



CENTRAL TEXAS REGIONAL
MOBILITY AUTHORITY

Regular Meeting of the Board of Directors

April 25, 2018



CENTRAL TEXAS REGIONAL
MOBILITY AUTHORITY

A blue-tinted photograph of a road with a sign that reads "NORTH 183 A TOLL". The road is paved and has a concrete barrier on the right side. The sky is blue with some clouds. The overall image has a grid pattern.

1 Welcome and Opening Remarks by the Chairman and members of the Board of Directors

A blue-tinted photograph of a highway. On the right side of the road, there is a signpost with three signs: 'NORTH', '183 A', and 'TOLL' with a circular arrow icon. The road has a concrete barrier on the right and a grassy shoulder. In the background, there are utility poles and a large building on the left. The sky is blue with some clouds.

2 Opportunity for public comment

A blue-tinted photograph of a road with a sign that reads "NORTH 183 A TOLL". The road is paved and has a concrete curb on the right side. There are utility poles and a fence on the right side of the road. The sky is blue with some clouds. The text "Recess the Board Meeting and Convene the Audit Committee Meeting" is overlaid in yellow on the right side of the image.

**> Recess the Board Meeting and
Convene the Audit Committee
Meeting**



A **Audit Committee meeting called to order by Committee Chairman Singleton**

A blue-tinted photograph of a road with a sign that reads "NORTH 183 A TOLL". The road is paved and has a concrete barrier on the right side. The sky is blue with some clouds. The overall scene is a highway or toll road.

B Accept the letter of engagement for the annual independent auditing services

CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY

April 25, 2018 Audit Committee Meeting
Audit for the Year Ending June 30, 2018

Presented by RSM US LLP

Agenda

- Scope of Services
- Audit Overview
 - Financial Statement Audit Scope
 - Federal and State Awards Audit Scope
- Responsibilities of Audit Committee
- Responsibilities of Management
- Responsibilities of Audit Firm
- Engagement Team

Scope of Services

- We have been engaged by CTRMA to
 - Express an opinion regarding the presentation of management's financial statements prepared in conformity with generally accepted accounting principles
 - Perform the compliance audits of Federal and State Awards and issue reports on internal controls over financial reporting and tests of compliance for major programs for each of these audits

- Financial Statement Audit Scope
 - CTRMA Financial Statements are prepared by management
 - Our audit includes
 - Examining evidence supporting amounts and disclosures on a test basis
 - An assessment of internal control structure for purposes of auditing the amounts and disclosures in the financial statements, but not for providing an opinion on internal control
 - An assessment of accounting principles, significant estimates made by management, and disclosures to the financial statements

Audit Overview - continued

- Federal and State Awards Audit Scope
 - State Compliance Audit (required if \$750,000 or more in expenditures)
 - Federal Compliance Audit (required if \$750,000 or more in expenditures)
 - Each of these audits will result in our
 - Auditor's report on compliance with regulations for each major program
 - Auditor's report on internal control over compliance with laws, regulations, contracts and grant agreements, and other matters for each major program

Responsibilities of the Audit Committee

- Committee's Responsibilities
 - Oversight of financial reporting process
 - Setting an appropriate organizational “tone at the top” for creating a culture of high ethical standards surrounding financial reporting and compliance
 - Communication to auditors of audit questions or concerns
 - Communication to auditors of suspected fraud
 - Communication to auditors of concerns about management integrity
 - Communication to auditors of unusual transactions or large transactions with related parties

Responsibilities of Management

- Management's Responsibilities

- Preparing and fairly presenting the financial statements and schedule of expenditures of awards in conformity with generally accepted accounting principles
- Establishing and maintaining effective internal controls
- Adopting and following industry standard accounting policies
- Identifying and confirming that CTRMA complies with laws and regulations related to its activities
- Identification and communication of suspected fraud
- Identification and evaluation of subsequent events
- Identification and communication of unusual transactions or large transactions with related parties

Responsibilities of the Audit Firm

- Auditor's Responsibilities

- Conduct the audit in conformity with U.S. Generally Accepted Auditing Standards
- Conduct the audit in conformity with Government Auditing Standards
- Perform audit procedures to obtain evidence about the amounts and disclosures in the financial statements
- Evaluate the appropriateness of accounting policies
- Evaluate the reasonableness of significant estimates
- Consider internal control relevant to financial statement preparation but not for the purpose of reporting on the internal controls

