.

THERE ARE THINGS THAT THE YELLOW PORTION IS THE AUSTIN [INDISCERNIBLE], THAT'S GREAT FOR TUNNELING AND THEN BELOW IT YOU'VE ALSO GOT SHALE WHICH IS GREAT FOR TUNNELING.

SO THIS STARTS TO GIVE US WHAT WE NEED TO BE ABLE TO GO FORWARD AND PROGRESS THE DESIGN, LOOKING AT THE BEST POSSIBLE LOCATION AND ELEVATIONS TO BE ABLE TO GET THERE AND TO BE ABLE TO DO THE TUNNELING SAFE AND EFFICIENT.

THE LOW POINT, IF YOU WILL, IS RIGHT ON THE LEFT JUST CENTER UNDER THE LAKE.

THAT'S BASICALLY WHAT CONTROLS ALL THE ELEVATIONS 245 ARE COMING BACK OUT.

SO IT'S A LITTLE BIT MORE TECHNICAL THAN WE USUALLY GET INTO; BUT I WANTED TO JUST GO AHEAD AND SHOW YOU THE KIND OF PROGRESS THAT WE'RE MAKING AND WHAT WE'RE DOING TRYING TO GET TO THE FUTURE IN PARTICULAR ON ONE OF THE MOST CHALLENGING PARTS WHICH IS THE TUNNEL.

NEXT SLIDE, PLEASE.

WE CONTINUE AS WE GO FORWARD ON THE BLUE AND ORANGE WITH THE NEPA PROCESS.

AS MR. CLARKE SAID EARLIER, WE RECEIVED THE PROJECT DEVELOPMENT FROM FTA.

AS A MATTER OF FACT, I HAD A MEETING THIS MORNING, AN HOUR LONG, THAT WE WERE TALKING ABOUT EXPO AND PLEASANT VALLEY AND AT THE SAME TIME WE TALKED ABOUT WHEN DO WE GO AHEAD AND START AND SET UP TO HAVE THE MONTHLY OR QUARTERLY MEETINGS ON BLUE AND ORANGE.

SO THAT'S A CONTINUING CONVERSATION AND I EXPECT THAT WE'RE GOING TO START THOSE IN THE NEXT MONTH OR TWO.

ANOTHER IMPORTANT THING TO AUGMENT THE FTA STAFF IS AS WE GO THROUGH THE ENVIRONMENTAL PROCESS FOR BOTH ORANGE AND BLUE AT THE SAME TIME, THEY HAVE A PROVISION CALLED 139J THAT ALLOWS US TO GO AHEAD AND PROVIDE SUPPORT TO HELP IN THAT REVIEW.

WE HAVE SELECTED KIMLEY-HORN TO GO AHEAD AND DO THAT WORK.

THEY ARE CURRENTLY WORKING WITH FTA AND AS A MATTER OF FACT THEY ARE IN TOWN YESTERDAY AND TODAY FOR BOOTS ON THE GROUND TOUR OF THE TWO LINES.

THE REST OF IT ARE THE THINGS THAT WE'RE DOING ON REPORTS, LOOKING AT PROJECTIONS BASED UPON THE BUILD SCENARIO FOR RIDERSHIP.

AND THEN CONTINUATION OF THE ARCHAEOLOGICAL AND OTHER COMPONENTS THAT WE NEED TO GO AHEAD AND COMPLETE THE OVERALL E IS PROCESS.

NEXT SLIDE.

MOVING ON SPECIFICALLY TO THE METRORAPID LINES, FOR EXPO AND PLEASANT VALLEY, WE HAVE A CONTRACT THAT IS CURRENTLY ADVERTISED.

IT'S AN IDIQ, INDEFINITE QUANTITY CONTRACT THAT WE'LL BE USING TO GO AHEAD AND BUILD THE CONCRETE STRUCTURE.

SO THAT'S ADVERTISED WITH THE EXPECTATION TO BE AWARDED IN THE OCTOBER TIMEFRAME.

WE'RE WORKING TO GO AHEAD AND GET THE DESIGN DONE TO BE ABLE TO GET THE SHELTERS FABRICATED.

AND THEN AS WE GO AHEAD AND MOVE FORWARD, ONE OF THE THINGS THAT WE DID IN PLANNING AHEAD, IS THERE WILL BE A VEHICLE CONTRACT THAT WILL COME BACK TO THE CAPMETRO BOARD FOR AWARD NEXT MONTH.

WE PUT WHAT'S CALLED AN OPTION IN THAT CONTRACT SO THERE ARE ENOUGH VEHICLES THAT WHEN THE CONTRACT IS AWARDED, WE CAN ALSO EXECUTE THE OPTIONS.

SO WE'VE GOT IN ADVANCE THOSE VEHICLES THAT CAN BE MANUFACTURED AND DELIVERED UNDER THAT CONTRACT.

SO WE DO NOT HAVE TO HAVE THE TIME TO ADVERTISE THE CONTRACT.

WE'VE ALREADY GOT IT SO THAT IT WILL BE IN PLACE.

WE CONTINUE ON A SMALL STARTS READINESS DOCUMENTS, THAT WAS PART OF WHAT WE REVIEWED THIS MORNING.

AND THAT'S A CONTINUOUS PROCESS, WHETHER IT'S PROJECT MANAGEMENT PLAN, RAMP AS MR. CLARKE MENTIONED EARLIER, AND SO ON AS WE GO THROUGH ALL OF THE REQUIRED PORTIONS IN ORDER TO BE ABLE TO GET THE FUNDING AGREEMENT IN PLACE.

WE'RE ALSO CONTINUING WITH THE REAL ESTATE AND SOME SPECIFICALLY A LOT OF DETAIL WITH THE CITY.

IN THOSE SPECIFIC LOCATIONS AND ARRANGEMENT OF A LOT OF THE SHELTERS.

IT'S SOMETHING THAT AS WE GO FORWARD, WE'RE LOOKING AT HOW WE INTEGRATE NOT ONLY THE NEW STATIONS, BUT ALSO BIKE AND PED.

SO THAT'S A CONTINUING OPERATION THAT WE'RE WORKING OUR WAY THROUGH.

THE GOLD LINE AND LAMAR, THOSE ARE ONES THAT WE'RE GOING TO BE STARTING SOON.

WE'RE GETTING READY TO GO AHEAD AND GET THE ENGINEERING AND THINGS IN PLACE TO MOVE FORWARD ON THOSE.

NEXT SLIDE, PLEASE.

ON THE RED LINE, MCKALLA STATION WE'RE WAITING FOR FTA TO APPROVE THE INCLUSION OF A SMALL AMOUNT OF LAND WE HAVE TO ACQUIRE AND 30% IS DONE AND WE'RE MOVING ON TO THE 60%.

EXTENSIVE COORDINATION WITH THE CITY IN TERMS OF WHAT WE'RE GOING DO AND HOW WE'RE GOING TO PERMIT DIFFERENT PORTIONS OF THE PROGRAM.

BROADMOOR CONTINUED WITH THE COORDINATION WITH THE NEIGHBORS.

LEANDER AND LAKE LINE, THAT SECTION IS GOING TO GO BEFORE THE AUGUST BOARD MEETING FOR APPROVAL.

AND ON THE CIRCULATORS, WE CONTINUE TO GO AHEAD AND MOVE AND ROLL OUT OTHER ONES ' WE GO ALONG.

AS YOU KNOW IT'S BEEN A VERY, VERY SUCCESSFUL PROGRAM AND THE RIDERSHIP CONTINUES TO BUILD ON EACH ONE OF THOSE LINES.

NEXT SLIDE.

THAT CONCLUDES MY PRESENTATION.

MADAM CHAIR, I'LL BE GLAD TO TAKE ANY QUESTIONS.

>> Chair: THANK YOU, MR. COUCH.

DO WE HAVE ANY QUESTIONS FROM THE BOARD?

FOR MR. CROUCH?

JUST OUT OF CURIOSITY, WITH THE DESIGN OF THE METRORAPID STATIONS, WE CURRENTLY HAVE A PROTOTYPE FOR THOSE STATIONS.

WHAT WAS -- I'M JUST TRYING TO THINK IN TERMS OF THE PARTS AND WHAT CAPITAL METRO AND JUST AS A PROGRAM WE'RE GOING TO BE MAINTAINING EACH OF THESE STATIONS.

I SEE THE DIFFERENCE IN DESIGN OF THESE PARTICULAR STATIONS THAT DEVIATES OR IS DIFFERENT FROM THE CURRENT DESIGN OF THE METRORAPID.

CAN YOU GUIDE ME A LITTLE BIT THROUGH WHAT WAS THE LOGIC THAT HAVE DESIGN?

>> MR. COUCH: THAT AS YOU SAY IS A PROTOTYPE.

WE'RE LOOKING RIGHT NOW WITH MR. MULLEN TO GO AHEAD AND COME UP WITH WHAT THE DESIGN WILL BE ULTIMATELY FOR THE STATIONS.

THAT IS A WORK IN PROGRESS THAT WE'VE GOT TO GO AHEAD AND DEVELOP SOME DIFFERENT CONCEPTS, SOMETHING THAT WILL PROVIDE THE KIND OF ACCESS AND SHADE AND OTHER AMENITIES AND WE'RE ALSO LOOK AT HOW THOSE NEW DESIGNS WOULD GET INTO WHAT THE EXISTING SYSTEM IS AND WHAT THE TYPE OF SHELTERS THAT WE CURRENTLY HAVE.

THAT IS SOMETHING THAT IS AN ONGOING PROCESS.

>> Chair: GREAT I'M THINKING IN TERMS OF MAINTAINING IT AND HAVING THE REPLACEMENT PARTS AND MAKING IT EASY FOR THE GROUP TO KEEP THEM IN TIP TOP SHAPE.

>> MR. COUCH: PRECISELY.

IT'S INTENDED TO BE SOMETHING THAT IS GOING TO BE MODULAR.

IT IS INTENDED TO BE SOMETHING THAT WE WILL KEEP IN STORAGE A CERTAIN NUMBER OF THEM SO THAT -- ACCIDENTS HAPPEN AND YOU'VE GOT TO REPLACE A SHELTER IN THE NEXT COUPLE OF DAYS, AND YOU DON'T WANT TO BE GOING BACK TO A SUPPLIER.

SO WE'LL MAINTAIN A CERTAIN STOCK SO THAT WHEN UNFORTUNATE OCCURRENCES LIKE THAT DO OCCUR, WE'LL GO AHEAD AND GET A NEW ONE ERECTED.

>> Chair: THANK YOU, I APPRECIATE IT.

DO WE HAVE ANY QUESTIONS FROM THE BOARD?

BOARD MEMBER ELKINS.

>> Elkins: THANK YOU, MADAM CHAIR, DAVE, JUST A COUPLE QUESTIONS ON THE HIRING OF KIMLEY-HORN FOR THE REVIEW OF THE EIS TECHNICAL REPORTS.

I'M ASSUMING THAT CONTRACT WOULD BE UNDER THE LIMITS OF THE EXECUTIVE DIRECTOR OR WOULD THAT BE COMING TO THE BOARD FOR APPROVAL AT A LATER DATE?

>> MR. COUCH: IT IS ACTUALLY CONTRACT THAT IS -- IT IS OVER THE APPROVAL LEVEL OF THE CONTRACT AND WENT THROUGH CAPITAL METRO BECAUSE WE DO NOT HAVE THE CONTRACTING IN PLACE YET TO DO THAT PROCESS WITH ATP.

>> Elkins: OKAY, GOT YOU.

SO THAT WILL BE THROUGH THEM AND I GUESS THERE WILL BE A REIMBURSEMENT MECHANISM TO CAPITAL METRO?

>> MR. COUCH: IT WILL ALL BE SOME OF HOW THE FUNDING MOVES ALSO BACK AND FORTH, YES.

>> Elkins: OKAY, AND I AM ASSUMING ONCE WE GET OUR PROCUREMENT POLICIES IN PLACE, I THINK WE'LL HAVE A BRIEFING ON THAT LATER, THEN THESE TYPES OF CONTRACTS WE'D BE PROCURING DIRECTLY.

AND THEN I GUESS ONE OTHER THING AND THIS MAY BE A TECHNICALITY FOR THE PROCUREMENT POLICY WHEN WE PUT IT IN PLACE.

YOU MENTIONED IDIQ CONSTRUCTION SERVICES CONTRACT.

I THINK SOME OF US KNOW THAT'S AN INDEFINITE QUANTITY.

WE DON'T KNOW HOW MUCH IT'S GOING TO BE AND WE JUST NEED TO THINK IN OUR PROCUREMENT POLICY HOW WE HANDLE IDIQ AND WHEN WE TRIGGER THE THRESHOLD FOR REPORTING THAT THERE IS A MECHANISM THAT WE GET REPORTED OR APPROVAL IF IT HITS A CERTAIN LIMIT.

IT'S MORE COMMON.

I DON'T THINK WE NEED TO DO ANYTHING RIGHT NOW.

IT'S MORE JUST A TRIGGER THAT WE NEED TO THINK ABOUT THAT.

>> MR. COUCH: IT'S THE TYPE OF CONTRACT THAT AS YOU KNOW GIVES A GREAT DEGREE OF FLEXIBILITY BECAUSE WE'LL GET THAT CONTRACT IN PLACE PRIOR TO US HAVING 100 PERCENT DESIGN.

BUT SINCE IT IS A QUANTITIES TYPE CONTRACT, THAT LETS US GO AHEAD AND START THE WORK MUCH SOONER AS OPPOSED TO WAITING UNTIL THERE IS 100 PERCENT DESIGN.

AND YES YOU'RE EXACTLY RIGHT, WITH THE APPROVAL LEVEL OF THAT AND A CONTINGENCY, THERE ARE TIMES THAT IT IS A REPORT THAT COMES BACK AND REQUIRES ADDITIONAL APPROVALS.

>> Elkins: AND THE LAST THING WAS THAT YOU MENTIONED YOUR EARLIER SLIDE, ONGOING DEVELOPMENT OF TRAFFIC ANALYSIS WILL FOCUS ON LENGTH REQUIREMENTS.

I THINK AT ONE OF THE EARLIER MEETINGS WE TALKED A LITTLE BIT OF IMPACT OF TRAFFIC GOING FORWARD ON THE TWO LINES, PARTICULARLY THE ORANGE LINE.

AND I THINK AT A LATER DATE IT MIGHT MAKE SENSE TO HAVE A SEPARATE PRESENTATION ON TRAFFIC MANAGEMENT AND HOW WE ENVISION TRAFFIC MANAGEMENT TO LOOK UNDER THE CORRIDOR AS WE GET MAYBE A LITTLE BIT MORE ADVANCE IN THE DESIGN.

>> MR. COUCH: UNDERSTAND, YES.

BE GLAD TO DO THAT.

YES.

>> Elkins:THANK YOU.

>> Chair: THANK YOU, BOARD MEMBER STRATTON.

>> Stratton: YES, GOING BACK TO THAT SLIDE WITH THE BORINGS.

THANK YOU FOR INCLUDING THAT SLIDE.

IT WAS VERY FASCINATING.

I THINK THERE IS A COMMON MISCONCEPTION THAT WITHIN AUSTIN BECAUSE YOU DON'T SEE BASEMENTS AS A COMMONALITY WITHIN RESIDENTIAL HOMES AROUND HERE, I REMEMBER GROWING UP EVERYBODY SAID WELL YOU JUST GO DOWN LIKE TWO-INCHES AND YOU HIT BEDROCK.

AND I THINK, YOU KNOW, PART OF THE DISCUSSION AS WE WERE GOING THROUGH AND PASSING THIS WAS PEOPLE SAW THIS CONCEPT OF THE TUNNEL, BUT IT DIDN'T REALLY FULLY -- AND THEY WANTED TO SEE IT, BUT IT DIDN'T REALLY FULLY TAKE HOLD OR REALLY FULLY -- A LOT OF FOLKS DIDN'T UNDERSTAND HOW THIS WAS GOING TO GO ABOUT HAPPENING.

I WAS WONDERING IF YOU COULD FLESH OUT A LITTLE BIT AS YOU'RE LOOKING AT THE BORINGS AND TAKING THE BORINGS FURTHER UP AND DOWN THE LINE AND POSING DOING THE TUNNELING FURTHER ALONG THAN WE HAD EXPECTED INITIALLY BASED ON THE GEOMETRY ASSOCIATED WITH GETTING A TRAIN FROM 4TH STREET UP ON TO A BRIDGE THAT WELL UNLESS PEOPLE LIKE RIDING A ROLLER COASTER WE'RE PROBABLY GOING TO HAVE TO KEEP IT UNDER IN THE TUNNEL WILL.

LOOKING AT WHAT YOU'RE SEEING NOW IN THE BORINGS, IS THIS COMING BACK FROM YOUR PERSPECTIVE AND YOUR EXPERIENCE AND EXPERT OPINION, ARE YOU NOW FEELING AND YOUR TEAM FEELING THAT THIS IS CONSISTENT WITH WHAT WE WERE ORIGINALLY PERCEIVING AND THINKING THAT THE SOIL AROUND AUSTIN WOULD GIVE US, AND THAT WE'RE LOOKING AT IF WE'RE GOING TO HAVE TO BUILD OUT A LONGER DISTANCE TUNNEL, THAT WE'VE GOT THE APPROPRIATE SOIL TO GO ABOUT DOING THIS AND THAT THE COSTS ASSOCIATED WITH DOING SO -- AT LEAST FROM A GEOGRAPHICAL SURVEY PERSPECTIVE AREN'T GOING TO BE OFF LINE FROM WHAT WE MIGHT THINK THEY WOULD BE?

>> MR. COUCH: IN MY EXPERIENCE IN A LOT OF OTHER PARTS OF THE COUNTRY, I'VE DONE BOTH SOFT GROUND TUNNELING, ALSO DONE HARD ROCKER, ALSO DONE DRILL AND BLAST FOR A LOT OF DIFFERENT METHODS.

ONE OF THE THINGS WE'LL PROBABLY USE ON THIS PROJECT IS A TUNNEL BORING MACHINE THAT WOULD BE CLOSED FACE.

IT WILL BE ABLE TO CUT THROUGH THE ROCK AND THEN WHEN WE GET TO A POINT WHEN WE COME UP INTO THE SOIL AREA, IT WILL BE ABLE TO HOLD THAT AND IT WILL BE STABILIZED.

SO WHAT WE'VE SEEN AND WHAT WE'VE BEEN TOLD PREVIOUS IS BASICALLY BEING VERIFIED WITH WHAT'S HERE.

IT'S SIMILAR TO WHAT WE'RE GETTING AND THE INFORMATION FROM WALLER CREEK.

SO I BELIEVE THIS IS GOING TO BE BETWEEN THE AUSTIN CHALK AND THEN INTO THE SHALE I THINK IT'S GOING TO BE A VERY, VERY GOOD TUNNELING METHOD AND I THINK IT'S GOING TO BE SOMETHING THAT GETS US TO THE POINT, PARTICULARLY WITH BEING DEEP ENOUGH UNDER THE LAKE THAT WE'RE IN GOOD ROCK.

AND THAT WE'RE GOING TO BE ABLE TO GO AHEAD AND DO THAT SUCCESSFULLY.

>> Elkins: THANK YOU VERY MUCH.

AND THANK YOU AND YOUR TEAM FOR YOUR THOROUGH NECESSARY AND NOW ADVANCING THIS FURTHER AND GETTING US ADDITIONAL INFORMATION.

THANK YOU SPECIFICALLY FOR INCLUDING THAT TECHNICAL SLIDE IN YOUR PRESENTATION. THIS AFTERNOON.

>> MR. COUCH: YOU'RE WELCOME.

>> Chair: THANK YOU.

AND ANYBODY ELSE HAVE ANY QUESTIONS?

I THINK THAT YOUR SLIDE -- THE TECHNICAL SLIDE THAT SHOWS THE SECTION OF THE PROFILE OF THE BORING SECTIONS MAY HELP IF MS. PAN TELL IS STILL ON WATCHING THE MEETING.

IT MAY HELP EXPLAIN ALSO SOME OF HER CONCERNS OF WHY AND HOW WE'RE TUNNELING.

AND ONE THING THAT IT'S ALSO IMPORTANT TO CLARIFY IS THAT THIS IS EXACTLY THE PROCESS WE HAVE TO GO THROUGH IN ANALYZING AS WE GO THROUGH DESIGNING 15% DESIGN AND 30% DESIGN AND AS WE MOVE FORWARD, WE'RE GOING TO DISCOVER NEW THINGS AND WE'RE GOING TO HAVE TO PIVOT AND ALTER OUR -- THE DESIGN DECISIONS TO DEAL WITH REAL WORLD CONDITIONS.

AND SO IF ANYTHING THAT YOU WOULD LIKE TO ADD, MR. COUCH, IN RESPONSE TO HER -- HER GENERAL QUESTION WAS, YOU KNOW, WHY GO WE NEED TO HAVE SO MUCH MORE TUNNELING AND I KNOW WE TALKED ABOUT IT LAST TIME IN TERMS OF THE GRADING

CHANGES, BUT IF ANYTHING THAT YOU WOULD LIKE TO SHARE FOR HER KNOWLEDGE AND TO ANSWER HER CONCERN?

>> MR. COUCH: I THINK THE MAJOR THING THAT IS THERE, REALLY HAS TO DO WITH US HAVING THE UNDERGROUND TUNNEL THAT IS AT REPUBLIC SQUARE.

AND THEN BEING ABLE TO GO AHEAD AND GET FROM THAT DEPTH BASICALLY IF WE WERE TO GET BACK TO A BRIDGE.

WHAT UNFORTUNATELY HAPPENS, AND IT'S BECAUSE OF THE GRADE, IS THAT THERE ARE SERIES OF VERY HEAVY UTILITIES IN 3RD AND ALSO IN 2ND STREET AND AS YOU GO BACK TO GRADE FROM AN UNDERGROUND TUNNEL THE RESULT WOULD HAVE BEEN WE WOULD HAVE HAD TO CLOSE 2ND STREET TO THROUGH TRAFFIC.

THAT THEN WOULD HAVE STARTED US TO TRY TO GET UP AND OVER CESAR CHAVEZ TO A BRIDGE.

WHEN YOU LOOK AT WHAT THOSE COMPLICATIONS ARE WITH THE UTILITIES, WHEN YOU LOOK AT WHAT THERE WITH RESPECT TO THE CLOSURE OF A MAJOR STREET LIKE 2ND, THOSE ARE THE REASONS WE WENT TOWARDS THE TUNNEL THAT GOES UNDER THE LAKE.

THERE IS ALSO A PIECE ON THE SOUTH SIDE OF THE LAKE.

IF WE HAD GONE OVER IN A BRIDGE, THE AREA THAT IS RIGHT THERE ON RIVERSIDE AND AROUND TO CONGRESS, THAT AREA IS A FLOODPLAIN.

WE WOULD HAVE NOT ONLY HAD TO GO OVER WITH A BRIDGE, WE ALSO WOULD HAVE HAD TO CONTINUE WITH AN AERIAL STRUCTURE ACROSS RIVERSIDE AND THEN PART OF THE WAY UP SOUTH CONGRESS.

SO THERE IS COMPLICATIONS ON BOTH SIDES OF THE LAKE THAT HAVE DRIVEN US TO THIS DECISION TO GO THIS WAY.

>> Chair: THANK YOU.

AND I THINK THAT THE SECOND PART OF HER QUESTION AND YOU MAY NOT BE READY TO ANSWER AT THIS TIME.

SO PLEASE CORRECT ME OR STOP ME IF I'M TAKING THINGS OUT OF TIMING FOR PRESENT TO GO THE PUBLIC, BUT ANY CHANGES THAT ARE HAPPENING IN TERMS OF ADDITIONAL TUNNELING THAT WOULD COST MORE FOR US TO IMPLEMENT MEANS THAT IT'S ALL WITHIN OUR FUNDING MECHANISM, IT'S NOT THAT WE'RE ASKING THE VOTERS FOR ADDITIONAL MONEY, BUT WE HAVE TO MAKE IT WORK WITHIN OUR CONSTRAINTS, CORRECT?

>> I CAN ANSWER THAT PART, CHAIR.

SO WE HAVE NO INCLINATION OR CONCEPT WORKING WITH STAFF THAT WE WILL COME BACK TO THE COMMUNITY AND ASK FOR ADDITIONAL REVENUE FROM TAXES.

SO WE ARE GOING TO MAKE THIS PROGRAM WORK BASED ON WHAT WE COMMITTED TO THE VOTERS.

SO WE HAVE, AS DAVE MENTIONED, THAT IS A TECHNICAL DRIVEN DESIGN PART ON THE TUNNEL.

WE ALSO HAVE MULTIPLE SECTIONS OUT THERE WE'RE LOOKING FOR COMMUNITY INPUT ON.

SO WE HAVE A LONG AND A SHORT TUNNEL ON SOUTH CONGRESS.

WE NEED THE COMMUNITY'S INPUT ON THAT PROCESS THERE. IS PROS AND CONS TO BOTH OF THEM THERE. IS A LONGER TUNNEL TOWARDS MLK ON THE NORTH SIDE AS AN EXAMPLE.

THERE ARE THOSE TYPES OF ELEMENTS THAT WE NEED THE COMMUNITY TO BE PART OF AND WE'LL CONTINUE TO ADVANCE THE ENGINEERING AND CONCEPTS WORKING IN CONJUNCTION WITH OUR CITY PARTNERS.

SO WHEN WE GET TO NEXT SUMMER, WE'LL HAVE A 30% DESIGN AND THEN AT THAT POINT WE'LL HAVE GOOD COST ESTIMATES.

SO RIGHT NOW WE'RE STILL IN THE ROUGH ORDER OF MAGNITUDE -- YOU KNOW, WE'RE GOING TO BE BRINGING TO YOU 30% DESIGN ON RED LINE, METRORAPID, THOSE KIND OF THINGS.

ONCE YOU GET TO THAT LEVEL OF ENGINEERING AND DESIGN AND COMMUNE INPUT, NOW HAVE FOUNDATIONAL COST ESTIMATES AND I THINK ONE THING WE'LL CONTINUE TO WORK WITH THE COMMUNITY AND THE BOARD AND OTHERS ON IS THE BUDGET AND THE DIFFERENCE BETWEEN COST ESTIMATES.

I KNOW FRANK AND ALLEY ARE UP NEXT.

THE BUDGET IS ANNUAL AND COST ESTIMATES ARE A DIFFERENT COMPONENT.

BUT WE HAVE NO INCLINATION OF BRINGING ANYTHING FURTHER TO THE VOTERS FOR ADDITIONAL FUNDING.

THERE IS GOING TO BE OPPORTUNITIES ON REVENUE SIDE THAT WE NEVER EXPECTED WITH WHAT'S GOING THROUGH THE FEDERAL SIDE RIGHT NOW.

WE MAY HAVE COST SAVINGS ON OTHER COMPONENTS.

WE DO HAVE OTHER RED FLAGS THAT ARE OUT THERE THAT WE HAVE TO BE HONEST WITH THE COMMUNITY ABOUT.

REAL ESTATE PRICE NECESSARY THE CITY OF AUSTIN HAVE GONE UP 30% SINCE THE START OF THE YEAR.

SO IF A RESIDENTIAL HOME OR BUSINESS HAS GONE UP 30%, THE RIGHT-OF-WAY HAS GONE UP 30% AS WELL.

INFLATION ON CONSTRUCTION COSTS, IF ANYONE IS DOING ANY HOME RENOVATIONS OR PARKS OR ANYTHING LIKE THAT, THEY UNDERSTAND INFLATION NARY PRESSURES.

WE HAVE TO SEE WHAT IS TRANSITORY VERSUS WHAT IS FIXED.

WE HAVE TIME ON ALL OF THOSE THINGS.

SO REALLY BY LATE NEXT SPRING OR SUMMER, WE ARE GOING TO BE IN A REALLY [INDISCERNIBLE] POINT FOR THIS BOARD USING A RISK ANALYSIS PROCESS TO SAY HOW DOES THE FRAMING OF THE WHOLE PROGRAM SIT IN THE AFFORDABILITY OF WHERE THE FUNDING IS. AND WHAT NEW SOURCES COULD BE IN VERSUS NEW COSTS.

>> Chair: THANK YOU.

AND I THINK AT THAT TIME WE'LL ALSO BE ABLE TO GET A BETTER UNDERSTANDING FROM THE FEDERAL PERSPECTIVE AND WHAT THEY'D BE ABLE TO HELP US IN OUR MATCHING GRANTS, CORRECT?

>> YES.

>> Chair: SO I THINK -- DOES ANYBODY HAVE ANY MORE QUESTIONS?

THANK YOU, MR. CLARKE.

WE'RE GOING TO MOVE ON NOW TO AN UPDATE FROM MS. REDRICK, BUT I ALSO LEARNED THAT MS. RUTLEY WHO WAS ONE OF OUR COMMUNITY SPEAKERS IS BACK ON THE LINE.

AND SO IF SHE CAN HEAR US, WE'RE GOING TO HAVE THE PRESENTATION FROM MS. REDRICK AND THEN WE'LL GIVE YOU THREE MINUTES TO SPEAK.

SO OUR NEXT PRESENTER WILL BE -- I LOST MY PLACE IN THE SCRIPT.

WE'LL HAVE OUR DIRECTOR OF PROCUREMENT, REDRICK WITH THE LOOK AHEAD FOR THE MONTHLY ADMINISTRATIVE UPDATE.

WELCOME, MS. REDRICK.

>> THANK YOU, MADAM CHAIR.

GOOD AFTERNOON BOARD MEMBERS AND DIRECTOR CLARKE.

THIS IS JUST A QUICK CALENDAR UPDATE TO TALK ABOUT WHERE WE ARE OR WHERE WE HOPE TO BE I SHOULD SAY FROM A PROCUREMENT PERSPECTIVE PENDING APPROVAL OF BOARD ACTION NEXT MONTH ON OUR POLICY.

SO OF COURSE TODAY FOLLOWING THE COMMENTS, I'LL GIVE A BRIEFING ABOUT OUR BOARD PROCUREMENT POLICY AND PROCEDURES AND THEN TOMORROW I'LL ALSO PRESENT TO THE FINANCE AND RISK ADVISORY COMMITTEE TO TALK ABOUT THE PROCUREMENT POLICY AND GUIDELINES AND ADDRESS ANY CONCERNS OR QUESTIONS THAT THEY MAY HAVE.

BY THE 25TH, THE PLAN IS TO GIVE THE BOARD A COPY OF THE PROCUREMENT -- POLICY AND GUIDELINES SO YOU HAVE AN OPPORTUNITY TO REVIEW AND PROVIDE COMMENTS PRIOR TO THE SEPTEMBER 15TH BOARD WHEN WE'RE COMING BACK ASKING TO YOU ADOPT THE POLICIES AND GUIDELINES.

HOPEFULLY ONCE THAT IS ADOPTED IN MID SEPTEMBER, THAT WE WILL ACTIVELY START SOLICITING IN THE NAME OF AUSTIN TRANSIT PARTNERSHIP.

SO WE'LL BEGIN OUR PROCESS AND SHORTLY THAT HAVE IN OCTOBER, WE WILL BRING TO YOU THE ON-CALIFORNIA LEGAL SERVICES CONTRACT.

WE RECEIVED PROPOSALS IN TODAY ON THAT AT TWO O'CLOCK.

AND HOPEFULLY WE'LL BE ABLE TO BRING THOSE TO YOU IN OCTOBER FOR THE BOARD TO APPROVE, AWARD THOSE LEGAL SERVICES CONTRACTS.

SO SHORTLY I'LL GIVE YOU AN OVERVIEW OF THE POLICY AND GUIDELINES FOR PROCUREMENT.

>> Chair: THANK YOU, MS. REDRICK.

>> THANK YOU.

ANY QUESTIONS OR CONCERNS ABOUT THE PROCUREMENT CALENDAR AND WHERE WE ARE?

>> Chair: THANK YOU SO MUCH.

DO WE HAVE MS. RUTLEY ON THE LINE?

>> YES, I'M HERE.

>> Chair: WELCOME BACK.

THANK YOU FOR STICKING WITH US THROUGH THESE TECHNICAL GLITCHES AND YOU HAVE THREE MINUTES, MA'AM.

>> THANK YOU SO MUCH.

WELL THANK YOU AND GOOD AFTERNOON.

THIS IS MY FIRST TIME PRESENTING BEFORE THE BOARD.

AND AS STATED, MY NAME IS SHANTESE RUTLEY THE DIRECTOR OF OUTREACH AND COMMUNITY ENGAGEMENT FOR THE AUSTIN AREA URBAN LEAGUE.

THE URBAN LEAGUE MISSION IS TO PROVIDE TOOLS TO AFRICAN-AMERICANS AND UNDERSERVED POPULATIONS TO BUILD A FOUNDATION FOR SOCIO AND ECONOMIC EQUALITY.

AND ALIGNING WITH THIS MISSION, THE AUSTIN URBAN LEAGUE HAS JOINED FORCES WITH THE ATX MOBILITY COALITION WHO ARE MOST KNOWN FOR ADVOCATING SUCCESSFULLY FOR THE IMPLEMENTATION OF \$300 MILLION OF ANTI-DISPLACEMENT FUNDING.

SO TODAY I COME TO ASK YOU TO DOUBLE DOWN ON YOUR EQUITY PRINCIPLES AND IMPLEMENTATIONS INTO THE PROCESSES AND PROCEDURES OF PROJECT CONNECT. ONE WAY IS BY PROVIDING ADEQUATE TIME FOR COMMUNITY ENGAGEMENT WHEN IT COMES TO THE JOINT POWERS AGREEMENT.

ADDITIONALLY, THE INTEGRATION OF THE ATX MOBILITY COALITION'S COMMUNITY ENGAGEMENT PRINCIPLES ACROSS THE ENTIRE PROJECT, WHICH WILL ENSURE THAT COMMUNITY ENGAGEMENT STAYS AT THE FOREFRONT OF NOT ONLY THE JPA, BUT ALL OTHER NUANCES OF THE PROJECT.

SO IF YOU HAVE ANY QUESTIONS OR CONCERNS, PLEASE DO NOT HESITATE TO REACH OUT TO SHANTESE RUTLEY.

THANK YOU SO MUCH FOR YOUR TIME.

>> Chair: THANK YOU, MS. RUTLEY, FOR BEING INTERESTED IN THIS PROGRAM AND FOR REACHING OUT TO US.

>> ABSOLUTELY.

>> Chair: DO WE HAVE ANY QUESTIONS FROM THE BOARD FOR MS. RUTLEY?

GREAT, THANK YOU SO MUCH.

SO IF WE DON'T HAVE -- SO WE'RE GOING TO MOVE ON NOW TO OUR ACTION ITEMS.

OUR FIRST ACTION ITEM TODAY IS THE APPROVAL OF THE MINUTES FROM THE JUNE 16TH, AND THE JULY 21ST, 2021 AUSTIN TRANSIT PARTNERSHIP BOARD MEETINGS.

HAS EVERYONE HAD A CHANCE TO READ AND REVIEW THE MINUTES?

>> YES.

>> Chair: GREAT.

AND IF I COULD HAVE A MOTION TO APPROVE AND A SECOND.

MAYOR ADLER, MOTION TO APPROVE.

AND DO I HAVE A SECOND?

SECOND BY MR. ELKINS.

EVERYONE IN FAVOR, SAY AYE.

OR RAISE YOUR HAND.

MAKE SURE YOU'RE ON CAMERA.

AND THERE ARE NO NAYS, CORRECT?

GREAT.

THE MEETING MINUTES HAVE BEEN APPROVED UNANIMOUSLY.

WE'RE GOING TO MOVE ON TO OUR SECOND ACTION ITEM, THE APPROVAL OF A RESOLUTION ADOPTING THE A AUSTIN TRANSIT PARTNERSHIP DIVERSITY, EQUITY AND INCLUSION STATEMENT.

>> I'LL MAKE THE MOTION, MADAM CHAIR.

>> Chair: THANK YOU, DR. BURNETTE.

DO I HAVE A SECOND?

SECOND, BY MAYOR ADLER.

EVERYONE IN FAVOR, PLEASE SAY AYE.

(AFFIRMATIVE RESPONSES)

>> Chair: THANK YOU.

THERE ARE NO NAYS.

OUR POLICY HAS BEEN APPROVED UNANIMOUSLY.

SO THIS CONCLUDES OUR TWO ACTION ITEMS FOR THIS MEETING.

SO NOW WE'RE GOING TO MOVE ON TO OUR DISCUSSION ITEMS.

THE FIRST IS A PROCUREMENT POLICY BRIEFING.

AND AGAIN WE'RE GOING TO HAVE OUR DIRECTOR FOR PROCUREMENT, WELCOME BACK AGAIN, MS. REDRICK.

>> THANK YOU SO MUCH.

SO THIS IS JUST A HIGH LEVEL OVERVIEW OF THE DOCUMENT THAT YOU'LL RECEIVE ON THE 25TH.

IT'S OUR PROCUREMENT POLICY AND GUIDELINES.

THE MAIN THING THAT I WANT TO POINT OUT IS THAT THE PROCUREMENT POLICIES AND GUIDELINES ARE BASED ON BEST PRACTICES IN THE INDUSTRY, AS WELL AS COMPLIANCE WITH LOCAL, STATE AND FEDERAL LAW.

THE BIG THING IS THAT IT PROTECTS THE INTEGRITY OF THE PROCUREMENT PROCESS.

IT TALKS ABOUT THE DOS AND DON'TS DURING THE PROCUREMENT PROCESS.

IT TALKS ABOUT ETHICS FROM BOTH AN ORGANIZATIONAL AND FROM A PROCUREMENT PERSPECTIVE.

ONE OF THE BIG THINGS THAT IT TALKS ABOUT IS COMMUNICATIONS, JOINT AND ACTIVE SOLICITATION, AND BEFORE SOLICITATION AND THEN IT COVERS ORGANIZATIONAL CONFLICTS OF INTEREST.

IT PROVIDES CONSISTENCY IN SOURCING, AND WHEN WE HAVE CONSISTENCY IN SOURCING, IT MINIMIZES THE POSSIBILITY OF HAVING A PROTEST SO THAT WE DON'T HAVE PROBLEMS AWARDED OUR CONTRACTS.

AND IT'S COMPLIANT WITH THE FTA GUIDELINES ON PROCUREMENT SYSTEM REVIEWS.

THERE ARE ABOUT 63 ITEMS ON THAT LIST, AND OUR PROCUREMENT POLICY AND GUIDELINES IS COMPLIANT WITH THAT.

WE HAVE HAD A CURSORY REVIEW FROM FTA REGION 6.

WE'VE HAD TWO OUTSIDE ATTORNEYS LOOK AT THE POLICY AND GUIDELINES.

WE'VE HAD ONE LOCAL ATTORNEY AND THEN WE'VE HAD ALSO AN ATTORNEY WHO SPECIALIZES IN FTA GUIDELINES.

NEXT SLIDE, PLEASE.

SO WHEN WE TALK ABOUT THE COMPLIANCE PIECE, WE ARE LOOKING AT THE VARIOUS TEXAS TRANSPORTATION CODES, THE TEXAS GOVERNMENT CODES FROM A FEDERAL PERSPECTIVE, WE'RE LOOKING AT 2 CFR PART 200 WHICH COVERS ALL OF THE PROCUREMENT RULES AND REGULATIONS.

WE'RE LOOKING AT THE FTA MASTER AGREEMENT, AND THEN THE FTA CIRCULAR 4220.1F WHICH IS A GUIDE FOR THIRD PARTY CONTRACTING WHEN YOU'RE DEALING WITH ANY FEDERAL FUNDING AS FAR AS PROCUREMENTS GO.

NEXT SLIDE, PLEASE.

AND SO WHEN YOU LOOK AT THE WAY THAT WE HAVE THIS BROKEN OUT, WE HAVE POLICY, GUIDELINES AND WE HAVE ADD ADMINISTRATION.

THE POLICIES PRETTY MUCH GO OVER OUR OBJECTIVES AND TALKS ABOUT THE PROCUREMENT METHODS, AND TALKS ABOUT REMEDIES THAT OUR CONTRACTORS AND CONSULTANTS HAVE IF THEY HAVE ANY ISSUES WITH OUR PROCUREMENTS AND THEN OF COURSE IT TALKS ABOUT ETHICS AND THEN YOUR CONFLICTS OF INTEREST.

AND SO THAT WILL BE IN THE FIRST FOUR CHAPTERS THAT WE TITLED POLICY.

AND IN THE POLICY, THE WAY THAT WE HAVE IT WRITTEN INTO THE DOCUMENT IS THAT ANYTHING THAT CHANGES WITHIN POLICY THAT WE COME BACK TO OUR BOARD OF DIRECTORS FOR APPROVAL TO MAKE ANY OF THOSE CHANGES.