Expected Timeline

- April 2018 – CTRMA and RSM planning meeting
- April 2018 – RSM Audit Committee Presentation
- June 2018 – RSM interim audit procedures
- August/September 2018 – RSM year end audit procedures
- September 26, 2018 – Audit Committee and Board meeting and approval of 2018 financial and compliance audit reports

Engagement Team

- Mike O'Brien, Lead Partner
 - Phone number: 512-476-0717
 - Email Address: mike.obrien@rsmus.com
 - Physical Address: 811 Barton Springs Road, Suite 550, Austin, Texas 78704
- Tino Robledo, Senior Audit Manager
- Heath Jackson, Audit Supervising Senior
- Kevin Moriarty, Audit Associate

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C Adjourn Audit Committee

A blue-tinted photograph of a road with a sign that reads "NORTH 183 A TOLL". The road is paved and has a concrete barrier on the right side. In the background, there are utility poles and a building on the left. The sky is blue with some clouds.

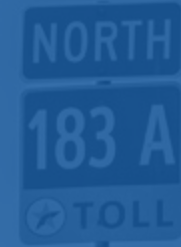
> **Regular Items**
Agenda Items 3-6

Geoff Petrov, General Counsel

3 Approve the minutes from the March 28, 2018 Regular Board meeting

Mary Temple, Controller

**4 Accept the financial statements for
March 2018**



Bill Chapman, Chief Financial Officer

**5 Approve firms for inclusion in the
Mobility Authority's pool of
underwriters**



Underwriters

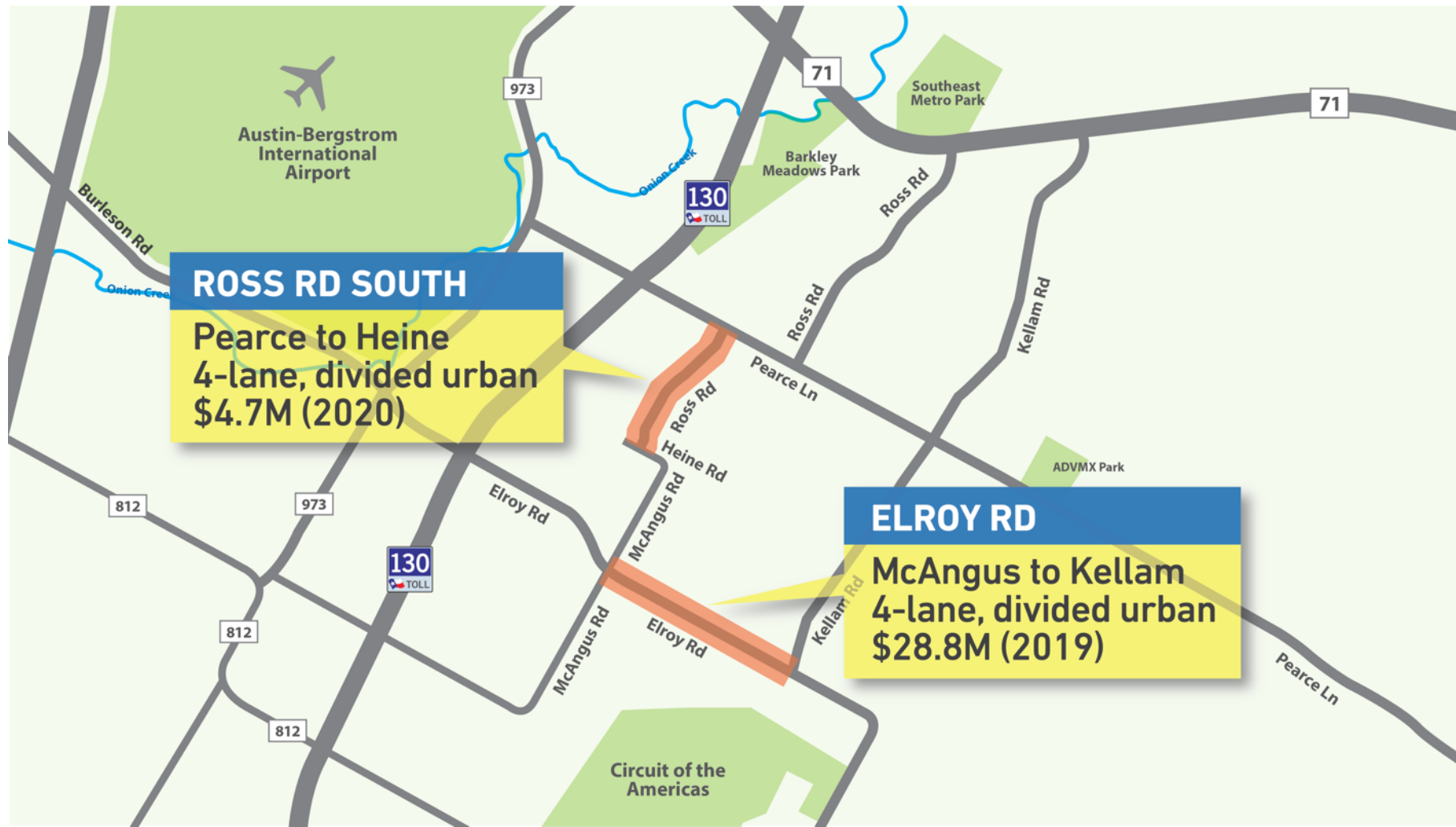
- Academy Securities
- Bank America/Merrill Lynch
- Barclays
- Blaylock Van, LLC
- BOK, Financial Securities, Inc.
- Citigroup
- Estrada Hinojosa & Company
- FTN Financial
- Goldman Sachs
- Hutchinson, Shockey, Erley & Co. Jefferies LLC
- JP Morgan
- Loop Capital Markets, L.L.C.
- Mesirow Financial, Inc
- Morgan Stanley
- Piper Jaffray & Co.
- Ramirez & Company
- Raymond James & Associates
- RBC Capital Markets, LLC
- Rice Financial Products Company Samco Capital Markets
- Siebert Cisneros Shank & Company, L.L.C. Stern Brothers & Co.*
- Stephens Inc.*
- Stifel Nicolaus & Company
- UBS Financial Services, Inc.*
- Wells Fargo Securities