THEN WE HAVE THE GUIDELINES WHICH WILL BE CHAPTERS 5 THROUGH 9 OF THE DOCUMENT.

THIS PIECE GOES INTO YOUR CONTRACT SPECIFICATION, IT TALKS ABOUT COST PRINCIPLES AND CONTRACT ADD ADMINISTRATION.

ALL OF THESE THINGS WHICH ARE REQUIRED BY THE FTA AND THEY LOOK AT WHEN THEY DO THEIR SYSTEMS REVIEW OR AUDIT.

SO WHEN WE ASK YOU TO ADOPT THIS IN SEPTEMBER, WE WILL BE ASKING FOR YOU TO ADOPT BOTH THE POLICIES AND THE GUIDELINES.

THE GUIDELINES WE WILL BE ABLE TO CHANGE THOSE AT A STAFF LEVEL IF SOMETHING NEEDS TO BE CHANGED, OF COURSE WITH LEGAL REVIEW AND AGREEMENT ON MAKING ANY CHANGES.

THE LAST SECTION WE HAVE IS AN ADMINISTRATION MANUAL.

AND THAT DOCUMENT IS SORT OF A PROCUREMENT HOW TO THAT TALKS TO THE PROCUREMENT STAFF ABOUT HOW TO DO THINGS, USING THE CHECKLISTS SO WE MAKE SURE WE DON'T MISS ANY STEPS ABOUT DOCUMENTING THE HISTORY OF THE ENTIRE PROCUREMENT PROCESS, THE ADMINISTRATION, CLOSING OUT THE CONTRACT, AND WORKING WITH OUR INTERNAL PARTNERS.

SO THAT DOCUMENT DOES NOT COME BACK TO THE BOARD FOR APPROVAL, BUT WE JUST WANTED TO TIE IT TOGETHER TO LET YOU KNOW THAT WE HAVE POLICY GUIDELINES AND WE HAVE THAT ADMINISTRATIVE MANUAL. NEXT SLIDE, PLEASE.

AND THEN JUST SOME OF THE HIGHLIGHTS AND SOME OF THE THINGS THAT WE'VE HEARD AS WE'VE BEEN TALKING ABOUT THE POLICY IS, ONE, IT ENCOURAGES INNOVATION.

IT ALLOWS SOURCE AND FLEXIBILITY.

IT DOESN'T TIE US TO JUST DOING ONE TYPE OF PROCUREMENT METHOD.

IT ALLOWS FOR BOTH PERFORMANCE AND COST INCENTIVES BASED ON THE NEEDS OF THE BUSINESS AND BASED ON THE PARTICULAR SOLICITATION.

IT ALSO ALLOWS EVALUATION CRITERIA FLEXIBILITY.

FOR INSTANCE, IF WE ARE DOING A SOLICITATION FOR PROFESSIONAL SERVICES, WE'RE GOING TO WON'T THAT CRITERIA DIFFERENT FROM SOMETHING -- A SOLICITATION THAT IS DOING A TUNNEL.

SO WE WANT TO BE ABLE TO DO PROCUREMENTS BASED ON THE SOLICITATION TYPE.

WE HAVE THE ABILITY TO DO SOLE SOURCING. WE HAVE THE ABILITY FOR SOMEONE TO SUBMIT AN UNSOLICITED PROPOSAL.

SO THE PROCUREMENT POLICIES AND GUIDELINES GO INTO ALL THESE THINGS.

AND ONE OF THE BIG THINGS THAT IT DOES IS SUPPORTS THE DIVERSITY, EQUITY AND INCLUSION POLICY, WHICH YOU'LL HEAR COURTNEY TALK ABOUT A LITTLE BIT LITTER.

NEXT SLIDE, PLEASE.

AND SO WHEN YOU LOOK AT THE POLICY AND THE GUIDELINES, SOME OF OUR MAIN OBJECTIVES ARE TO PROVIDE FOR PUBLIC CONFIDENCE IN THE INTEGRITY AND THOROUGHNESS AND ACCOUNTABILITY OF OUR PROCUREMENT PROCESS.

SO WE COVER ALL OF THOSE THINGS WITHIN THE DOCUMENT SO IF SOMEONE IS DOING BUSINESS WITH ATP AND THEY WANT TO KNOW WHY OR HOW WE'RE DOING THINGS, THEY CAN USE THIS DOCUMENT AS A GUIDE TO UNDERSTAND WHAT WE'RE DOING AND WE HAVE IT DOCUMENTED SO THAT WE'RE CONSISTENT TIME AND TIME AGAIN WITH WHAT WE'RE DOING.

THE OTHER THING IS WE WANT TO MAKE SURE WE ARE ENSURING FAIR AND EQUITABLE TREATMENT OF ALL PERSONS WHO ARE DOING BUSINESS WITH AUSTIN TRANSIT PARTNERSHIP AS FAR AS THE PROCUREMENT PROCESS GOES.

WE PROMOTE CONTRACTING OPPORTUNITIES FOR DBE'S, MBE'S, ALL OF THE VARIOUS SMALL AND MINORITY-OWNED BUSINESSES.

PROMOTE POSITIVE RELATIONSHIPS THROUGH COURTESY AND BEING IMPARTIAL.

AND ONE OF THE MAIN REQUIREMENTS FOR FEDERAL DOLLARS AS WELL AS ANY GOVERNMENT DOLLARS, IT FOSTERS FULL AND OPEN COMPETITION.

AND IT CREATES AN ENVIRONMENT OF ACCOUNTABILITY AND TRANSPARENCY THAT WE CAN SHARE WITH OUR STAKEHOLDERS, OUR VOTERS, WITH OUR PUBLIC.

NEXT SLIDE, PLEASE.

AND AS WE TALK ABOUT HOW WE SUPPORT THE DIVERSITY, EQUITY AND INCLUSION POLICIES AND HOW COURTNEY AND I WILL WORK TOGETHER AND COLLABORATE, WE COLLABORATE THROUGHOUT THE ENTIRE CONTRACT LIFE CYCLE.

WHEN YOU LOOK AT STARTING WITH THE PRE-SOLICITATION PHASE, ONCE WE RECEIVE A REQUISITION, WE SEND THAT SCOPE AND THEN THAT COST ESTIMATE OVER TO COURTNEY SO THAT SHE CAN EVALUATE AND START THE GOAL-SETTING PROCESS.

BASED ON THE SCOPE AND AVAILABILITY OF MINORITY CONTRACTORS OR THAT PARTICULAR SCOPE.

DURING THE SOLICITATION PHASE, WHEN WE PUT A SOLICITATION ON THE STREET, WE HAVE EXHIBITS WITHIN OUR CONTRACT THAT FOCUS SOLELY ON THE DIVERSITY, EQUITY AND INCLUSION AND MINORITY AND SMALL BUSINESSES.

FOR EVALUATION CRITERIA, WE DEI PORTION IS NOT AVERAGE, IT'S ADDITIVE.

SO WHILE ALL OF THE TECHNICAL PROPOSALS, THEY'LL BE AVERAGED BASED ON THE CRITERIA, BUT THE DEI IS ADDITIVE.

SO THAT GIVES YOU AN INDICATION THAT AS WE'RE GOING THROUGH, THAT DEI SCORE MEANS A LOT TO THOSE BUSINESSES.

WE HAVE WHAT'S CALLED AN INTENT TO PERFORM THAT'S INCLUDED IN THOSE DOCUMENTS, WHICH ALLOWS THE CONSULTANTS AND CONTRACTORS TO TELL US HOW THEY INTEND TO USE THEIR MINORITY SUPPLIERS AND THEY GIVE US A DOLLAR.

THAT INFORMATION IS TRACKED THROUGHOUT THE LIFE OF THAT CONTRACT.

SO WHEN THEY GIVE US THOSE DOLLARS, WE LOOK AT THEM AT THE SOLICITATION PHASE WHEN THEY SUBMIT A SOLICITATION.

AS WE GO INTO THE POST-AWARD PHASE AND WE'RE LOOKING AT THOSE, THEY HAVE A MONTHLY VENDOR PAYMENT REPORT WHERE THEY REPORT TO US HOW MUCH THEY PAID TO THEIR MINORITY SUPPLIERS AND WE'RE TRACKING THAT AGAINST WHAT THEY TOLD US ON THEIR INTENT TO PERFORM TO SEE HOW THEY ARE MEETING THOSE GOALS OF THE DBE OR MINORITY PARTICIPATION GOALS.

SO THOSE ARE JUST SOME OF THE WAYS THAT COURTNEY AND I WILL WORK TOGETHER.

WE'LL DO EDUCATION AND ENGAGEMENT, EXPLAINING TO THE COMMUNITY HOW TO DO BUSINESS WITH ATP.

HOW TO CONTACT COURTNEY AND WORK WITH OUR DEI DEPARTMENT AS FAR AS LOCATING AND ENGAGING MINORITY SUPPLIERS.

SO IT WILL BE AN ONGOING PROCESS THROUGHOUT THE LIFE OF ANY CONTRACT THAT WE HAVE.

SO I BELIEVE THAT'S MY LAST SLIDE.

IF THERE ARE ANY QUESTIONS OR COMMENTS, I'LL BE MORE THAN HAPPY TO TAKE THOSE AT THIS TIME.

>> Chair: THANK YOU, MS. REDRICK.

BOARD MEMBER ELKINS.

>> Elkins: YES, THANK YOU, MADAM CHAIR.

VICKI, FIRST OF ALL I WANT TO SAY IT'S GREAT TO HAVE YOU ON BOARD.

SOMEBODY WITH YOUR EXPERIENCE, REALLY HAPPY YOU'RE HERE.

I GET EXCITED ABOUT PROCUREMENT.

I LOVE TALKING ABOUT IT.

IT'S DRY TO SOME FOLKS, BUT IT'S REALLY IMPORTANT.

SO SEEING YOUR SLIDES AND A LOT OF THE BUZZ WORDS THAT YOU HAVE IN THERE ARE THINGS THAT I REALLY THINK ARE IMPORTANT.

WE CAN'T DO PROCUREMENT IN A VACUUM.

WE NEED FEEDBACK FROM THE MARKET.

SO THE MORE FEEDBACK WE GET FROM THE CONSTRUCTION FIRMS, THE ENGINEERING FIRMS, THE CONSULTANTS OUT THERE, THE BETTER THE PROCUREMENTS ARE GOING TO BE FOR OUR INDIVIDUAL PROJECTS WITHIN THE PROGRAM.

SO THAT'S GREAT.

UNSOLICITED PROPOSAL I THINK ARE REALLY IMPORTANT. SO WE NEED TO ADVERTISE THAT WE HAVE AN UNSOLICITED POLICY, HOW IT WORKS, HOW PEOPLE WOULD GET SELECTED.

SO THAT KIND OF GETS BACK INTO INNOVATION.

WE WANT TO GET A LOT OF INNOVATION AND I LIKE WHAT YOU SAID ABOUT REWARDING INNOVATION.

FOR ME, REWARDING INNOVATION COMES THREW IN WHAT'S CALLED ATC'S, ALTERNATIVE TECHNICAL CONCEPTS.

WE NEED TO BE OUT THERE TELLING THE MARKET THAT WE ARE OPEN TO ATC'S AND IF ACCEPTED, WE'LL BE IMPLEMENTED IN THAT TEAM'S SPECIFIC PROPOSAL AND I THINK A LOT OF INNOVATION AND COST SAVINGS COULD COME THROUGH IN THESE ATC'S.

SO ALL THAT IS GREAT.

TRANSPARENCY -- AND I THINK THE OTHER THING, TOO, I KNOW WE TOUCHED UPON THIS, VICKIE, IN ONE OF OUR EARLIER MEETINGS.

DBE GOALS ARE OBVIOUSLY VERY IMPORTANT.

I'D LIKE US TO THINK ABOUT HOW WE CAN CREATE A CARROT AND STICK APPROACH WITH DBE GOALS. WE'LL SET A GOAL OF X PERCENT, BUT IF A TEAM IS ABLE TO EXCEED THAT PERCENTAGE, YOU KNOW HOW TO THEY GET REWARDED FOR THAT?

AND CONVERSELY, IF THEY ARE UNDER THE TARGET, WHAT ASSOCIATED PENALTIES, IF ANY, ARE APPROPRIATE?

AND THAT WAY MAYBE WE CAN PUSH PEOPLE TO DO MORE THAN THE DBE TARGET WE'VE SET.

AND WE JUST NEED TO THINK ABOUT HOW WE CAN DO THAT.

CAN WE DO THAT WITHIN THE CONSTRAINTS OF THE FEDS, BUT SOMETHING TO THINK ABOUT.

>> YES.

AND THANK YOU FOR THAT COMMENT.

AND COURTNEY AND I HAVE BOTH BEEN COMMUNICATING WITH OUR CONTACTS AT REGION 6 DISCUSSING THESE THINGS.

SO WE WILL HAVE SOMETHING TO BRING BACK TO YOU HOPEFULLY BY NEXT WEEK ON THAT SUBJECT AND TALK ABOUT SOME IDEAS ON MAYBE HOW -- WHAT WE CAN DO AND WHAT WE CAN'T DO.

SO THANK YOU FOR THAT.

>> MADAM CHAIR --

>>

>> Chair: YES, DR. BURNETTE.

>> Burnette: I ECHO WHAT BOARD MEMBER TONY ELKINS SAID.

AND HE ACTUALLY TOUCHED ON A QUESTION THAT I HAD.

WHAT HAPPENS WHEN THEY ARE NOT IN COMPLIANCE?

YOU DON'T HAVE TO ANSWER THAT NOW, BUT I THINK -- IT'S PROBABLY GOING TO BE SPELLED OUT.

I JUST WANT TO BE SURE THAT THAT IS SPELLED OUT, LIKE WHAT HAPPENS WHEN SOMEONE IS NOT IN COMPLIANCE IN MEETING THE TARGETS.

AND I REALLY LIKE THE CONCEPT OF WHEN SOMEONE EXCEEDS THE TARGETS, THAT SHOULD BE LIKE AN INCENTIVE.

I LIKE THE CARROT AND STICK APPROACH.

>> COURTNEY AND I WILL GET TOGETHER AND PUT TOGETHER A DOCUMENT BASED ON OUR CONVERSATIONS WITH FTA AND WE'LL GET THAT INFORMATION BACK.

>> Burnette: THEN DO WE BUILD A LIST OF POTENTIAL SUPPLIERS THAT ARE DBE'S OR WHERE IS THAT?

WHAT'S THE SOURCE OF THAT?

>> I KNOW MS. [INDISCERNIBLE] WOULD LIKE TO ANSWER THIS.

>> COURTNEY, YOU WANT ME TO ANSWER THIS?

WHEN WE'RE TALKING ABOUT DBE SPECIFICALLY, WE HAVE A DATABASE CALLED THE TEXAS UNIFIED CERTIFICATION DATABASE.

AND YOU CAN SEARCH IT BY WORK CODES AND OTHER LOCATIONS, OTHER CRITERIA TO IDENTIFY WHERE RANKED WHO IS AVAILABLE FOR WORK PRODUCTS.

SO THAT'S ONE PLACE.

IN ADDITION WE USE OTHER DATA THAT MAY BE AVAILABLE TO US, CENSUS DATA.

WE LEARN BY LISTENING TO THE COMMUNITY OF WHO IS AVAILABLE AND WHO MAY BE AVAILABLE TO MOVE INTO THE DBE PROGRAM TO BE CERTIFIED.

SO THERE IS A LOT OF DIFFERENT SPACES.

BUT FOR A PRIME CONTRACTOR WHO WANTS TO HIRE A DBE ON A CONTRACT, THAT DATABASE IS THEIR PRIMARY SOURCE.

>> Burnette: IS THERE SOMETHING LIKE THAT AVAILABLE ON A NATIONAL SCALE?

>> THAT'S AN EXCELLENT QUESTION.

I ACTUALLY DON'T KNOW THE ANSWER TO THAT OFFHAND.

I KNOW THAT EVERY STATE HAS THEIR OWN DIRECTORIES, BUT I DON'T KNOW IF THERE IS NATIONAL THAT PULLS IT ALTOGETHER, BUT I CAN FIND OUT.

>> Burnette: ARE WE ONLY INTERESTED IN THOSE IN TEXAS?

>> SO WE DO HAVE TO LOOK AT WHAT OUR MARKET AREA IS WHEN WE'RE SETTING GOALS AND OURS WOULD BE TEXAS SPECIFIC, BUT WE INVITE PEOPLE --

>> Burnette: I MEAN FOR SUPPLIERS.

>> NO, WE CAN ALSO LOOK BEYOND TEXAS.

>> THAT'S A GREAT QUESTION, DR. BURNETTE.

BECAUSE I KNOW THIS IS JUST, FOR INSTANCE IN TERMS OF PROCUREMENT FOR DESIGN, OUR FIRMS -- MOST OF THE FIRMS THAT PURSUE THESE KINDS OF PROJECTS ARE NATIONAL FIRMS.

SO THE OUTREACH IS ALREADY OUT THERE FOR -- TO INVITE THEM TO PARTICIPATE, BUT YOUR QUESTION, DR. BURNETTE, IS SPECIFIC TO WHEN YOU SAY SUPPLIERS, IS THE PEOPLE THAT WOULD ACTUALLY GET TO BUILD IT AND GIVE US THE MATERIALS FOR THE SYSTEM?

>> Burnette: OF THE PRIME CONTRACTORS.

THERE HAS TO BE A LIST SOMEWHERE ON A NATIONAL LEVEL.

JUST LIKE WE'RE LOOKING AT THE SUBCONTRACTORS, I WANT US TO THINK BIGGER OR ARE WE JUST FOCUSING ON THE SUBS OF MINORITIES OR PEOPLE OF COLOR.

LET'S STRETCH OURSELVES, BECAUSE LIKE YOU SAID THOSE ARE GOING TO MOST LIKELY NOT BE IN THIS GENERAL AREA.

THOSE LARGER PROVIDERS OR LARGE SUPPLIERS.

I'M TRYING TO USE YOUR TERMINOLOGY, THE LARGER SUPPLIES.

>> MAYBE I CAN MAKE A COMMENT ON THAT TO GIVE SOME CLARITY.

HOPEFULLY IT DOESN'T MAKE IT LESS CLEAR.

SO THE DIFFERENT SUPPLIER VERSUS SAY CONTRACTOR. SO ON THE SUPPLIER SIDE, THERE ARE DBE LINKAGES ALL ACROSS THE COUNTRY.

THE WHOLE SUPPLY CHAIN.

WE GO TO BUY A RAIL VEHICLE, THE RAIL VEHICLE WILL HAVE 50 SUPPLIERS THAT WORKS FOR A PRIME -- WHAT WE CALL A BUILDER.

SO A RAILCAR BUILDER.

[INDISCERNIBLE] IT DOESN'T MATTER.

SOME OF THE SEATS AND SECURITY CAMERAS AND ON AND ON AND ON, AND THEY ALREADY KNOW GENERALLY SPEAKING WHO THE DBE SUPPLY CHAIN IS IN THE COUNTRY.

BECAUSE WE'RE NOT THE ONLY -- NOT ONLY THAT, WE'RE NOT EVEN THE BIG LARGE PEOPLE THAT BUY VEHICLES.

IF WE END UP WITH 75 VEHICLES, IT MIGHT SEEM BIG TO AUSTIN, BUT THAT IS VERY SMALL COMPARED TO NEW YORK OR CHICAGO.

THAT IS A PRETTY WELL ESTABLISHED IN OUR INDUSTRY.

AND THINGS LIKE APTA, THE NATIONAL TRADE ASSOCIATION HAS AN ENTIRE GROUP FOR BUSINESS BOARD MEMBERS -- BUSINESS MEMBERS.

AND INSIDE THAT THEY HAVE DBE SUBCOMMITTEES AND ALL OF THOSE APTA EVENTS ARE A GOOD NETWORKING OPPORTUNITIES TO CREATE SUPPLIER CONNECTIONS.

WHEN IT COMES TO THE CONTRACTOR SIDE, AS COURTNEY SAID, OBVIOUSLY WE'RE FOCUSING AS BEST WE CAN ON LOCAL BECAUSE WE WANT THE JOB TO BE LOCAL WITHIN FEDERAL LAW AS BEST WE CAN, BUT CLEARLY THERE WILL BE FIRMS THAT PARTICIPATE THAT DO WORK IN MULTIPLE LOCALES.

SO PART OF WHAT WE'RE GOING TO DO AND I THINK GREG WILL MENTION THIS IS LITTLE BIT, WE WILL BE GOING FORWARD WITH A FINANCIAL RISK ANALYSIS PROCESS TO BRING SOMEONE IN TO HELP US ANALYZE PROGRAMMATIC CALORIES BE AND ONE OF THE THINGS WE WANT TO BE ABLE TO DO IS NOT JUST COST AND SCHEDULE BUT ALSO DBE PARTICIPATION.

SO HOW WE DIVIDE THE CONTRACTS UP IS A COMPLICATED MATRIX.

IF WE PUT THE ORANGE LINE OUT AS ONE CONTRACT, THERE IS VERY LITTLE PEOPLE THAT ARE GOING TO BE ABLE TO BID ON THAT. IF WE PUT IT OUT WE MIGHT DO CIVIL CONTRACTS WHICH IS DIFFERENT FROM SYSTEMS.

WE MAY DO ORANGE LINE NORTH VERSUS ORANGE LINE SOUTH, WE MAY DO TUNNEL FINISHING.

ALL OF THOSE HAVE COSTS, SUPPLY CHAINS AND A LONG WAY TO SAY THAT THAT ANALYSIS WILL HAPPEN OVER THE COURSE OF THE NEXT YEAR SO THEN WHEN WE COME TO ENGAGE THE BOARD AND IT GOES BACK TO WHAT I SAID TO THE CHAIR EARLIER, THE 30% TIMEFRAME IS WHERE A LOT OF THIS STARTS COMING TOGETHER.

WE HAVE A BETTER SENSE OF TRUE COMMUNITY-DRIVEN DESIGN, COST FRAMEWORK, REVENUE OPPORTUNITIES AND THE CONTRACTING METHODOLOGIES THAT WILL BEST GIVE THE BEST BANG FOR THE BUCK BUT ALSO ARTICULATE ALL THE VALUES YOU ARE ADOPTS LIKE THINGS WITH D-E-I, WORKFORCE, ALL OF THOSE TYPES OF THINGS.

SO HOPEFULLY DR. BURNETTE THAT IS NOT TOO LONG WINDED THE.

IT'S A COMPLEX WAY TO SAY WE WANT AS MANY LOCAL JOBS AS POSSIBLE, BUT EVERYONE IN THE WORLD HAS BEEN RINGING OUR PHONES RELATED TO CONTRACTORS.

THEY WANT TO KNOW ABOUT THE PROGRAM. WE ARE ON THE NATIONAL RADAR ON PEOPLE WHO ARE GETTING INTERESTED IN PROCUREMENTS AT ATP.

>> Burnette: I DON'T WANT TO BE MISUNDERSTOOD. I'M SUGGESTING AS MANY LOCAL JOBS AS POSSIBLE,ED AND NOT SUGGESTING IMPORTING IN -- [INDISCERNIBLE] THAT'S NOT WHERE I'M GOING WITH THAT AT ALL.

SUPPORT THAT FULLY.

WHERE WE GOING IS THAT WE CAST OUR NET WIDE AND BROAD AND WE DON'T -- BECAUSE A LARGER CONTRACTOR OR SUPPLIER IS GOING TO EMPLOY PEOPLE LOCALLY.

>> THAT'S CORRECT, YEAH.

AND WHEN WE CUT THE CONTRACTS -- THE BIGGEST OF THE BIGGEST CONTRACTS, THERE ARE ONLY X AMOUNT OF FIRMS IN THE WORLD [INDISCERNIBLE], BUT THEY'LL PROBABLY HAVE 7, 12, SUBS AND COULD BE FOUR OF THOSE ARE DBE'S PER PROJECT.

SO I THINK AS WE GO THROUGH THIS PROCESS ONE OF THE THINGS WE'RE GOING TO DO IS NOT ONLY TAKE BOARD MEMBERS TO DIFFERENT CITIES TO DEEP DIVE IN THEIR PROGRAM, BUT BRING CASE STUDIES BACK TO THE BOARD TO SAY HERE IS HOW CONTRACTING WORKS IN ONE PLACE AND HERE IS PROS AND CONS.

SO WE'RE -- THIS IS THE WHOLE PROCESS OF STARTING THE PROCUREMENT PROCESS, BUT THEN BUILD ALL OF OUR EDUCATIONAL PROCESS FOR YOU ALL HAVE TO MAKE PRETTY COMPLICATED DECISIONS AT SOME POINT.

>> Burnette: SO THANK YOU.

I APPRECIATE THAT RESPONSE.

AND IT WASN'T TOO LONG, IT WAS GOOD.

MADAM CHAIR, ONE LAST COMMENT THAT I HAVE.

AND VICKIE, IN YOUR PRESENTATION, WORDS HAVE POWER.

I WOULD PREFER THAT WE SAY THAT THE PURCHASING POLICY IS NOT THAT IT SUPPORTS THE DEI POLICY, BUT IT ABIDES BY.

BECAUSE I THINK THAT'S -- I'M SURE THAT'S THE INTENTION IS THAT WE'RE ABIDING BY THAT.

IT SHOULDN'T BE SUPPORTING IT, IT SHOULD BE ABIDING BY IT.

>> THANK YOU FOR THAT.

>> Chair: THANK YOU, DR. BURNETTE AND THANK YOU, VICKI.

DO WE HAVE ANY MORE QUESTIONS?

I LOOK FORWARD TO SEEING THE POLICY.

THANK YOU SO MUCH.

>> THANK YOU.

>> Chair: NEXT WE'RE GOING TO HAVE A BRIEFING ON THE DISADVANTAGED BUSINESS ENTERPRISE PROGRAM BY OUR DIRECTOR OF EQUITY, AND DBE, MS. COURTNEY CHAVEZ.

>> HI, GOOD AFTERNOON, EVERYONE.

THANK YOU AND SO TO CONTINUE OUR CONVERSATION THAT WE JUST STARTED, DR. BURNETTE.

WE'RE GOING TO DO A BRIEF OVERVIEW TO STEP BACK AND TALK ABOUT WHAT THE DBE PROGRAM IS AND THEN GET A LITTLE BIT DEEPER INTO GOAL SETTING AND HOW AND WHY WE'RE DOING IT AS WELL AS SOME OF THE NEEDS THAT WE'RE GOING TO BE ASKING THE BOARD TO DO INCLUDING APPROVING A GOAL AT THE NEXT BOARD MEETING.

AND WALKING THROUGH THAT PROCESS WITH YOU.

AND SO TO START OFF, THE DBE PROGRAM ITSELF IS A FEDERAL PROGRAM.

IT'S A FEDERAL REGULATION PROGRAM WHERE ALL OF THE REQUIREMENTS FOR HOW WE ARE INTENDED TO IMPLEMENT, MONITOR AND ADMINISTER THE PROGRAM ARE LAID OUT IN 49 CODE OF FEDERAL REGULATIONS PART 26.

SIT A VERY DETAILED REGULATION AND THAT IS THE BASELINE REQUIREMENTS AND WHAT WE NEED TO SET UP TO HAVE A STANDING COMPLIANT DBE PROGRAM.

NEXT SLIDE.

AND SO TERMINOLOGY IS IMPORTANT.

IT WAS IMPORTANT IN OUR CONVERSATION A LITTLE BIT EARLIER.

IT'S IMPORTANT HERE.

WHEN WE'RE TALKING ABOUT THE DBE PROGRAM, WE DO USE LANGUAGE THAT IS FOUND IN THE REGULATIONS THEMSELVES.

AND SO YOU'LL SEE US REFERRING TO DBE AS SOCIALLY AND ECONOMICALLY DISADVANTAGED BUSINESSES.

WE USE TERMS LIKE RACE CONSCIOUS AND RACE NEUTRAL.

FOR DBE CERTIFICATION WHEN WE'RE TALKING ABOUT SOCIALLY AND ECONOMICALLY DISADVANTAGED INDIVIDUALS, U.S. DOT HAS IDENTIFIED PRESUMPTIVE GROUPS WHO ARE IDENTIFIED IN THAT CAPACITY WHICH INCLUDES USING LANGUAGE OF WOMEN, BLACK

AFRICAN-AMERICANS, HISPANIC AMERICANS, ASIAN PACIFIC ISLANDERS AND -- I APOLOGIZE, I LEFT MY LIST.

[INDISCERNIBLE] ASIAN PACIFIC AMERICANS AND OTHERS WHO MAY NOT BE LIST IN THE THAT CATEGORY WHO CAN STILL APPLY TO THE PROGRAM.

NEXT SLIDE.

THE PROGRAM ITSELF IS DESIGNED TO HAVE FOUR KEY ELEMENTS TO IT.

ONE IS THE PROGRAM DOCUMENT, WHICH OUTLINES HOW WE INTEND TO RUN THE PROGRAM.

WITHIN THAT WE IDENTIFY OUR CAPACITY AND OUR MECHANISMS FOR MONITORING COMPLIANCE AND OVERSIGHT OF OUR CONTRACTING COMMUNITY WHO ARE WORKING ON OUR CONTRACTS.

WE HAVE A PORTION FOR GOAL-SETTING METHODOLOGY WHICH INCLUDES BOTH THE OVERALL DBE GOAL THAT WE EXPECT OVER THE YEAR AS WELL AS HOW WE INTEND TO REACH THOSE GOALS.

AND THEN SEMI-ANNUAL REPORTING WHICH MEANS THAT SEMIANNUALLY WE ARE REPORTING OUT OUR OUTCOMES, OUR ACCOMPLISHMENTS AND IF WE DID NOT MEET OUR GOALS, WE DO EXPLAIN WHY.

NEXT SLIDE.

AS PART OF THE DOCUMENT ITSELF, WE HAVE TO MAKE SURE THAT ALL OF THESE DIFFERENT TOPICS ARE COVERED.

SO THE POLICY STATEMENT IS OUR COMMITMENT AS AN AGENCY TO CONFIRM THAT WE INTEND TO IMPLEMENT THE PROGRAM EFFECTIVELY AND EFFICIENTLY FROM THE HIGHEST LEVELS ALL THE WAY.

THAT WE INCLUDE STANDARD CONTRACT ASSURANCES WHEREIN EVERY CONTRACT WITH ANY PRIME CONTRACTOR OR SUBCONTRACTOR, WE INCLUDE MECHANISMS FOR NONDISCRIMINATION CLAUSES AND PROCESSES THAT THEY MUST ABIDE BY CONTRACTUALLY TO ENSURE THAT OUR CONTRACTORS ARE IMPLEMENTING THE DBE PROGRAM AS WE SET IT OUT.

THERE IS A DBE LIAISON OFFICER WHICH IS THE POINT OF CONTACT FOR ANY SMALL BUSINESS REALLY, THOUGH PRIMARILY THE DBE'S THEMSELVES TO CHAT TO IF THERE IS A PROBLEM OR CONCERN OR QUESTIONS ABOUT THE PROGRAM ITSELF.

WE HAVE PROMPT PAY AND [INDISCERNIBLE] PROVISIONS MEANING WE'RE ABIDING BY NOT ONLY FEDERAL REGULATIONS BUT ALSO LOCAL, AND STATE REGULATIONS AND LAWS THAT PROVIDE A TIMELINE FOR WHEN ANY BUSINESS, ANY SMALL BUSINESS NEEDS TO BE PAID OUT

BY THEIR PRIME CONTRACTOR BECAUSE WE DON'T WANT PAYMENT TO BECOME A BARRIER TO SUCCESS FOR ANY DBE OR OTHER SMALL BUSINESS.

WE HAVE TO LAY OUT GOOD-FAITH EFFORT CRITERIA, WHICH CARRIES THROUGH THE ENTIRE LIFE OF THE CONTRACT.

SO IS IF WE'RE LOOKING PRE-BID, LIKE VICKIE WAS EXPLAINING EARLIER.

IF WE SET A GOAL IN A CONTRACT AND A PRIME CONTRACTOR BIDDING SAYS THEY CAN'T MEET THAT GOAL, THEY HAVE TO PROVIDE US CLEAR DOCUMENTATION AND EXPLANATION AS TO WHY THEY CAN'T MEET THAT GOAL AND THEN WE AS A TEAM WILL EVALUATE WHETHER WE AGREE OR NOT AND THEN WHETHER WE CONSIDER THE BID PROPOSAL COMPLIANT OR NOT.

IN ADDITION, AS YOU'RE LOOKING THROUGH THE CONTRACT ITSELF, THERE ARE ADDITIONAL MECHANISMS FOR GOOD FAITH WHEREAS WE'RE MONITORING THE WORK ON THE CONTRACT, WHERE CIRCUMSTANCES COME UP AND A PRIME CONTRACTOR DETERMINES THAT THEY NEED TO REMOVE OR WANT TO TERMINATE A DBE, WE ACTUALLY CREATE MECHANISMS WHERE THEY CANNOT DO THAT WITHOUT OUR APPROVAL.

AND SO THEY MUST COME TO US WITH INFORMATION AS TO WHY.

IF WE, IN THAT EVALUATION, DETERMINE THEY CAN REMOVE A DBE, THEY HAVE TO PUT IN A GOOD FAITH EFFORT TO REPLACE WITH ANOTHER DBE.

WE HAVE ADDITIONAL MONITORING MECHANISMS LIKE VICKI MENTIONED ABOUT ENSURING THAT THE APPROPRIATE PAYMENTS ARE GOING TO THE DBE'S, THAT THEY ARE DOING THE WORK THEY WERE HIRED TO DO, AND THAT ALL THE [INDISCERNIBLE] ARE BEING FOLLOWED AND ALL THE CONTRACTUAL OBLIGATIONS ARE BEING MET. THERE IS ALSO A SMALL BUSINESS PROVISION WHICH IS IN TERMINOLOGY OF RACE CONSCIOUS AND RACE NEUTRAL THIS IS THE RACE NEUTRAL PORTION OF THE DBE PROGRAM WHERE THE FEDERAL GOVERNMENT IS ASKING US TO CREATE MECHANISMS THAT ENSURE THAT ALL SMALL BUSINESSES BEYOND DBE'S ALSO HAVE EQUAL ACCESS TO OUR CONTRACTS.

AND THEN GOAL-SETTING, WHICH IS A TWO-STEP PROCESS.

NEXT SLIDE.

SO GETTING INTO GOAL-SETTING MORE SPECIFICALLY, THE PURPOSE OF GOAL-SETTING IS TO REALLY EVALUATE THE CIRCUMSTANCES IN OUR COMMUNITY TO DETERMINE WHAT PERCENTAGE OF OUR CONTRACTS OVER THE FISCAL YEAR ARE EXPECTED TO GO TO DBE'S.

AND SO IT HAS TO BE BASED ON DEMONSTRABLE EVIDENCE.

WE NEED TO BE ABLE TO EXPLAIN WHY WE SEE THE NUMBERS THE WAY THAT THEY ARE.

AND THEN BUILD OUT AN OVERALL GOAL THAT WILL BE SOMETHING THAT WE WORK TOWARDS FOR THE YEAR.

NEXT SLIDE.

WHEN WE'RE CREATING THAT GOAL, WE HAVE THE TWO-STEP PROCESS.

STEP ONE IS CREATING THE BASE FIGURE. THAT IS PREDOMINANTLY A MATHEMATICAL CALCULATION WHERE WE'RE LOOKING AT OUR EXPECTED PROCUREMENTS DURING THE FISCAL YEAR.

WE'RE BREAKING IT DOWN BY WORK GROUPS AND THEN WORK CODES SO WE CAN THEN IDENTIFY WHAT DBE'S ARE AVAILABLE TO DO THAT WORK WITHIN OUR MARKET AREA WHICH FOR US THAT WOULD BE TEXAS.

AND THEN WE DIVIDE THAT NUMBER BY ALL THE FIRMS THAT ARE AVAILABLE IN OUR MARKETING AREA TO GET THAT BASELINE NUMBER.

WE DO WEIGHT IT BASED ON THE AMOUNT THAT'S BUDGETED FOR EACH WORK CODE TO MAKE SURE WE GET A MORE ACCURATE PERCENTAGE.

NEXT SLIDE.

STEP 2 IS THE PROCESS OF ADJUSTING OUR BASE FIGURE.

AND SO THIS IS WHERE WE TAKE OUR BASELINE FIGURE THAT WE'VE DETERMINED AND THEN WE DO ADDITIONAL EVALUATIONS.

WE LOOK AT DISPARITY STUDIES AND THAT GOES BEYOND ANY CAPMETRO ATP AVAILABILITY STUDY WE DO. WE SHOULD ALSO BE LOOKING AT OTHER STUDIES THAT HAVE RECENTLY BEEN DONE IN OUR REGION.

WE HAVE A [INDISCERNIBLE] INVOLVEMENT DISCUSSIONS WITH INTERESTED PARTIES SO TALKING TO LOCAL CHAMBERS, BUSINESS OWNERS, ANYONE WHO HAS AN INTEREST IN THE PROGRAM ITSELF TO GATHER INFORMATION AND FEEDBACK ON HOW THEY VIEW THE PROGRAM, WHAT THEY'RE SEEING IN THE CONTRACTING COMMUNITY SO THAT WE CAN THEN DETERMINE WHETHER OR NOT WE NEED TO SHIFT OUR NUMBER BASED ON THAT FEEDBACK.

BEFORE WE SHIFT THE NUMBER, WE ACTUALLY NEED TO CLEARLY IDENTIFY THE METHODOLOGY OF WHY WE DECIDED TO SHIFT FROM OUR INITIAL BASELINE GOAL TO THIS NEW ADJUSTED GOAL.

AND THEN WE CREATE AN OVERALL CALCULATION THAT'S BROKEN UP INTO A RACE CONSCIOUS PORTION AND A RACE NEUTRAL PORTION.

SO TO MAKE THAT EASIER TO UNDERSTAND, THE RACE NEUTRAL PORTION IS WHAT WE EXPECT TO OCCUR ON A PROJECT ABSENT OUR REAL EFFORT.

AND SO IT'S MORE OF THE ORGANIC AS LONG AS WE ARE ALERTING PEOPLE OF THE EXISTENCE OF THESE PROJECTS AND TELLING THEM HOW TO BID, THEY ARE GOING TO BE ABLE TO GET ON TO OUR CONTRACTS.

THE RACE CONSCIOUS PORTION IS WHAT WE ARE ABLE TO DO SPECIFICALLY FOR DBE'S WHICH GOES TO CONTRACT GOAL SETTING, WHICH MEANS THAT ON EVERY INDIVIDUAL CONTRACT THAT COMES THROUGH AND I'M EVALUATING, I'M LOOKING TO SEE IF I CAN SET THAT RACE CONSCIOUS GOAL THAT WILL REQUIRE A PRIME TO USE DBE'S FOR THAT PERCENTAGE AMOUNT.

NEXT SLIDE.

SO MOVING INTO HOW WE GET INTO OUR OWN ATP-SPECIFIC GOAL AND PROGRAM.

OUR FIRST STEP IS TO START WITH ADOPTING CAPMETRO'S BASELINE GOAL.

AND SO I'LL TELL YOU WHY WE SELECTED CAPMETRO'S AND WALK THROUGH THAT A BIT NEXT.

ATP DOESN'T HAVE A HISTORY YET OF GOAL-SETTING AND SO WE DON'T HAVE ANYTHING THAT WE CAN RELY ON ON OUR OWN.

BECAUSE CAPMETRO IS IN OUR REGION AS A TRANSIT AGENCY THAT WE'RE VERY CLOSELY CONNECTED TO, WE CAN UTILIZE THEIR GOAL AS OUR STARTING POINT.

FROM THERE, IT WILL ALLOW US TO SET GOALS ON CONTRACTS.

IT WILL ALLOW US TO GET A DBE PROGRAM UP AND STANDING AND SO IT WILL ALLOW US TO MOVE FORWARD ON ADJUSTING THE BASELINE GOAL OVER THE NEXT YEAR, WHICH IS WHERE STEP 2 COMES IN.

WE'RE GOING TO BE UTILIZING AVAILABILITY AND DISPARITY STUDIES, GOING THROUGH EVERY STEP OF THE PROCESS TO REEVALUATE NOT ONLY WHERE WE ARE CURRENTLY, BUT WHERE WE SEE OURSELVES HEADING OVER THE NEXT FEW YEARS WITH PROCUREMENT SO WE CAN MAKE SURE OUR GOAL IS ACCURATE BASED ON ATP CONTRACTS BECAUSE OUR CONTRACTS WILL SHIFT.