Justin Word, P.E., Director of Engineering

6 Approve funding for general engineering consulting services for the Elroy Road Project



Travis County Road Program





-
- It is anticipated that the County GEC program will take some time to organize and become functional
 - County then needs to hire design consultants
 - County will leverage the Mobility Authority's existing consultants
 - Allows the County to expedite delivery of projects while they develop their bond program
 - Emphasize HUBs and local firms



➤ **Briefings and Reports**
Agenda Items 7-9

Jeff Dailey, Deputy Executive Director

7 Project Reports

A. MoPac Improvement Project

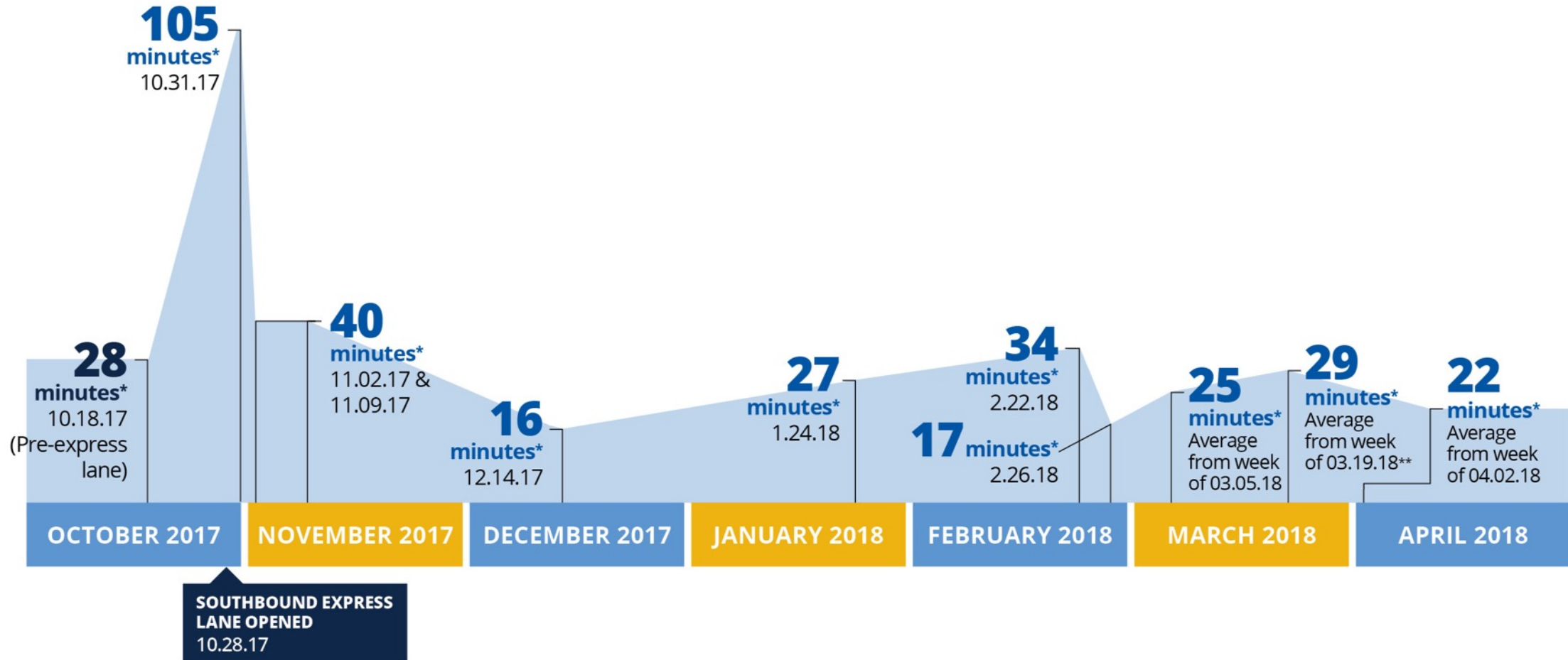


- 
- **Winsted Lane Travel Trends**
 - **MoPac Traffic Trends**
 - **Impact of Traffic Incidents**
 - **MoPac Construction**
 - **Construction Budget / Contingency**

Winsted / Enfield Travel Time Changes



DRAFT



*All travel times shown are from field reviews.

**An accident occurred on 3.19.18.

MoPac Traffic Volume Changes



Location	2011	Prior to Opening	November 2017	March 2018	Change
Braker	92,000	119,000	134,000	136,000	+17,000
RM 2222	158,000	136,000	164,000	162,000	+26,000
Enfield	140,000	124,000	152,000	142,000	+18,000