(This is overlap of Cheryl's)

THEY WILL BE DIFFERENT FROM CAPMETRO IN THE FUTURE ESPECIALLY WHEN WE'RE TALKING ABOUT CONSTRUCTION AND HEAVY CIVIL CONSTRUCTION OF SUBWAY BUILDS.

SO OUR GOAL IS BY NEXT SUMMER WE'LL BE ABLE TO PROPOSE A ATP-SPECIFIC GOAL BASED ON ALL THAT INFORMATION AND ALL OF THAT REVIEW AND ALSO PUBLIC DISCUSSION.

SO THAT WE CAN USE THAT MOVING FORWARD.

SIMULTANEOUSLY, EVEN THOUGH I HAVE IT AT STEP 4 AND STEP 5, IT'S REALLY DONE SIMULTANEOUSLY THAT THROUGHOUT THIS YEAR WE'RE ALSO GOING TO BE SETTING UP THE BUSINESS OPPORTUNITY PROGRAMS WORKING VERY CLOSELY WITH VICKIE ON THE PROCUREMENT SIDE TO UNDERSTAND WHAT PIECES OF THE CONTRACTS WE CAN TARGET

THEY WILL BE DIFFERENT FROM CAPMETRO IN THE FUTURE, ESPECIALLY WHEN WE TALK ABOUT HEAVY CIVIL CONSTRUCTION OF SUBWAYS.
SO OUR GOAL IS BY NEXT SUMMER WE WILL BE ABLE TO PROPOSE AN ATP-SPECIFIC GOAL BASED ON ALL THAT INFORMATION AND ALL OF THAT REVIEW AND ALSO PUBLIC DISCUSSION. SO THAT WE CAN USE THAT MOVING FORWARD.
SAME SIMULTANEOUSLY, EVEN THOUGH IT'S STEP FOUR AND STEP FIVE, IT'S DONE SIMULTANEOUSLY THROUGHOUT THIS YEAR WE'RE ALSO GOING TO BE SETTING UP THE BUSINESS OPPORTUNITY PROGRAMS, WORKING CLOSELY WITH VICKI ON THE PROCUREMENT SIDE TO UNDERSTAND WHAT PIECES OF THE CONTRACTS WE CAN TARGET FOR SMALL BISSETT ASIDES IF POSSIBLE, WHAT WE CAN DO AS A TEAM TO ENSURE INFORMATION IS SHARED OUT

TO OUR DBEs, WHAT WE CAN DO TO BUILD OUT AND BRING MORE DBEs INTO THE PROGRAM.
NEXT SLIDE.

SO WHAT WE WILL BE ASKING YOU TO DO AT THE NEXT MEETING IS FOR -- TO ALLOW US TO
ADOPT CAPMETRO AS 19% AS OUR BASELINE FIGURE GOAL.

I CAN WALK YOU THROUGH BRIEFLY WHAT CAPMETRO DID WHICH THEY DID FOLLOW THE FTA
GUIDELINES OF HOW TO REACH THE GOAL.

SO THEIR FIRST STEP WAS TO EVALUATE THEIR OWN PROCUREMENTS FROM FY '20 TO '22.
THEY LOOKED AT THE WORK CODES AND DIVIDED IT BY DBEs, DBEs DIVIDED BY ALL FIRMS, IN
ORDER TO GET THAT OVERALL NUMBER FOR THAT BASELINE FIGURE.

NEXT SLIDE.

AND THEN THEY ALSO WENT THROUGH THE PROCESS TO ADJUST THAT FIGURE.
HAVING CONVERSATIONS WITH LOCAL CHAMBERS, HAVING CONVERSATIONS WITH
COMMUNITY STAKEHOLDERS AND ALSO PROVIDING A 30-DAY PUBLIC COMMENT PERIOD FOR
ANYONE INTERESTED IN PROVIDING FEEDBACK.

NEXT SLIDE.

SO ALL OF THAT WAS INFORMATION ABOUT WHAT WE NEED TO DO TO JUST GET A PROGRAM
STANDING.

THIS IS THE COMPLIANCE PIECE OF IT TO MAKE SURE THAT WE CAN MOVE FORWARD WITH
THIS -- WITH THE DBE PROGRAM ITSELF.

BEYOND THAT, ONCE WE CAN STANDING AND MOVING FORWARD, THERE ARE A LOT OF
ADDITIONAL PIECES THAT WE'RE GOING TO BE BUILDING IN.

SO, YES, WE WOULD MONITOR COMPLIANCE, MAKE SURE THAT EVERYONE IS TREATED THE
WAY THEY NEED TO BE TREATED.

AND BEING PAID EFFECTIVELY AND MOVING THEIR PROJECTS FORWARD.

WE'LL TRACK DBE PARTICIPATION.

REPORT OUT UTILIZATION RATES AS REQUIRED BUT ON TOP OF THAT WE'LL BE DEVELOPING
EDUCATIONAL OPPORTUNITIES, WE'LL BE MAKING SURE THAT THAT DBEs AND OTHER
BUSINESSES KNOW HOW TO DO BUSINESS WITH ATP LIKE VICKI WAS MENTIONING.

WE'RE GOING TO DEVELOP MENTORING PROGRAMS TO ENSURE THAT WE UNDERSTAND HOW
TO BUILD CAPACITY AND SO THE PORT DBEs TO MAKE SURE THEY HAVE CAPACITY BUILDING
AND GROWTH OPPORTUNITIES.

WE CAN FIND AND KEEP NEGOTIATING INNOVATIVE WAYS TO WORK WITH PROCUREMENTS
AND SEE WHAT WE CAN DO THERE.

WE HAVE PLANS TO CONNECT WITH USDOT AND FTA ON WHAT WE CAN DO BEYOND THE DBE
PROGRAM TO EXPAND ACCESS.

AND MOST IMPORTANTLY, WHICH I THINK BOARD MEMBER ELKINS, YOU MENTIONED THIS, IS
THE FEEDBACK LOOPS.

SO WE WILL HAVE AN OPPORTUNITY TO REALLY CONNECT DEEPLY WITH THE CONTRACTED
COMMUNITY TO UNDERSTAND WHAT CHALLENGES THEY HAVE.

NOT JUST WITH DBEs BUT WITH CONTRACTING IN GENERAL.

WHAT THEY'RE SAYING, WHAT THE CHALLENGES ARE AND ALSO USING OUR OWN
COMMITTEES THAT HAVE BEEN SET UP TO DO THIS AS WELL.

AND I BELIEVE THAT IS MY LAST SLIDE.

AND SO I KNOW THAT THERE ARE PROBABLY QUESTIONS ABOUT THE DBE PROGRAM.

IT IS A COMPLEX, VERY WORDY REGULATION BUT I'M HAPPY TO ANSWER THEM.

>> Chair: THANK YOU SO MUCH.

ANY QUESTIONS?

MR. ELKINS?

>> Tony Elkins: THANKS, MADAM CHAIR.

THANKS, COURTNEY.

I KNOW THERE'S A LOT THAT'S GOING TO GO INTO THIS DBE POLICY.

YOU MENTIONED ONE THING WHICH IS KIND OF -- I THINK YOU ALLUDED TO.

WHAT WE CLEARLY WANT TO DO IS WE MY HAVE A DBE BASE RIGHT NOW THAT'S X.

HOW DO WE MAKE THAT BASE BIGGER?

THAT'S THROUGH PERHAPS APPRENTICE PROGRAMS, THINGS LIKE THAT.

WHAT THINGS CAN WE DO NOW THROUGH THE VARIOUS COMMUNITY COLLEGES, THE OTHER SCHOOLS, TO KIND OF GET FOLKS THE NECESSARY SKILLS SO THAT THEY'RE ELIGIBLE TO BID ON THESE PROJECTS AND WORK ON THESE PROJECTS AS DBEs IN A COUPLE YEARS WHEN THEY COME OUT TO BID.

WE DON'T NEED TO HAVE THE ANSWERS BUT THE MORE WE CAN DO TO KIND OF INCREASE THE BASE NOW GIVEN THAT WE'VE GOT A COUPLE OF YEARS, OBVIOUSLY THE BETTER OFF WE WILL BE.

THE OTHER THING YOU MENTIONED IS MOVING IMPEDIMENTS FOR DBEs.

ONE OF THE BING ONES IS INSURANCE.

A LOT OF CONTRACTORS CAN GO WRAP-UP INSURANCE AND THINGS LIKE THAT WHERE THEY CAN BOND DOWN TO THE SUB.

SO WHEN WE CAN THINK OF WAYS AND PROMOTE CONTRACTORS TO -- REMOVING IMPEDIMENTS THESE DBEs CAN PLAY, THAT'S TO ALL OF OUR BENEFIT.

JUST THINGS TO THINK ABOUT.

THANK YOU.

>> Chair: THANK YOU.

DR. BURNETTE?

>> Colette Pierce Burnette: TONY IS READING MY NOTES.

I WAS GOING TO SAY MUCH OF THE SAME THING.

I APPRECIATE THE WORK THAT YOU AND VICKI PUT INTO THIS.

REALLY CLEAR A LOT OF THOUGHT.

I REALLY APPRECIATE THAT.

I JUST WANT TO RE-EMPHASIZE BROADENING THAT BASE AND MAKING SURE THAT WE'RE COMMUNICATING WHAT WE'RE DOING, NOT ASSUME THAT OTHERS KNOW WHAT WE'RE DOING.

SO I JUST REALLY WANT TO CONTINUE TO PUSH THAT, SO THAT PEOPLE ARE AWARE.

SIMILAR TO WHAT WE DO NOW WITH THE COMMUNITY ENGAGEMENT, IF WE HAD THAT KIND OF INVOLVEMENT ON THIS, WE WOULD HAVE LIFTED THE BAR FOR AUSTIN IN GENERAL.

THAT WOULD BE A WONDERFUL THING.

>> COURTNEY: I'VE TAKEN NOTE OF THAT, AND I AGREE.

>> Chair: THANK YOU, DR. BURNETTE.

IF I UNDERSTAND THIS CORRECTLY, THE 19% THAT WE'RE ESTABLISHING USING CAPITAL METRO'S POLICY, CURRENT POLICY, IS A STARTING POINT BUT IT ALSO MEANS THAT THIS IS

NOT A MINIMUM REQUIREMENT.

I MEAN, IT IS A MINIMUM REQUIREMENT, IT JUST DOESN'T CAP THEM.

25%, 30%, 45% MINORITY PARTICIPATION.

>> COURTNEY: YES.

IF I CAN PROVIDE SOME CLARITY.

THE 19% IS THE OVERALL -- THE EXPECTATION FOR THE WHOLE YEAR OF WHAT THE DBE PARTICIPATION WILL BE.

SO WITHIN THE YEAR WE LOOK AT CONTRACTS COMING THROUGH EVERY PROCUREMENT THAT COMES THROUGH AND WE UTILIZE THOSE PROCUREMENTS, RACE CONSCIOUS GOALS TO REACH THAT OVERALL DBE GOAL ANNUALLY.

IT BECOMES A CALCULATION.

SO THE 19% IS THE ANNUAL GOAL THAT CAPMETRO IDENTIFIED THROUGH THEIR PROCESSES AS WHAT THEY EXPECTED TOTAL PARTICIPATION TO BE ON THEIR CONTRACTS THROUGH FISCAL YEAR '20 AND AGAIN THROUGH '21 AND AGAIN IN FISCAL YEAR '22.

THEY ARE GOING THROUGH THE SAME PROCESS WHERE WE LOOK AT WHETHER THAT GOAL IS STILL ACCURATE FOR THEM AND WE HAVE TO LOOK AT WHETHER WE NEED TO RAISE THE GOAL BASED ON ADDITIONAL EVIDENCE AND WHAT OUR PROCUREMENTS WILL LOOK LIKE.

>> Chair: THIS IS REALLY CUMULATIVE FOR ALL THE CONTRACTS.

IT'S NOT JUST ONE CONTRACT SPECIFIC THAT THEY HAVE TO MEET THESE --

>> COURTNEY: THAT'S CORRECT.

CUMULATIVE FOR ALL THE CONTRACTS AND WHAT WE EXPECT FOR THE ENTIRE FISCAL YEAR OF WHAT DBEs WILL PARTICIPATE ON.

WE USE THE CONTRACT-SPECIFIC GOAL SETTING AS A MECHANISM TO REACH THAT OVERALL ARCHING GOAL.

>> Chair: AND IS THIS THE VALUE OF THE CONTRACT?

NOT THE NUMBER OF CONTRACTS, CORRECT?

BECAUSE NOT ALL CONTRACTS ARE GOING TO BE -- ARE GOING TO HAVE THE SAME AMOUNT OF...

>> COURTNEY: THAT'S RIGHT.

AND I KNOW IT GETS INTO THE WEEDS A LITTLE BIT ON HOW WE DO GOAL SETTING.

BUT TO GIVE YOU A BIGGER PICTURE, WHEN I'M TALKING ABOUT R.A.I.S.E. CONSCIOUS GOALS IN PARTICULAR, SO SETTING OUT RACE NEUTRAL ASIDE, I'M TALKING ABOUT RACE CONSCIOUS GOALS IN PARTICULAR, WHAT WE DO ON EVERY CONTRACT IS WE TAKE THE CONTRACT AND LOOK AT THE WORK SCOPE DIRECTLY.

FROM THERE WE LOOK -- WE BREAK IT DOWN INTO WORK CODES AND ARE ABLE TO IDENTIFY WHO IS AVAILABLE PER WORK CODE FOR THAT ONE CONTRACT ON THE DBE SIDE SO THAT WE CAN THEN SHOW A METHODOLOGY ON HOW WE SET A RACE CONSCIOUS GOAL ON THAT ONE CONTRACT.

THEN WE'RE DOING THAT FOR SUBSEQUENT CONTRACTS OF THAT.

AT THE END OF THE SIX-MONTH TIME FRAME PERIOD WE THEN DO A FULL MATHEMATICAL CALCULATION TO UNDERSTAND NOT ONLY DID WE MEET THE GOALS, HOW MUCH MONEY WAS PAID TO DBEs AND REPORT OUT ON TO IT GIVE THE OVERARCHING PICTURE OF WHAT WE'RE ACHIEVING FOR ALL OF THOSE CONTRACTS TOGETHER.

>> Chair: OKAY.

THAT'S REALLY HELPFUL.

AND THAT'S GOING TO BE REALLY COMPLEX, SO I KNOW, MAYOR ADLER, YOU HAD YOUR HAND UP.

THANK YOU.

>> Mayor Adler: I APPRECIATE YOUR WORK.

THIS IS AN ISSUE THAT IS BOTH TECHNICAL AND IMPORTANT TO THE COMMUNITY.

I JUST WANT TO SAY I APPRECIATE YOU LAYING THIS OUT IN THAT DETAIL AND YOU LAYING IT OUT AS A DISCUSSION ITEM ON OUR AGENDA SO THAT THE COMMUNITY WANTS TO WEIGH IN, HAS THE OPPORTUNITY TO DO THAT BEFORE WE ACT IN OUR NEXT MONTH'S MEETING BUT JUST ALSO WANT TO SHARE THAT THIS IS THE TIME TO DO THAT.

SO I WANT TO INVITE THE COMMUNE CITY TO DO THAT.

THIS OPPORTUNITY IN PART IS PROVIDED FOR THEM TO HAVE THE OPPORTUNITY TO WEIGH IN, BUT THIS IS THE TIME.

I INVITE EVERYONE TO REACH OUT TO ME AND TO THE OTHERS ON THE BOARD OR TO ATP IF THEY HAVE ANY THOUGHTS OR SUGGESTIONS.

THANKS FOR THIS WORK.

>> COURTNEY: THANK YOU, MAYOR ADLER.

IF I CAN ADD, THERE WILL BE ADDITIONAL TIMES AS WELL THAT PLEASE GIVE THE FEEDBACK NOW BUT ALSO WE WILL CONTINUE TO BUILD IN OPPORTUNITIES TO LISTEN TO THE FEEDBACK THROUGHOUT THE PROCESS AND AS THE YEARS CONTINUE.

>> Chair: THANK YOU SO MUCH.

BOARD MEMBER STRATTON?

>> Eric Stratton: THANK YOU, MADAM CHAIR.

COURTNEY, I JUST WANT TO ECHO THANKS FOR WHAT YOU'VE DONE HERE BECAUSE THIS IS -- I KNOW THE CAPMETRO SIDE OF THINGS, THIS HAS BEEN A VERY BIG ISSUE THAT MY COLLEAGUES HAVE EXPRESSED A VERY GREAT INTEREST IN AND UNDERSTANDING AND ENSURING SEVERAL OF MY COLLEAGUES HAVE WANTED TO ENSURE THAT WE -- TO WHAT BOTH BOARD MEMBER BURNETTE AND ELKINS HAVE EXPRESSED, THAT WE ARE NOT JUST -- NOT JUST, I SUPPOSE, DOTTING IS AND CROSSING TS BUT ALSO, AS IT WERE, BUILDING A FARM TEAM, LOOKING AT WAYS THAT WE CAN ACTUALLY ENHANCE AND INCREASE THE AVAILABILITY AND GROW POTENTIAL DBE PARTICIPANTS WITHIN THE PLAYING FIELD, ESPECIALLY HERE LOCALLY.

JUST TO KIND OF CLOSE THE LOOP ON THIS AND MAKE SURE THAT I'VE GOT A GOOD FIRM UNDERSTANDING OF HOW WE APPLY THIS.

SO ONCE THAT GOAL IS SET AND THAT IS -- AS I UNDERSTAND IT, WE'RE GOING TO TAKE THIS YEAR GOAL AND THIS IS GOING TO BE WE'RE TAKING CAPMETRO'S TO START WITH.

AND THAT OF COURSE WILL BE CHANGING AS THREE YEARS FROM NOW OR DOWN THE ROAD. CAPMETRO DEALS IN THE MILLIONS OF DOLLARS, TENS OF MILLIONS OF DOLLARS IN CONTRACTS.

WE'RE GOING TO BE DEALING IN THE POTENTIALLY HUNDREDS OF MILLIONS AND EVEN BILLIONS OF DOLLARS OF CONTRACTS, DEPENDING, AS RANDY SAID EARLIER, YOU KNOW, HOW WE DECIDE TO BREAK UP THE ORANGE LINE AND BLUE LINE AND TUNNEL ARE THE BIG CHUNKS OF THINGS HERE.

THAT NUMBERS ARE GOING TO BE SUBJECT TO CHANGE.

THAT 19% COULD VERY WELL -- COULD VERY WELL GO UP IF IT'S REALLY GOING TO LOOK AT -- OR MIGHT GO DOWN.

IT'S REALLY GOING TO DEPEND ON WHAT WE'RE LOOKING AT BASED ON THOSE -- THOSE DIFFERENT CODES AND -- BUT THE DIFFERENT EVALUATIONS ARE APPLYING THE TECHNICAL GUIDANCE THAT THE FTA, THE FEDERAL GOVERNMENT SAYS THIS IS WHAT YOU MUST USE, THIS IS THE FORMULA YOU HAVE TO USE, AM I ON THE SAME PAGE SO FAR RIGHT NOW THAT THAT'S HOW THAT GOES?

>> COURTNEY: YES, YOU ARE.

>> Eric Stratton: OKAY.

WHEN YOU GET TO AN INDIVIDUAL CONTRACT THEN, YOU WERE MENTIONING THIS EARLIER ABOUT THE GOAL SETTING, YOU'RE WRITING A REQUEST FOR PROPOSAL, PUTTING SOMETHING OUT THERE TO -- OUT ON THE STREETS, TO THE COMMUNITY, NATIONALLY, SAYING, OKAY, WE -- WE'RE READY NOW TO PUT A BID OUT FOR A PORTION OF THE ORANGE LINE, YOU KNOW, TO DO SOME CONSTRUCTION WORK HERE.

THE FRP ITSELF WOULD ACTUALLY HAVE A SECTION IN THERE FOR THE DBE PROGRAM WITH THAT GOAL ALREADY INCLUDED.

RIGHT?

BECAUSE IS THAT WHEN THAT GETS WRITTEN IN THERE?

YOU GUYS HAVE DONE THE MATH, FIGURED OUT THIS IS WHAT WE THINK WE WILL NEED.

YOU ARE GOING TO SAY WHOEVER IS BIDDING HERE WE EXPECT YOU ON THIS CONTRACT FOR ORANGE LINE CONSTRUCTION, YOU NEED TO HAVE INCLUDED A -- YOU KNOW, SOMEHOW, TO SHOW, PROVE TO US IN YOUR RESPONSE TO THIS BID FOR CONSTRUCTION WORK WITH US, ATP, THAT YOU'RE GOING TO MEET AND IT COULD BE MAYBE 12% FOR THAT ONE CONTRACT, MIGHT BE 9%, COULD BE 15%.

THAT'S JUST FOR ONE CONTRACT.

AM I STILL ON THE SAME PAGE?

IS THAT CORRECT?

>> COURTNEY: YOU'RE STILL CORRECT.

>> Eric Stratton: OKAY.

SO THEN AT THAT POINT WE'RE GOING TO GET MULTIPLE BITS THAT'S GOING TO COME IN FOR THE STAFF TO LOOK AT AND REVIEW AND THAT DBE IS GOING TO BE ONE OF THE CRITERIA THAT YOU'RE GOING TO REVIEW -- YOU'RE GOING TO LOOK AT.

SO ALL OF THESE FIRMS THAT -- THESE BIG I REMEMBER IFS ARE GOING TO BE BIDDING FOR BUSINESS THAT WANT TO COME TO AUSTIN AND BUILD THAT SECTION OF THE ORANGE LINE, AS USING MY EXAMPLE, ARE GOING TO COME TO THE TABLE AND SAY, HI, YOU KNOW, ACME HERE IS GOING TO BE BRINGING WITH THEM THREE DIFFERENT POTENTIAL DBEs, SUBCONTRACTORS, THEY'RE GOING TO COME AND TELL YOU WHEN THEY COME TO THE TABLE, THEY'RE GOING TO SAY, HERE'S OUR BID.

OUR BID HAS THE FOLLOWING THREE SUBCONTRACTORS THAT ARE MINORITY-OWNED BUSINESSES THAT MEET THE DBE CRITERIA THAT WE SAY WE'RE READY AND ARE ABLE AND THEY'RE GOING TO BE OUR PARTNERS WHEN WE COME TO THE TABLE.

IS THAT REALLY KIND OF THE WAY IT WORKS AS WELL?

>> COURTNEY: YES, YOU'RE STILL IN LINE WITH HOW WE WOULD BE OPERATING AND EVALUATING EACH OF THOSE PIECES, YES.

>> Eric Stratton: SO THEN YOUR JOB AS STAFF IS GOING TO BE LOOKING AT EACH ONE OF THE DIFFERENT -- EACH ONE OF THE DIFFERENT RESPONDENTS THAT SUBMITS THEIR INFORMATION IN TO SEE AS PART OF THIS HOW THAT WORKS UNDER DBE AND FIND OUT, OKAY, AND YOU'RE GOING TO AWARD THEM CRITERIA POINTS BASED ON DOES IT LOOK LIKE -- ARE THEY, YOU KNOW, ARE THEY IN LINE WITH WHAT NEEDS -- WITH WHAT YOU GUYS FEEL, IS IT LEGITIMATE, IS IT CORRECT, ARE THEY COMPLETELY OFF BASE HERE AND ARE THEY BEING, YOU KNOW -- CAN THEY REALLY MEET THAT CRITERIA, BASICALLY, OR NOT, YOU KNOW, WHATEVER THE POINT SCALE IS THAT Y'ALL EVALUATING THEM ON A BIT.

>> I WILL TWEAK IT A BIT TO SAY IN THE EVALUATION WE LOOK AT THE INTENTS TO PERFORM WHERE THEY LIST THE SUBCONTRACTORS OUT AND ENSURE THAT THEY ARE DBE FIRMS. WE ENSURE THAT INFORMATION IS VALID, ACCURATE, THAT IT MEETS THE CRITERIA WE'RE LOOKING FOR AND ON TOP OF THAT WE'RE ALSO EVALUATING THAT GOOD FAITH EFFORT PIECE FOR ANY CONTRACTOR WHO WERE DO COME FORWARD AND SAY WE TRIED TO MEET THAT GOAL AND WE COULDN'T AND HERE'S WHY. AND ALL THAT GOES INTO OUR EVALUATION.

>> Eric Stratton: WHENEVER WE AWARD SOMETHING TO THEM, WHEN THE CONTRACT IS PUT IN PLACE AND IT'S AWARDED, THEN AFTER THAT IS TAKEN CARE OF THE FLIP SIDE OF IT IS, WE'RE DOING CONTINUAL CONTRACT MONITORING SO ENSURE THAT, YES, INDEED, WHAT THEY SAID THEY WERE GOING TO DO IN RELATION TO DBE, THEY ARE INDEED DOING IT.

>> THAT'S CORRECT.

>> Eric Stratton: OKAY.

THANK YOU.

THANK YOU FOR LETTING ME WALK DOWN THAT TRAIL.

THIS IS, AS YOU'VE POINTED OUT AND AS EVERYBODY ELSE NOTED, THIS IS AN -- THERE IS SO MUCH TECHNICAL DETAIL TO THIS, THERE'S SOME THINGS I RECOGNIZE AND I'VE FELT -- I'VE SEEN THIS WITH CAPMETRO BOARD, TOO.

THERE'S SOME THINGS THAT ARE WITHIN OUR CONTROL THAT I BELIEVE WE HAVE THE ABILITY TO DO AS BOARD MEMBERS, AS STAFF, WITH ATP.

SOME THINGS THAT WE CAN'T BECAUSE IT IS LARGELY GIVEN TO US BY THE FEDERAL GOVERNMENT AND THEY DICTATE WHAT THE GUIDELINES AND THE POLICIES AND PROCEDURES ARE BUT I WANTED TO MAKE SURE WALKING THROUGH THIS I'M UNDERSTANDING THAT THE COMMUNITY UNDERSTANDS HOW THE PROCESS AND HOW THE PROCEDURES WORK.

TO GET BACK IN ECHOING WHAT TONY SAID AND I THINK WHAT COLETTE SAID, IF THERE'S WAYS THAT WE CAN GO BACK TO FTA AND SAY, HEY, WE LIKE TO BE A LITTLE BIT MORE INNOVATIVE AND EITHER PROVIDE SOME EXTRA POINTS OR, YOU KNOW, CARROTS AND STICKS WHEN IT RELATES TO THIS.

I'M COMPLETELY ONBOARD WITH THAT.

EVEN AS WE ON THE FRONT END ARE TRYING TO, AS TONY SAID IN THE NEXT COUPLE YEARS HERE, FIGURING OUT WAYS TO GROW THE FARM TEAM.

I THINK THAT'S ALSO KEY AS WELL.

>> Tony Elkins: ERIC, THE KEY THING TO FOCUS ON AS RELATES TO CARROTS AND STICKS.

THESE ARE DBE TARGETS, NOT AN ABSOLUTE MANDATE.

SO PROCUREMENT AND PEOPLE LIKE VICKI AND COURTNEY ARE GOING TO MAKE SURE THAT

PEOPLE GET SELECTED THAT HAVE, YOU KNOW, DBE FIRMS THAT ARE PREQUALIFIED AND ALL THAT.

BUT AT THE END OF THE DAY IF THEY DON'T HIT THEIR TARGETS, WHAT DO WE DO, RIGHT? SO THAT GETS BACK TO THE EARLIER COMMENT, HOW CAN WE BE MORE INNOVATIVE TO REWARD AND PENALIZE BECAUSE THERE ARE INSTANCES WHERE PEOPLE CAN'T HIT THE NUMBER AND MAYBE THEY SHOULD HAVE HIT IT BUT THEY DIDN'T TRY HARD ENOUGH AND SHOULD THEY GET A GET OUT OF JAIL FREE CARD FOR THAT.

YOU KNOW, WE NEED TO THINK ABOUT THAT.

>> AND THE FEDERAL REGULATIONS ARE THE BAR, NOT THE CEILING.

THAT'S WHAT YOU WANT THAT'S THE MIDDLE.

THEY'RE NOT RESTRICTING US TO GO ABOVE AND BEYOND.

THAT'S WHAT WE SAID THIS BUDGET IS GOING TO DO.

IT IS FLOOR.

IT IS THE PLATFORM, NOT THE CEILING.

>> GOOD POINT.

I KNOW, YOU HAVE YOUR HAND UP, TOO?

>> Gina Fiandaca: THANK YOU, CHAIR.

AS YOU CORRECT YOUR DBE POLICIES I ASK YOU TO THINK ABOUT WHAT ARE THE INTERNAL ATP POLICIES FOR PARTICIPATION IN YOUR CONTRACTING.

IN OTHER WORDS, SOMETIMES THE ANSWER WE GET IS DETERMINED BY THE QUESTION THAT WE ASK.

SO IT'S EASY FOR A LOT OF FIRMS TO PARTICIPATE IF THEY HAVE -- IF THEY'RE WELL STAFFED AND THEY'RE SEASONED AND THEY CAN KIND OF CHURN RESPONSES TO RFPs AND OTHER COMPANIES MAYBE JUST DON'T HAVE THAT BANDWIDTH.

HOW DO YOU SORT OF RESET THAT PARTICIPATION THRESHOLD IN.

>> THANK YOU.

I'LL TAKE NOTE OF THAT.

>> Chair: THANK YOU.

THANK YOU FOR YOUR REPRESENTATION, MRS. CHAVEZ.

DO WE HAVE ANY MORE QUESTIONS?

NOW WE'RE MOVING ON TO OUR THIRD DISCUSSION ITEM, BRIEFING ON THE INTEGRATED MODEL REVIEW AND PROPOSED BUDGET FOR FISCAL YEAR 2022 BY OUR ATP CHIEF FINANCIAL AND DEVELOPMENT OFFICER AND BUDGET DIRECTOR.

>> THANK YOU, MADAM CHAIR.

I APPRECIATE THE OPPORTUNITY TO SPEAK WITH YOU AND THE BOARDS ABOUT THE FIRST FULL YEAR BUDGET OR PROPOSED BUDGET.

AS YOU SAID, DIANE SYLAR IS JOINING ME AND SHE'S GOING TO WALK YOU THROUGH THE PROPOSED BUDGET BUT BEFORE WE START IT'S IMPORTANT TO DO A KIND OF TALK ABOUT WHERE WE'VE BEEN.

I THINK WE'VE BEEN DOING THAT SINCE THE BEGINNING OF THIS MEETING, WHERE WE'VE BEEN SINCE LAST AUGUST AND THE SUCCESS WE'VE HAD AND HOW WE'RE GOING TO MOVE FORWARD.

AND JUST TO PUT SOME CONTEXT AROUND WHERE WE ARE IN TERMS OF THE BUDGET BEFORE WE GO INTO THIS UPCOMING

ANNUAL BUDGET, HOW IT FITS INTO THE OVERALL PROCESS

OF BUILDING OUT PROJECT CONNECT AND SEQUENCING.

SO ON THE NEXT SLIDE, IT MIGHT BE TWO SLIDES.

LET'S SEE HERE.

YEAH.

NEXT SLIDE.

I WANT TO TAKE US BACK A LITTLE BIT AND TALK ABOUT WHAT HAS BEEN FUNDAMENTAL TO REALLY THE IDEA OF ATP'S EXISTENCE TO CREATE INDEPENDENT BOARD TO PROCEED THE PROJECT LIMITATION AND IT REALLY STARTED BACK WITH LOOKING AT BOTH CONCEPTUAL COST ESTIMATES AS WELL AS BASELINE FUNDING SOURCES.

SO ON THE COST ESTIMATE SIDE WE INITIALLY LOOKED AT THE CAPITAL COST WHICH INCLUDE, LIKE ANY CAPITAL PROJECT, ANY BIG PROGRAM COST, INCLUDES THE STAFFING REQUIRED FOR THAT, ALL THE CONSULTANTS REQUIRED FOR THAT AS WELL AS THE HARD CONSTRUCTION COST.

SO BOTH THE SOFT COST AND HARD COST.

AND WHAT IS SO INTRIGUING ABOUT OUR -- ABOUT WHAT HAS BEEN DONE HERE FOR PROJECT CONNECT IS THE FUNDING REGIME THAT WE HAVE IN PLACE NOT ONLY FUNDS THE BUILDING OF THE PROJECT BUT IT FUNDS THE OPERATIONS OF THE PROJECT.

AND FUNDS THE STATE OF GOOD REPAIR ON THE PROJECTS. AND REALLY UNIQUELY FOR AUSTIN WE'RE ALSO ABLE TO CRAFT A -- AN ELECTION THAT WAS ABLE TO FUND \$300 MILLION IN ANTI-DISPLACEMENT.

YOU AS A BOARD HAVE ALREADY PUT IN PLACE LOCAL TO HELP ACCELERATE AND MOVE FORWARD TO THAT FUNDING.

SO THAT'S WHERE WE STARTED WITH ON THAT.

ON THE FUNDING SOURCE SIDE OF IT WE HAD SOME BASELINE FUNDING AND THAT INCLUDES THE PROPOSITION A VOTE THAT THE VOTERS OF AUSTIN SUCCESSFULLY APPROVED LAST NOVEMBER.

CAPITAL METRO IS INCLUDING FUNDING ON AN ANNUAL BASIS FROM ITS REVENUE SOURCES INCLUDING SALES TAX.

AND THEN REALLY KEY PART OF HIS IS MARRYING ALL THAT WITH OUR FEDERAL FUNDING.

THAT WAS OUR BASELINE, WHERE WE WERE LAST YEAR.

AND WITH THAT WE BROUGHT THOSE TOGETHER TO DO TWO THINGS.

FIRST WE CREATED AN INTEGRATED FINANCIAL MODEL WHICH IS REALLY THE MODEL THAT WE ARE USING YEAR IN, YEAR OUT TO MAKE DIRECTION -- DIRECTIONALLY WE ARE ON THE RIGHT PLACE FROM A REVENUE STREAM AND A CASH FLOW PERSPECTIVE AS IT RELATES TO OUR NEEDS FOR THE PROJECT.

THAT IS PART OF THE CONTRACT AND THE VOTE AND THE VOTERS IN TERMS OF ACCOMPLISHING THE MANY ASPECTS OF THE PROJECT CONNECT PROGRAM, ALL THE VARIOUS PROJECTS.

WE MOVE FORWARD OUR DAYS AND WEEKS AND MONTHS IN TERMS OF IMPLEMENTING THE PROJECT CONNECT PROGRAM.

BUT WE WANT TO LOOK AHEAD AND WE'RE GOING TO SHOW YOU WHERE WE'RE GOING WITH THIS BECAUSE IT'S TO THE A STATIC EFFORT.

WE HAVE TO CONTINUE TO ASSESS WHERE WE ARE.

SO IN THE NEXT SLIDE.

KIND OF LOOKING AHEAD WHERE WE'RE GOING.

THE FIRST THING, JUST TO STOP QUICKLY.

WE TALKED ABOUT THIS AND WE'RE GOING TO CONTINUE TO TALK ABOUT THIS, THE IDEA OF INTERDEPENDENT YES BETWEEN THE COST, THE SCHEDULE, THE COST AND THE FINANCIAL RESOURCES TO GET TO THAT COST THE SCOPE OF THE PROJECT AND THE SCHEDULE.

AS WE MAKE CHANGES TO ONE THERE'S CHANGES TO THE OTHERS, SO WITH THAT IN MIND, LOOKING AHEAD ON THE NEXT SLIDE WE WANT TO LOOK AHEAD TO THE OVERALL PROJECT CONNECT MODEL AS WE DO TWO THINGS.

WE WANT TO LOOK AT UPDATING THE DESIGN COST ESTIMATES ON THE ONE SIDE OF THE BALANCE AND THEN ALSO LOOKING AT NEW AND ADDITIONAL POTENTIAL REVENUE DRIVERS WE CAN ADD NEXT.

RANDY TALKED ABOUT THIS ON THE FRONT END WITH SOME OF THE LEGISLATIVE UPDATE WHEN WE'RE -- WHEN COLLECTIVELY WE'RE TRACKING POTENTIALLY NEW OPPORTUNITIES FROM A REVENUE PERSPECTIVE.

BUT ON THE COST DRIVER SIDE, I THINK IT'S BEEN TALKED ABOUT A LITTLE BIT AS DAVE WENT THROUGH HIS PROGRAM UPDATE, WE'RE GOING THROUGH OUR FIRST AND FOREMOST, GOING THROUGH OUR ENGINEERING PROGRESSION.

THE NORMAL STEPS TO GO NOW TOWARDS 15% DESIGN AND STILL WORK TO DO AS WE MOVE AHEAD.

THERE'S DESIGN OPPORTUNITIES THAT NEED TO BE DISCUSSED.

CLEARLY EVEN TODAY WE'VE TALKED ABOUT THE TUNNEL LENGTH AND PERHAPS CHOICES AS WE GO AND CONTINUE TO TALK TO THE COMMUNITY WITH THAT.

BIG ISSUE ABOUT THE COMPLETE STREETS AS WE GO THROUGH AND WORK WITH THE CITY ON DIFFERENT ELEMENTS OF -- ESPECIALLY AROUND THE LIGHT RAIL LINES, WORKING THROUGH THE COMPLETE STREET PROCESS AS THE AUSTIN STRATEGIC MOBILITY PLAN.

RIGHT OF WAY ACQUISITIONS, ALSO TOUCHED ON, THE COST AROUND THOSE.

ASSESSING THOSE AND UNDERSTANDING THOSE.

SAME WITH THE CONSTRUCTION LABOR MATERIAL INFLATION AND COST AND WHERE WE ARE HERE IN KIND OF THE END OF THE SUMMER OF 2021.

AND IT ALL COMES TOGETHER, TOO, AS WE ASSESS OUR CONSTRUCTION METHODOLOGIES.

IT WAS MENTIONED WE ARE IN THE PROCESS AND ONE OF OUR NEXT SOLICITATIONS THAT WILL BE OUT ON THE STREET POST-ADOPTION OF POLICY WE'LL BE BRINGING IN A COMMERCIAL RISK AND ADVISORY FIRM TO HELP US ASSESS MANY ASPECTS OF OUR PROGRAM BUT MOST -- ONE OF THE MOST IMPORTANT IS UNDERSTANDING OUR BEST CONSTRUCTION METHODOLOGY AS IT RELATES TO RISK, IMPLEMENTATION, SO WE CAN BE AS EFFICIENT AS WE CAN WITH OUR RESOURCES.

BUT ALSO MAKE SURE WE'RE DOING THINGS AS ABIDING BY OUR -- BY THE DBE GOALS AND MAKING SURE WE CAN GET AS MUCH AS WE CAN ON THAT ROLE AS WELL.

THAT WILL BE A KEY AREA THAT WILL BRING THAT FIRM IN TO HELP WITH US WITH THAT.

AS WE MOVE FORWARD ON THE JOINT PARTNERSHIP AGREEMENT, DECISIONS AND ELEMENTS THAT ARE PART OF THAT WILL BE PART OF OUR COST ESTIMATED UPDATED.

ON THE REVENUE SIDE WE'RE GOING TO BE LOOKING, AS WE MENTIONED, ABOUT FEDERAL

INFRASTRUCTURE, STATE FUNDING AS THEY'RE LOOKING AT INFRASTRUCTURE FUNDING AND KEY AREA IS CONTINUED PARTNERSHIP FUNDING BOTH WITH -- BOTH PRIVATE AND PUBLIC OPPORTUNITIES

WHAT WE WILL BE

BUILDING IS A

TRANSIT SYSTEM THAT

INTERACTING WITH ALL OF

THOSE AND WE WANT TO MAKE SURE THAT WE LEVERAGE AS MANY AS WE CAN.

WHAT DOES THAT LEAD US TO.

NEXT MONTH AT OUR NEXT BOARD MEETING WE ANTICIPATE COMING BACK TO DO A MORE THOROUGH CURRENT PROGRAM UPDATE SUPER SIZE WHAT DAVE DOES ON THE FRONTEND OF THE PRESENTATION.

LOOKING AT NEXT YEAR A MUCH MORE THOROUGH PROGRAM UPDATE AT THAT POINT WITH 30% DESIGN FOR THE ORANGE AND BLUE LINES AND ALL OF THE WORK THAT GOES INTO THAT. TAKING INTO ACCOUNT SOME OF THESE COST DRIVERS THAT WE'VE MENTIONED HERE.

AGAIN, THAT WILL GO THROUGH MORE THOROUGHLY IN SEPTEMBER.

OUR BUDGET THAT WE DO EACH YEAR IS ADHERING TO WHAT THE VOTERS SAID TO DO WITH THE VOTE AND THE SEQUENCING PLAN RELATED TO THE TAX RATE ELECTION AND ULTIMATELY IMPLEMENTING PROJECT CONNECT.