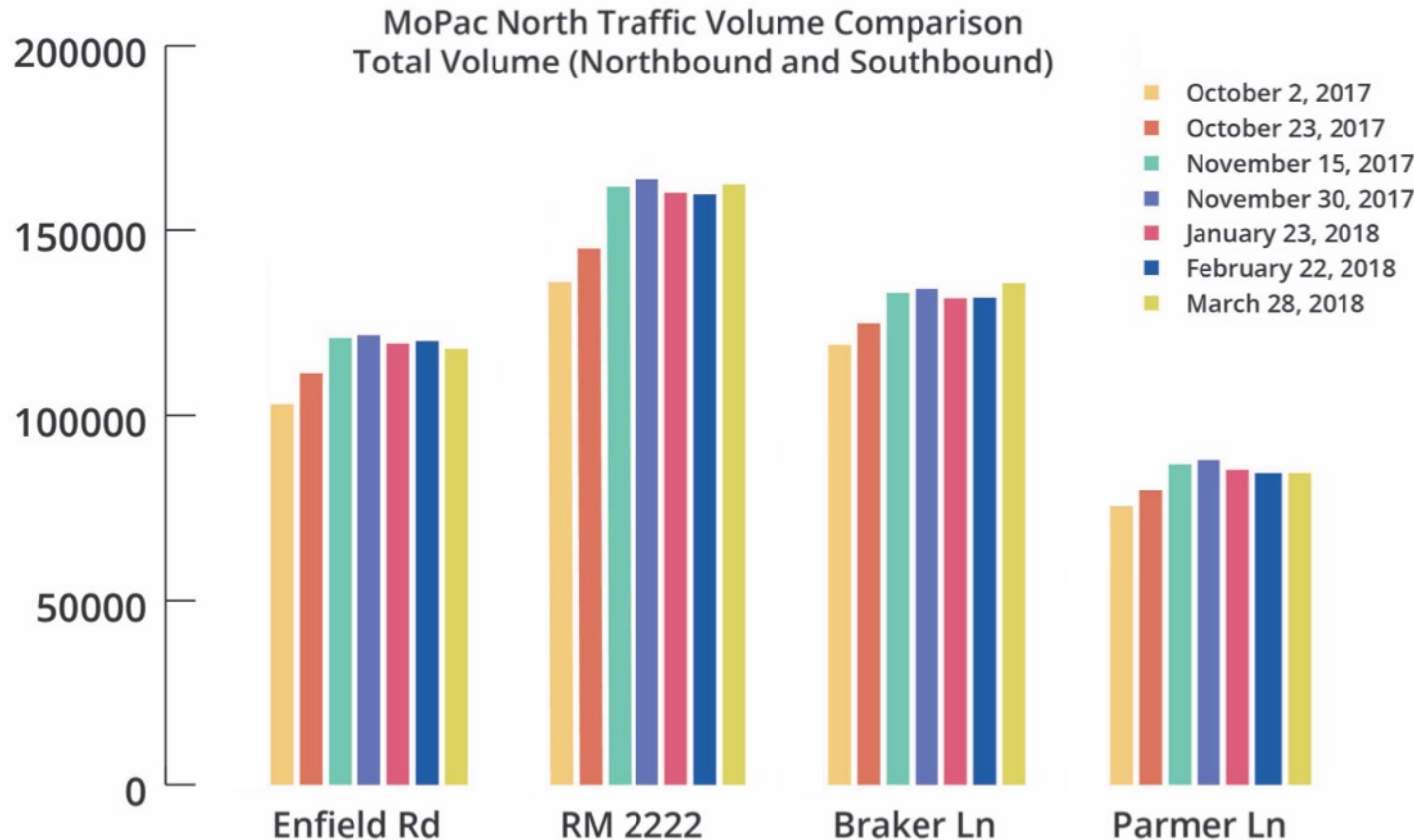