N. SO ON THE NEXT SLIDE.

NOW I WANT TO SPEND A NEXT -- BEFORE WE GET TO DIANE'S FUN PROPOSED BUDGET I WANT TO GO OVER A COUPLE PROPERTY TAXES.

NUMBER ONE QUESTION I'VE HAD IN THE LAST COUPLE OF MONTHS IS PROPERTY TAX.

IN MY OLD DAYS, IN MY OLD WAY, WAY BACK, ALMOST TO YEARS AGO I USED TO LIVE AND BREATHE AND SLEEP TAX PROPERTY RATES AND CALCULATIONS AND LUCKILY I DON'T HAVE TO DO THAT TOO MUCH ANYMORE BUT WE WANT TO TALK TO YOU JUST A LITTLE BIT ABOUT WHAT ARE THE RULES ABOUT IT.

AND NOT TO GO THROUGH ALL THE DETAILS OF THIS BUT I THINK THE QUESTION IS, IS WE'VE TALKED ABOUT LAND VALUES, WE ALL SEE CRANES, NOT EVEN JUST DOWNTOWN, WE SEE CRANES EVERYWHERE.

AND THE NORMAL NATURAL REACTION IS, WOW, THIS MUST BE GREAT.

THE REVENUE IS GOING TO BE COMING IN HIGHER THAN WE EXPECTED.

IN TEXT, IN THE STATE OF TEXAS, IT'S ACTUALLY FAIRLY SIMPLE.

WE, THE PROPERTY TAX REVENUE THE CITY COLLECTS OF WHICH 20% IS DEDICATED TO ATP EACH YEAR.

THAT IS REALLY THE AMOUNT OF THAT REVENUE IS DICTATED BY STATE LAW.

EACH YEAR THAT REVENUE CAN ONLY GO UP 3 1/2%.

THERE'S A BALANCING ACT BETWEEN PROPERTY VALUES AND REVENUE GROWTH AND WHAT SPITS OUT IS A TAX RATE.

AND THIS IS SOMETHING THE CITIES HAVE TO DO AND THE COUNTIES HAVE TO DO ALL AROUND THE STATE.

REALLY WHAT YOU DO IS CALCULATE YOUR REVENUE THAT YOU CAN GROW.

YOU GET YOUR VALUATION FROM THE INDEPENDENT APPRAISAL BOARDS AND THEN YOU DO THE CALCULATION TO SPIT OUT A TAX RATE AND WE GET 3 1/2% MORE REVENUE.

MOST IMPORTANTLY, THAT IS WHAT OUR INTEGRATED MODEL IS BASED ON.

THE GREAT RESULT OF THIS TRE THAT PUTS US AS -- HERE IN AUSTIN IN A GREAT POSITION IS

BECAUSE OF THE REALLY -- THIS PROPERTY TAX REVENUE SOURCE IS VERY -- COMES WITH VERY FEW SHOCKS TO IT.

YOU'RE NOT GOING TO SEE A BIG DECLINE IN IT.

YOU'RE NOT GOING TO SEE BIG UPSIDES ON IT EITHER.

BUT THAT STEADY REVENUE SOURCE IS REALLY CRITICAL TO OUR OVERALL MODEL, IS REALLY CRITICAL TO US ISSUING THE BONDS THAT WE NEED TO DO TO FINANCE THIS PROJECT.

SO IT COMES WITH A GREAT ASSURANCE BUT IT DOESN'T COME WITH THESE GREAT UPSIDES THAT YOU SEE PERHAPS IN SOMETIMES SALES TAX.

I WILL SAY THAT WE DO SEE NEW VALUES COMING IN AND WE DO GET A LITTLE BIT EXTRA REVENUE EACH YEAR.

HOWEVER, THAT IS ALREADY BAKED INTO THE MODEL.

OUR MODEL WILL ALWAYS BE -- WE WANT TO BE CONSERVATIVE ABOUT THAT.

IF NEW REVENUE IS COMING IN AND NEW PROPERTY ON THE TAX ROLL ARE HIGHER THAN WE FACTORED IN, WE STILL GET THOSE FUNDS.

AGAIN, IT COMES TO THE CALCULATION OF THE CITY.

SO THAT'S ONE PIECE OF THE PROPERTY TAX CALCULATION.

AND THE OTHER ONE WE WANTED TO TALK TO ON THE NEXT SLIDE WAS THE -- AND THIS IS REALLY JUST SHOWING YOU THE EXAMPLE OF REGARDLESS OF THE A PROPERTY VALUE INCREASES 10% OR 25%, THE TAX RATE GOES DOWN AND OUR REVENUE STAYS THE SAME. IF THE PROPERTY VALUE DECREASES 10% OR 20%, TAX RATES GO UP AND OUR REVENUE COMES THE SAME.

IN THE END WE WANTED TO ILLUSTRATE WITH YOU, WE ARE -- AS THE CALCULATIONS ARE DONE, YOU ARE DRIVING TO A REVENUE NUMBER, NOT TO A TAX RATE NUMBER.

ON THE NEXT SLIDE, THE OTHER TOPIC THAT HAS COME UP IS ABOUT HOMESTEAD EXEMPTION.

THE CITY SOMETIMES LOOKS AT THE HOMESTEAD EXEMPTION.

THIS IS ENTIRELY ON THE PURVIEW OF THE CITY COUNCIL APPROXIMATELY RECENTLY THEY HAVE INCREASED THE HOMESTEAD EXEMPTION.

IS IF YOU'RE A HOMEOWNER, WHAT YOUR TOTAL TAXABLE BILL WOULD BE, YOUR TAXABLE VALUE VERSUS THE MARKET VALUE OF YOUR HOME.

THEY HAVE MADE SOME CHANGES TO THIS.

I THINK THE NIETO ATP AND THE NET TO THE CITY AS WELL IS THAT DOES NOT CHANGE THE AMOUNT OF REVENUE WE'RE BRINGING IN.

IT JUST SHIFTS OVERALL FROM THE OVERALL PROPERTIES WITHIN THE CITY BETWEEN COMMERCIAL AND RESIDENTIAL OR THE EXEMPTIONS ABOUT HOW THE SHARE OF THE OVERALL REVENUE IS DONE AT THAT 3 1/2% REVENUE GROWTH EACH YEAR.

THE CHANGE IN THAT HAS NO IMPACT OF OUR REVENUE COMING IN FROM THE PROPOSITION A REVENUE.

ON NEXT SLIDE, JUST THIS IS KIND OF -- MY LAST ONE BEFORE I TURN IT OVER TO DIANE AND ALL THE WORK THAT HER AND HER STAFF AND REALLY THE FULL TEAM HAS WORKED ON PUTTING TOGETHER THE PROPOSED BUDGET.

WE TALKED ABOUT THE MODEL THAT WE HAVE AND THAT WE'RE GOING TO COME BACK AND UPDATE AS WE LOOK AT DIFFERENT COST DRIVERS AND REVENUE DRIVERS.

THIS IS REALLY ONE THAT JUST HELPS US ANALYZE AND COMPILE WHAT WE'RE DOING BOTH

LOOKING BACKWARDS AND LOOKING FORWARD.

AND IT'S REALLY A NECESSARY AND REALLY A BEST PRACTICE FROM DOING SCENARIO PLANNING AND BUDGET AND ASSET MANAGEMENT AND HOW WE DO OUR RATES AND CASH FLOWS.

IT'S REALLY A STANDARD TOOL THAT YOU NEED TO HAVE IN GOVERNMENT FINANCE AND GOVERNMENT BUDGET.

THE MODEL THEN REALLY HELPS US DO WHAT IS THE BUDGET.

THE BUDGET IS THE OUT PORT OF THE MODEL AND REPRESENTS THE TARGET EXPENSES FOR WHAT WE'RE DOING IN THIS SPECIFIC TIME PERIOD.

FOR EXAMPLE, OUR FISCAL YEAR AND ATP, MULTI-YEAR CAPITAL BUDGET AS WELL.

THEY WORK HAND IN HAND TOGETHER.

BUDGET IS ALSO A ROADMAP AND TEMPLATE FOR OUR YEAR IN TERMS OF MANAGING OUR RESOURCES AND MANAGING THE REVENUE AND EXPENSES THAT WE PUT IN FRONT OF THE BOARD FOR APPROVAL.

SO WITH THAT, I CAN STOP.

IF THERE ARE ANY QUESTIONS ABOUT THE PIECES I WENT THROUGH BEFORE I HAND IT OVER TO DIANE, MAYBE PERHAPS THAT'S THE BEST WAY TO DO THAT.

IF NOT, WE CAN HAVE DIANE GO THROUGH THE FULL -- THE PROPOSED BUDGET PRESENTATION, WHICH AGAIN, WE'RE REALLY EXCITED TO HAVE THE CHANCE TO GO THROUGH THAT WITH YOU AND THE COMMUNITY TODAY.

>> THANK YOU.

DO WE WANT TO MOVE FORWARD WITH QUESTIONS OR HAVE MS. SYLAR COME NEXT?
GO AHEAD, MS. SYLAR?

>> OKAY.

CHLOE, NEXT SLIDE.

SO GOOD AFTERNOON, CHAIR, BOARD MEMBERS.

AS GREG HAS MENTIONED, YES, I AM EXCITED TO SHARE WITH YOU TODAY ATP'S PROPOSED BUDGET FOR NEXT YEAR.

A FEW MINUTES AGO, MAYBE AN HOUR AGO I SENT OUT AN E-MAIL TO EACH OF YOU WITH THE BUDGET DOCUMENT ATTACHED.

SO THE PURPOSE OF THIS PRESENTATION IS TO DISCUSS WHAT IS INCLUDED IN THAT DOCUMENT YOU RECEIVED.

AND THEN WHEN WE COME BACK NEXT MONTH, IT IS THAT BUDGET DOCUMENT THAT WE'LL BE ASKING YOU TO APPROVE.

BEFORE WE GET INTO THE NUMBERS I DO WANT TO SPEND A FEW MINUTES SHARING YOU THE HIGHLIGHTS OF THIS BUDGET.

OUR EARLIEST PROJECTS TO COME ONLINE HAVE BEEN THE NEIGHBORHOOD CIRCULATORS. NEXT YEAR WE'RE GOING TO BE PROVIDING CAPITAL METRO WITH \$2.2 MILLION TO OPERATE THESE THREE NEW SERVICE AREAS.

AND AS YOU'VE HEARD FROM VICKI, OUR PROCUREMENT STAFF HAVE BEEN JUST AS BUSY AS OUR HR STAFF.

IN ADDITION TO THE WORK THEY'VE BEEN DOING ON THE PROCUREMENT POLICY, THEY DID HOLD THEIR FIRST PREBID MEETING FOR LEGAL SERVICES.

THAT WAS VERY WELL ATTENDED AND THEY'RE CURRENTLY WORKING ON A SCOPE FOR NEW

CONTRACTING INCLUDING THE ONE GREG MENTIONED FOR THE COMMERCIAL RISK AND ADVISORY SERVICES -- FINANCIAL ADVISORY SERVICES.

WE ALSO ANTICIPATE ISSUING CONTRACTS FOR COMMERCIAL AND BANKING SERVICES IN THE NEXT FEW MONTHS.

AND AS YOU HEARD FROM DAVE, CONSTRUCTION IS EXPECTED TO START ON BOTH THE PLEASANT VALLEY AND THE EXPO METRORAPID LINES AND THAT WILL BE FOLLOWED WE HOPE BY FULLY FUNDED GRANT AGREEMENTS FROM THE FTA.

SIMULTANEOUSLY STAFF WILL BE DOING THE DESIGN WORK FOR RELATED PARK AND RIDE LOCATIONS AND IN LINE CHARGING STATIONS.

WE'RE ALSO GOING TO BE BEGINNING CONSTRUCTION ON THE MCKALLA AND BROADMOOR RAIL STATIONS AND LEANDER AND LAKELINE DOUBLE TRACKING.

NEXT SLIDE, PLEASE.

MINE WHEEL OUR VEHICLES TEAM HAS BEEN WORKING ON DEVELOPING THE CONTRACTUAL AND THE TECHNICAL SPECIFICATIONS FOR THE PURCHASE OF OUR ROLLING STOCK.

AND THAT'S IN ANTICIPATION OF ISSUING AN RFP FOR THE RAIL VEHICLES BY THE SECOND QUARTER OF FY22.

ANOTHER AREA THAT'S GOING TO SEE SIGNIFICANT ACTIVITY IN FY22 IS THE REAL ESTATE GROUP.

IN ADDITION TO WORKING WITH OUR PROCUREMENT STAFF FOR CONSULTING SERVICES COVERING BASICALLY ALL AREAS OF THE RIGHT OF WAY ACQUISITION, THEY'RE WORKING TO IDENTIFY EARLY OPPORTUNITIES FOR ACQUISITIONS AND, AS MENTIONED BY RANDY, THEY NEED TO COMPLETE THE REAL ESTATE ACQUISITION MANAGEMENT PLAN WHICH IS A REQUIRED ASPECT OF RECEIVING AN FDA GRANT AWARD.

NEXT SLIDE, PLEASE.

NOW AS WE MOVE TOWARDS THE END OF OUR NEXT FISCAL YEAR WE'RE LOOKING FORWARD TO HITTING THE 30% DESIGN FOR THE ORANGE AND THE BLUE LINES.

AND FOR ISSUING THAT DRAFT ENVIRONMENTAL IMPACT STATEMENT FOR PUBLIC REVIEW.

LIKEWISE, WE ANTICIPATE ADVANCING OUR FACILITIES PLANNING AND PROGRAMMING STUDIES AND BEGINNING THE RELATED NEPA PROCESS.

SO LAST BUT CERTAINLY NOT LEAST, FY22 SHOULD SEE ATP COMPLETE ITS INITIAL GROWTH PHASE.

WE EXPECT TO HIRE AN ADDITIONAL 40 PLUS STAFF MEMBERS, MOVE INTO THAT NEW DEDICATED PROJECT CONNECT PROGRAM OFFICE THAT RANDY MENTIONED, AND THEN DEVELOP OUR HUMAN -- NO, LET'S SEE, OUR FINANCIAL HUMAN RESOURCES AND OUR PROGRAM MANAGEMENT SOFTWARE SYSTEMS.

SO WE ARE LOOKING TO START FY23 VERY STRONG.

NEXT SLIDE, PLEASE.

NOW ON TO THE NUMBERS.

OUR BUDGET FOR FY22 IS \$312.2 MILLION.

NEARLY \$154 MILLION IS GOING TO COME FROM THE PORTION OF THE PROPERTY TAX THAT IS DEDICATED TO PROJECT CONNECT.

CAPITAL METRO WILL BE CONTRIBUTING \$23.4 MILLION WHICH REPRESENTS 8% OF OUR TOTAL FUNDING.

AND THEN THE FINAL \$135 MILLION THAT WE NEED TO FUND OUR PROJECT COST FOR FY22

WILL COME FROM THE FUNDS RESERVED FROM THIS YEAR'S ALLOCATION OF PROPERTY TAX FUNDING, AS WAS ORIGINALLY PLANNED.

NEXT SLIDE.

SO BEFORE I GET INTO THE USE OF FUNDS SECTION OF THE PRESENTATION I DO WANT TO REMIND EVERYONE OF THE DIFFERENCE BETWEEN THE OPERATING AND THE CAPITAL BUDGETS.

FIRST AND GENERALLY MOST NOTABLY THE OPERATING BUDGETS ARE ANNUAL, SOMETIMES BIENNIAL APPROPRIATIONS.

AT THE END OF THAT DEFINED PERIOD, THOSE BUDGETS ARE ZEROED OUT AND ALL OF THAT SURPLUS FUNDS GET INCORPORATED INTO SUBSEQUENT BUDGETS.

SO IN CONTRAST THOUGH, CAPITAL BUDGETS ARE MULTI-YEAR APPROPRIATIONS.

AND WHAT THAT MEANS IS THAT THE BUDGET IS SET.

IT REMAINS IN EXISTENCE UNTIL THE PROJECT IS COMPLETE.

THERE IS NO TIME LIMIT.

SO ALSO ANNUAL BUDGETS ARE USED TO FUND THE DAY-TO-DAY OPERATIONS GENERALLY THE COSTS NECESSARY TO OPERATE, MANAGE, MAINTAIN, A PUBLIC TRANSPORTATION SYSTEM. ALSO INCLUDED IN OUR OPERATING BUDGET WOULD BE GENERAL REPAIRS AND MAINTENANCE FOR EXISTING ASSETS.

NOW, THE CAPITAL BUDGET, ON THE OTHER HAND, ARE USED TO FUND THE CREATION, RENOVATION, THE UPGRADE FOR CAPITAL ASSETS LIKE THE RAIL LINES, FACILITIES, AND VEHICLES.

ATP'S FUNDING SOURCES FOR THE OPERATING BUDGET COME FROM THE TAXES, THE PARTNER CONTRIBUTIONS AND FARES.

SO WE CAN ALSO USE THOSE SAME FUNDING SOURCES TO FUND CAPITAL BUDGETS AND WE DO THAT FROM A TRANSFER FROM THE OPERATING BUDGET TO THE CAPITAL BUDGET BUT WITH THE CAPITAL BUDGET WE CAN ISSUE DEBT, TAKE OUT LOANS AND RECEIVE GRANTS.

NEXT SLIDE, PLEASE.

SO OF THESE NEXT TWO SLIDES ARE GOING TO SHOW YOU HOW WE'RE USING THE \$312 MILLION.

FIRST SLIDE IS THE EXPENDITURE -- THIS FIRST SLIDE, EXPENDITURES ARE SHOWN BY COST CATEGORY.

IN THE NEXT SLIDE I'M GOING TO SHOW YOU THE EXPENSES IN THE MORE TRADITIONAL WAY THAT YOU'VE GOTTEN ACCUSTOMED TO SEEING THEM BY OUR VARIOUS PROJECTS.

SO IT'S JUST THE SAME SET OF DATA.

I'M JUST USING IT IN DIFFERENT CRITERIA IN ORDER TO GIVE YOU A FULL PICTURE OF THE BUDGET.

UNSURPRISINGLY, OVER HALF OF OUR BUDGET, \$173 MILLION, WILL BE USED FOR CAPITAL CONTRACTS AND RIGHT OF WAY ACQUISITIONS.

AND THEN ANOTHER NEARLY 20%, OR \$59 MILLION, WILL BE USED TO REIMBURSED CAPITAL METRO FOR THE EXPENSES THEY WILL BE INCURRING ON BEHALF OF PROJECT CONNECT.

THAT'S THE METRORAPID AND MAINLINE PROJECTS.

\$42 MILLION IS PROVIDED TO THE CITY FOR THEIR ANTI-DISPLACEMENT INVESTMENTS.

\$5.2 MILLION IS PROVIDED TO THE CITY OF AUSTIN AND CAPITAL METRO FOR SUPPORT.

THERE'S \$2.4 MILLION INCLUDED TO FUND THE PROJECT CONNECT SUPPORT OFFICE WITH THE

CITY.

AND THEN THERE'S ANOTHER \$2.8 MILLION FOR SERVICES SUCH AS I.T., ACCOUNTING, AND MARKING THAT ARE BEING PROVIDED TO ATP FROM CAPITAL METRO.

AS I MENTIONED IN THE HIGHLIGHTS, WE WILL BE TRANSFERRING TO CAPITAL METRO 2 ATTORNEY \$2 MILLION TO OPERATE THE NEW PICK UP SERVICE ROUTING.

FINALLY, THE LAST 10% OF OUR PROJECT OR JUST OVER \$30 MILLION WILL FUND SALARIES, LEASE OPERATING CONTRACTS AND OTHER ADMINISTRATIVE COSTS, ALSO INCLUDED IN THAT NUMBER IS \$1 MILLION FOR AN OPERATING CONTINGENCY.

AS GREG POINTED OUT, THIS IS OUR FIRST FULL YEAR OF OPERATIONS AND SO WE ARE STILL IN THE RIGHT SIZING PHASE OF BUDGETING AND SO WE WANTED TO GIVE OURSELVES A LITTLE BIT OF ROOM IN CASE WE GOT SOME OF THE ASSUMPTIONS A LITTLE WRONG.

NEXT SLIDE.

SO HERE ARE THE NUMBERS SEEN IN A DIFFERENT VIEW.

\$312 MILLION WILL BE SPLIT, 86% INTO THE CAPITAL PROJECTS, 13% INTO THE ANTI-DISPLACEMENT INITIATIVES.

THAT LEAVES ANOTHER 1% FOR THE OPERATIONS TRANSFER TO CAPITAL METRO.

THE OPERATING CONTINGENCY I JUST SPOKE OF AND SOME OTHER ADMINISTRATIVE EXPENSES THAT ARE NOT A LOW KABUL INTO THE CAPITAL PROJECTS.

SO WHAT I WANT TO NOTE -- WHAT I WANT TO NOTE IS IMPORTANT ON THIS SLIDE IS THAT ALL OF OUR CAPITAL ATO -- SORRY.

ALL OF THE ATP OVERHEAD IS EMBEDDED AND INCORPORATED INTO THESE CAPITAL PROJECTS AS IS ANY DIRECT SALARY OR OTHER DIRECT EXPENSES.

AND IT'S THIS NEXT SLIDE I'M GOING TO GO INTO WHERE I'LL TALK ABOUT HOW WE MANAGE TO GET THAT KIND OF PROCESS DONE.

SO NEXT SLIDE, CHLOE.

SO FORGIVE ME.

I'M JUST GOING TO GO INTO THIS AND GET A LITTLE WONKY ON YOU SO JUST BEAR WITH ME.

THE MAJORITY OF ATP'S AGENCY COSTS, THOSE COSTS THAT ARE NOT DIRECTLY TIED TO A SPECIFIC CAPITAL PROJECT ARE CONSIDERED OVERHEAD OR INDIRECT COSTS.

AND THEY INCLUDE THINGS LIKE LABOR RENT, UTILITIES, COMPUTER SOFTWARE, HARDWARE, STAFF DEVELOPMENT, ET CETERA.

ALSO INCLUDED IN THAT POOL OF EXPENSES ARE THE REIMBURSEMENTS TO CAPITAL METRO AND TO THE CITY FOR THE SUPPORT SERVICES THAT THEY PROVIDE US.

SO IN ORDER TO GET THESE CAPITAL -- IN ORDER TO GET THESE COSTS INTO THE CAPITAL PROJECTS THAT THEY SUPPORT, WE USE WHAT'S CALLED A COST ALLOCATION PLAN.

THE FIRST STEP OF THE PROJECT IS TO IDENTIFY THOSE COSTS THAT ARE ELIGIBLE TO BE CHARGED TO THE CAPITAL PROJECTS AND THE NEXT STEP OF THE PLAN IS TO THEN ALLOCATE THOSE COSTS TO EACH PROJECT BASED ON A PRE-DEFINED METRIC.

SO FOR OUR ALLOCATION PLAN THE METRIC WE'RE USING IS THE TOTAL ANNUAL SPENDING BY EACH PROJECT.

SO IF I WERE TO SWITCH BACK TO THE PREVIOUS SLIDE, THERE IS A SMALL SLICE -- THANK YOU, CHLOE, THERE'S A SMALL SLICE.

SMALL SLIVER OF \$3.7 MILLION.

THAT IS ACTUALLY THE PORTION OF ATP'S OPERATING BUDGET THAT IS NOT ELIGIBLE FOR

ALLOCATION.

SO IF YOU WILL SWITCH BACK, CHLOE.

THANKS.

SO THE REST OF THE \$35 MILLION OF WHAT IS THE OPERATING -- WOULD HAVE BEEN THE OPERATING BUDGET PRE-ALLOCATION, OR \$31.3 MILLION IS MOVED OUT OF THE OPERATING BUDGET AND ALLOCATED INTO THE CAPITAL BUDGET.

THE BOTTOM HALF OF THIS SLIDE SHOWS THE COMPONENTS OF BOTH THE OPERATING AND CAPITAL BUDGET.

AS I MENTIONED THE OPERATING BUDGET HAS THE NON-AL LOW KABUL OVERHEAD COSTS. THE TRANSFER TO CAPMETRO FOR THE OPERATIONS AND THE OPERATING CONTINGENCY WHEREAS THE CAPITAL BUDGET HAS THE OVERHEAD COSTS THAT HAVE BEEN -- HAVE BEEN PUSHED IN THROUGH THE ALLOCATION PLAN, CONTRACTS RIGHT OF WAY ACQUISITIONS, DIRECT STAFF CHARGES, SO IN THE FUTURE YEARS, IN IS ALSO GOING TO INCLUDE CONSTRUCTION AND ENGINEERING COSTS.

THIS COST ALLOCATION PLAN WILL NEED TO BE APPROVED BY THE FTA AND WE PLAN ON HAVING THAT HAPPEN MID FY22 YOU.

NEXT SLIDE, PLEASE.

SO NOW YOU WANT TO SHIFT OUR FOCUS SOLELY TO THE CAPITOL PROJECTS.

BACK TO THE MONEY WE WILL SPEND OVER THE NEXT YEAR.

PREVIOUSLY I MENTIONED -- SORRY.

I'M GETTING A CALL.

OKAY.

PREVIOUSLY I MENTIONED THAT THE A KEY ATTRIBUTE TO CAPITAL PROJECTS IS MULTI-YEAR APPROPRIATIONS.

GENERALLY WHAT THAT MEANS IS NOT ONLY IS THE BUDGET AVAILABLE OVER THE LIFE OF THE PROJECT, BUT ALSO THAT THE TOTAL PROJECT IS BUDGETED UP FRONT.

AND THIS HELPS TO ENSURE THAT LARGE CONTRACTS WITH -- THAT SPAN MULTIPLE FISCAL YEARS CAN BE FULLY INCUMBERED.

HOWEVER, FOR FY22 WE'RE ONLY GOING TO BE REQUESTING APPROPRIATIONS EQUAL TO THE AMOUNT THAT WE PLAN ON SPENDING NEXT YEAR.

AND THIS IS SIMPLY BECAUSE WE ARE STILL IN THE DESIGN PHASE FOR THE BULK OF OUR PROJECTS.

SO WE LACK SUFFICIENT INFORMATION FOR WHICH TO BUDGET THE ENTIRE PROJECT COST AT THIS TIME.

I DO EXPECT THAT THE BUDGET THAT YOU RECEIVE NEXT YEAR WILL INCLUDE CAPITAL APPROPRIATIONS MUCH CLOSER TO THE TOTAL PROJECT COSTS AND THEREFORE NEXT YEAR'S CAPITAL BUDGET WILL BE SIGNIFICANTLY LARGER.

NEXT SLIDE, PLEASE.

SO OF OUR CAPITAL BUDGET, A 7% IS FOR THE ORANGE AND BLUE LINES.

\$92.8 MILLION AND \$82.8 MILLION RESPECTIVELY.

THE -- AS BOTH RANDY AND DAVE HAVE MENTIONED, YOU KNOW, WE OFFICIALLY HAVE BEEN ACCEPTED INTO THE PROJECT DEVELOPMENT SO THAT MEANS THAT THESE FUNDS NOW WILL BE TRACKING IN OUR -- CAN POTENTIALLY BE REIMBURSED OR A PORTION OF THEM CAN BE POTENTIALLY REIMBURSED ONCE WE RECEIVE OUR FULL FUNDING GRANT AGREEMENT.

THE BUDGET ALSO INCLUDES \$13.5 MILLION FOR THE RED LINE'S McKALLA STATION AND THE FUNDING FOR THE BROAD MORE STATION AND LEANDER LAKELINE IS INCLUDED IN THE CAPITAL METRO'S BUDGET SO THAT'S WHY YOU DON'T SEE THEM HERE.

THE \$42 MILLION FOR THE METRORAPID LINES, THAT REPRESENTS THE LOCAL FUNDED -- LOCAL FUNDING NEEDED IN FY22 FOR THESE PROJECTS.

WE DO PLAN ON GETTING THE FULL FUNDING GRANT AGREEMENTS AWARDED FOR THE PLEASANT VALLEY AND EXPO LINES TO COVER THE REMAINING FY22 COSTS.

AND THEN THE REMAINING \$35.5 MILLION IN OUR CAPITAL BUDGET WILL BE USED FOR DESIGN WORK ON PARK AND RIDES, DESIGNING AND BUILDING -- DESIGNING AND BEGINNING THE BUILD OUT FOR THE ELECTRIFICATION INFRASTRUCTURE AND DEVELOPING THE FACILITIES PLAN.

THE FINAL PIECE IS THE ANTI-DISPLACEMENT FUNDS.

THEY'RE TRACKING THEM SEPARATELY.

THIS IS THE FUND SUMMARY FOR THOSE FUNDS.

SO IS PROCEDURALLY WHAT'S GOING TO HAPPEN IS THE FUNDS ARE DEPOSITED INTO OUR OPERATING FUND AND THEN WE'RE GOING TO TRANSFER A -- SEPARATELY INTO THIS FUND IN ACCORDANCE TO THE ILA WITH THE CITY AND AS A REMINDER, THAT ILA SET FORTH 13-YEAR PAYMENT SCHEDULE IN ALIGNMENT WITH OUR SEQUENCING PLAN.

SO IT WAS 23 MILLION THIS YEAR, 42 NEXT, \$20 MILLION ANNUALLY FOR THE SUBSEQUENT TEN YEARS.

AND SO PAYMENTS WHICH ARE BASED ON ACTUAL EXPENDITURES WILL BE MADE OUT OF THIS FUND TO THE CITY.

SO IN FY21 OUR BUDGET SHOWED THAT WE WERE GOING TO EXPAND ALL \$23 MILLION, HOWEVER THE CITY HAS SAID THAT IT'S NOT GOING TO EXPAND ANY OF THIS YEAR'S ALLOTMENT OF FUNDS SO I UPDATED THE ENDING BALANCE FOR '21 AND NOW THOSE FUNDS BECOME AVAILABLE FOR USE IN FY22.

SO THE CITY WILL HAVE AVAILABLE TO IT NOT ONLY THIS YEAR'S ALLOTMENT BUT ALSO THE \$42 MILLION AVAILABLE TO IT NEXT YEAR, BRINGING THE TOTAL FUNDING TO \$65 MILLION.

AND I HAVE CHECKED WITH THE CITY AND THESE FUNDS HAVE BEEN INCLUDED IN THEIR APPROVED BUDGET.

NEXT SLIDE, PLEASE.

MOVING ON TO THE FINANCIAL POLICIES.

INCLUDED IN THE BUDGET DOCUMENT IS A SET OF FINANCIAL POLICIES COVERING ACCOUNTING AND BUDGETING, PURCHASING, INVESTMENTS, AND DEBT MANAGEMENT.

ADOPTION OF THE BUDGET WILL ALSO INCLUDE ADOPTION OF THESE POLICIES.

I JUST WANT YOU TO KNOW THAT EVERY YEAR THESE POLICIES WILL BE EVALUATED AND UPDATED TO ENSURE THAT THEY REMAIN RELEVANT CONSISTENT WITH BEST PRACTICES AND CONSISTENT WITH ATP'S GROWTH.

IT IS IMPORTANT TO NOTE THAT FINANCIAL POLICIES ARE NOT JUST A BEST PRACTICE AND THEY'RE NOT JUST CORE TO SOLID FINANCIAL MANAGEMENT.

THEY'RE AN IMPORTANT DETERMINANT IN OUR CREDIT RATING AND DEBT WORTHINESS AND CAN HAVE A DIRECT IMPACT ON THE AMOUNT OF INTEREST WE PAY AS WE SERVICE OUR DEBT.

NEXT SLIDE, PLEASE.

FINALLY, I WANT TO REVISIT OUR TIMELINE.

TODAY MARKS YOUR THIRD OFFICIAL BUDGET TOUCHPOINT.

THE FOURTH AND FINAL STEP WILL BE WHEN YOU APPROVE THE BUDGET HOPEFULLY ON SEPTEMBER 15 SATURDAY NEXT MONTH.

HOWEVER, BETWEEN NOW AND THEN I WILL BE AVAILABLE FOR ANY QUESTIONS THAT YOU HAVE AND PLEASE DON'T HESITATE TO REACH OUT TO ME.

ALSO IN THE MEANTIME I WILL SHARE THE SAME INFORMATION WITH THE FINANCE AND RISK ADVISORY COMMITTEE MEETING AT TOMORROW'S INAUGURAL MEETING.

AND STAFF WILL BEGIN THE PROCESS OF PREPARING THE FINANCIAL SYSTEM FOR GO LIVE ON OCTOBER 1st.

NEXT SLIDE.

YOU ALL HAVE RECEIVED A COPY OF OUR BUDGET DOCUMENT AND THE PUBLIC CAN ACCESS IT VIA OUR WEBSITE AT THIS LOCATION.

AND THANK YOU FOR SHARING YOUR TIME WITH ME THIS AFTERNOON.

DO YOU HAVE ANY QUESTIONS FOR ME?

>> Chair: THANK YOU SO MUCH, MS. SILER, FOR A GREAT PRESENTATION.

I'M SURE THERE WILL BE SOME QUESTIONS.

WHO WANTS TO START?

TONY.

>> Tony Elkins: THANKS, MADAM CHAIR.

THANK YOU VERY MUCH, DIANE AND GREG FOR THAT PRESENTATION.

I KNOW WE'RE GOING TO GO THROUGH THAT IN TOMORROW'S FINANCIAL AND RISK COMMITTEE INAUGURAL MEETING, SO WE'LL GO THROUGH THAT IN MORE DETAIL AND NEXT MONTH THE BOARD WILL APPROVE THE BUDGET.

ONE THING THAT I DO THINK IS IMPORTANT AND OBVIOUSLY I'M SURE YOU FOLKS DO AND I HAVEN'T READ THE PROPOSED BUDGET THAT YOU SENT BUT I'LL TAKE A LOOK AT IT IS QUARTERLY UPDATES, QUARTERLY BUDGET UPDATES TO THE BOARD.

I'M SURE THAT'S PLANNING TO BE DONE.

BUT I DO MENTION THAT AS SOMETHING THAT THE BOARD WILL BE LOOKING TO RECEIVE EVERY QUARTER TO MAKE SURE THAT WE'RE ON TRACK AND OBVIOUSLY THERE WILL BE DEVIATIONS IN THE BUDGET TO BE EXPECTED, BUT, YOU KNOW, AS LONG AS WE UNDERSTAND WHY, I'M SURE THAT WILL BE COOL.

BUT YEAH.

LOOK FORWARD TO TOMORROW NIGHT'S MEETING.

THANK YOU.

>> YOU'RE VERY WELCOME.

TO YOUR POINT, WHEN YOU DO READ THE BUDGET DOCUMENT, IT'S GOING TO BE ONE OF THE TESTIMONY POLICIES IN THERE IS A -- IS OUR QUARTERLY REPORTS TO THE BOARD.

I THINK IT'S FIRST THREE QUARTERS, 45 DAYS AFTER MONTH CLOSE AND THEN THE LAST ONE IS -- BECAUSE IT'S THE END OF THE YEAR, IT'S A 60-DAY WINDOW, IF I RECALL IT CORRECTLY. SO YES.

>> Tony Elkins: THANK YOU.

>> Chair: GREAT.

THANK YOU.

ANY MORE QUESTIONS?

SO WE HAVE ONE MORE FINAL DISCUSSION ITEM AND I WANTED TO ASK THE BOARD THE WE CAN POSTPONE THIS FOR THE NEXT BOARD MEETING RELATED TO VEHICLE SYSTEMS.

OUR CALL LEAGUE, DR. BURNETTE, HAD TO GIVE A PRESENTATION FOR OUR STUDENTS AS TODAY IS MOVE-IN DAY.

I THINK THAT ALL OF THIS TECHNICAL UPDATES FROM STAFF, ESPECIALLY WHEN THEY WORK SO HARD IN PREPARING THESE PRESENTATIONS, I WOULD LOVE TO HAVE THE ENTIRE BOARD PRESENT.

SO WHAT DO Y'ALL THINK?

CAN WE MOVE THIS LAST ITEM FOR THE NEXT MEETING?

>> Tony Elkins: I'M IN FAVOR OF IT BECAUSE I HAVE TO DROP OFF IN TWO MINUTES MYSELF.

>> Chair: OKAY.

>> Eric Stratton: AGREED.

>> NO ACTION ITEMS.

THAT'S FINE WITH ME.

>> Chair: IF MR. -- DAVE KUBACHEK IS ALLOWING US TO GIVE HIM A LITTLE BIT OF A BREAK AND PRESENT AT NEXT BOARD'S MEETING, WE APPRECIATE HIS PATIENCE IN SITTING THROUGH ALL OF THIS BUT THIS IS REALLY GREAT INFORMATION.

I KNOW THAT STAFF WORKS REALLY, REALLY HARD IN PUTTING ALL OF THIS INFORMATION TOGETHER.

SO WITH THAT, IF THERE'S NO -- ANY FURTHER QUESTIONS, DISCUSSION ITEMS, I'D LIKE TO THANK EVERYONE FOR YOUR ATTENTION AND FOR ALL OF YOUR EFFORTS AS WE MOVE THIS PROGRAM FORWARD.

AND FOR ALL OF THE COMMUNITY THAT HAS TO ATTEND AND WATCH, THANK YOU SO MUCH FOR BEING SO INTERESTED IN THE SUCCESS OF THIS PROGRAM.

SO DO WE HAVE ANY LAST COMMENTS OR ANYTHING THAT THEY WOULD LIKE TO DISCUSS IN OUR NEXT BOARD MEETING?

>> Gina Fiandaca: YES, CHAIR, THANK YOU.

I WANTED TO QUICKLY THANK THE CTM TEAM OR THE TECHNOLOGY TEAM THERE AT ATP. I HAD A FEW GLITCHES GETTING ON AT THE START OF THE MEETING, BUT THEY ARE TERRIFIC AND THEY HAVE -- THEY HANDLE EVERYTHING THAT WE NEED AND MAKE US TRANSPARENT FOR THE PUBLIC AS WELL.

SO WELL-DONE.

THANK YOU.

>> Chair: THANK YOU.

>> RANDY CLARKE: I WOULD LIKE TO MENTION THERE'S AN OPEN HOUSE IN NOVEMBER. WE WILL GET AN INSIGHT TO YOU ALL.

OBVIOUSLY WATCHING COVID BUT ALSO WHEN WE CAN HAVE THE OPEN HOUSE AT THE NEW BUDGET CONNECT OFFICE AND SECONDLY WE'LL BE KEEPING AN EYE ON COVID TO DETERMINE HOPEFULLY WE'LL BE ABLE TO JUST MEET IN PERSON NEXT TIME.

THIS WAS A GOOD FIX OBVIOUSLY FOR RIGHT NOW.

HOPEFULLY WE CAN ALL STAY SAFE AS A COMMUNITY AND GET BACK TO MEETING IN PERSON NEXT MONTH AND WE'LL BE IN CONTACT WITH THE RISK AND ALSO IF WE'RE LEGALLY BASED ON THE GOVERNOR'S ORDER.

THANK THE BOARD FOR ALL OF YOUR SUPPORT AND ATTENTION TO THIS INCREDIBLY IMPORTANT PROGRAM AND THANK THE STAFF AS USUAL. THEY REALLY, REALLY SINCERELY APPRECIATE THE BOARD MEMBERS RECOGNIZING THE WORK OF THE STAFF.

AGAIN, I JUST GET TO SIT HERE AND TALK.

THEY ARE DOING A FANTASTIC JOB.

THANK YOU FOR THAT.

>> Chair: YES, I -- I CONCUR.

THANK YOU FOR ALL OF THE STAFF.

BOARD MEMBER STRATTON, DO YOU HAVE SOMETHING TO SAY?

NO?

YOU'RE JUST GIVING CHEERS TO THE STAFF?

GREAT.

>> Eric Stratton: THAT WAS A ROUND OF APPLAUSE FOR THE STAFF.

>> Chair: THANK YOU.

I KNOW MAYOR ADLER WILL TUNE BACK IN WHEN WE'RE ADJOURNED THIS MEETING BUT THIS CONCLUDES THE MEETING OF -- PERFECT TIMING, MAYOR.

WE'RE ABOUT TO CLOSE THE MEETING.

AND WE HAVE POSTPONED ONE OF THE ITEMS REGARDING THE VEHICLE SYSTEMS WITH DAVE KOBACHEK FOR

NEXT MEETING IF EVERYONE COULD BE PRESENT.

I APPRECIATE EVERYONE'S TIME.

SO THIS CONCLUDES THE MEETING OF THE AUSTIN TRANSIT PARTNERSHIP.

THE TIME IS EXACTLY 5:00 P.M.

THANK YOU.