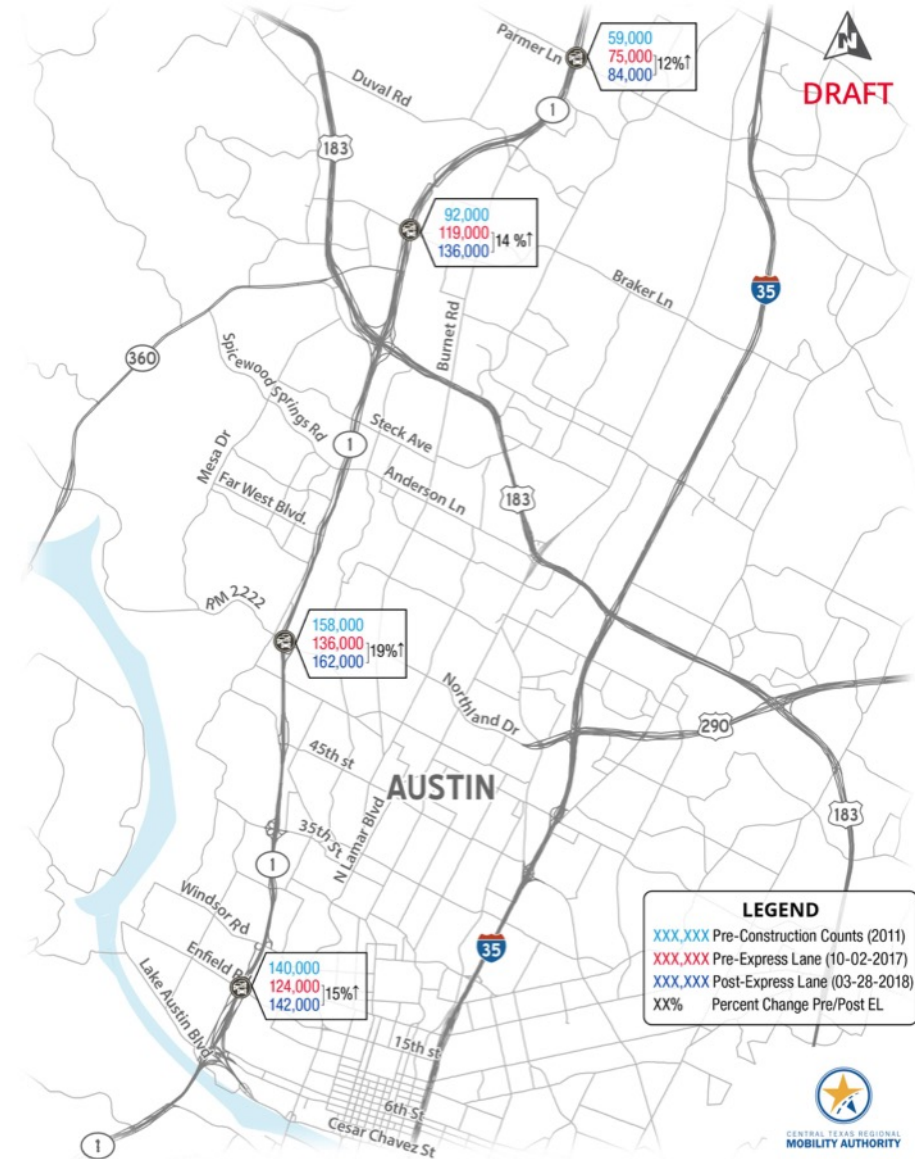


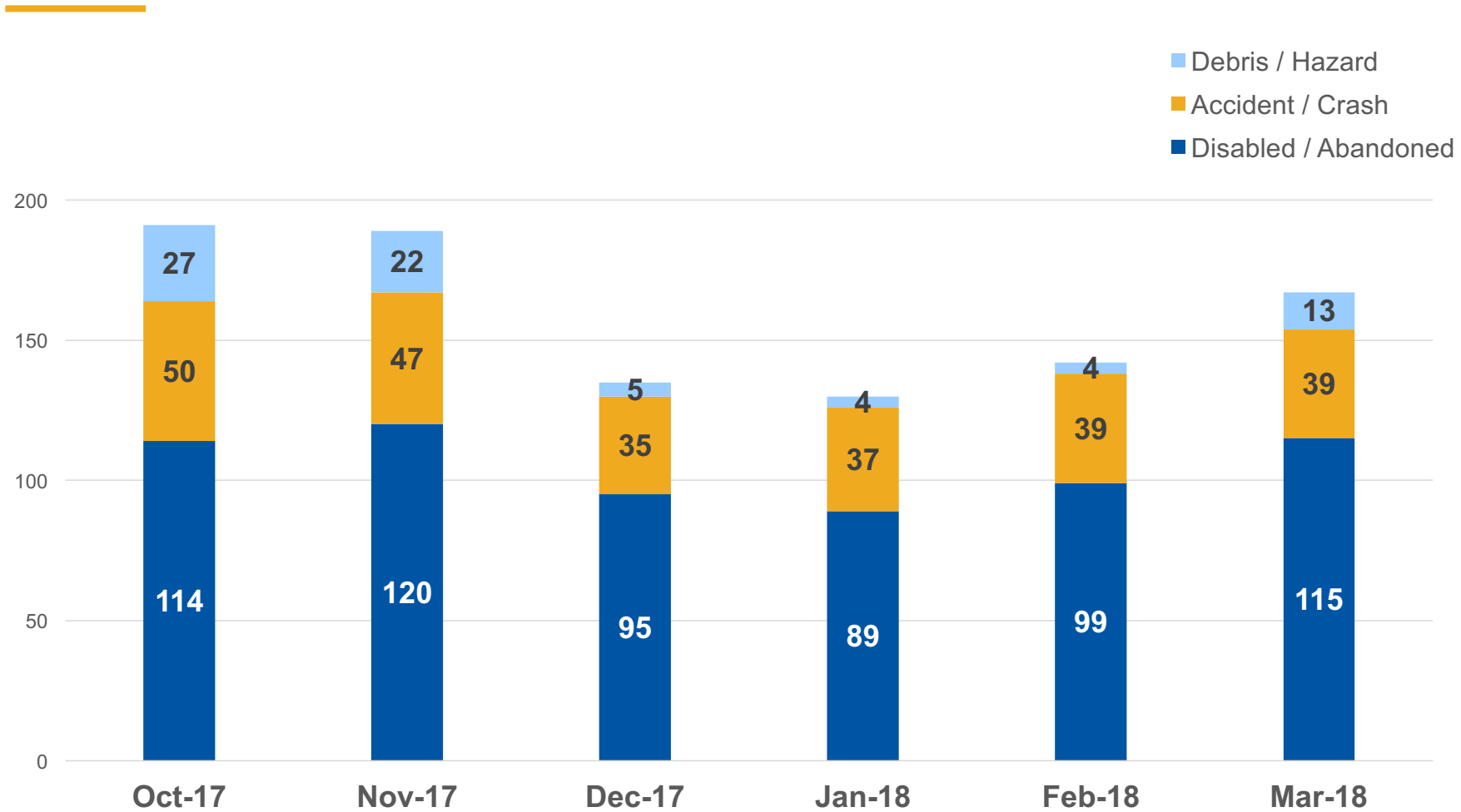
Figure 1. MoPac Corridor Volumes



DRAFT



MoPac Incidents by Type



MoPac Toll Waiver Decision Tree



Incident in Express Lane

- Vehicles able to pass? Hold toll rate until incident clears.
- Vehicles unable to pass? Post “CLOSED” on Express Lane rate signs and adjust toll rates to \$0.00.

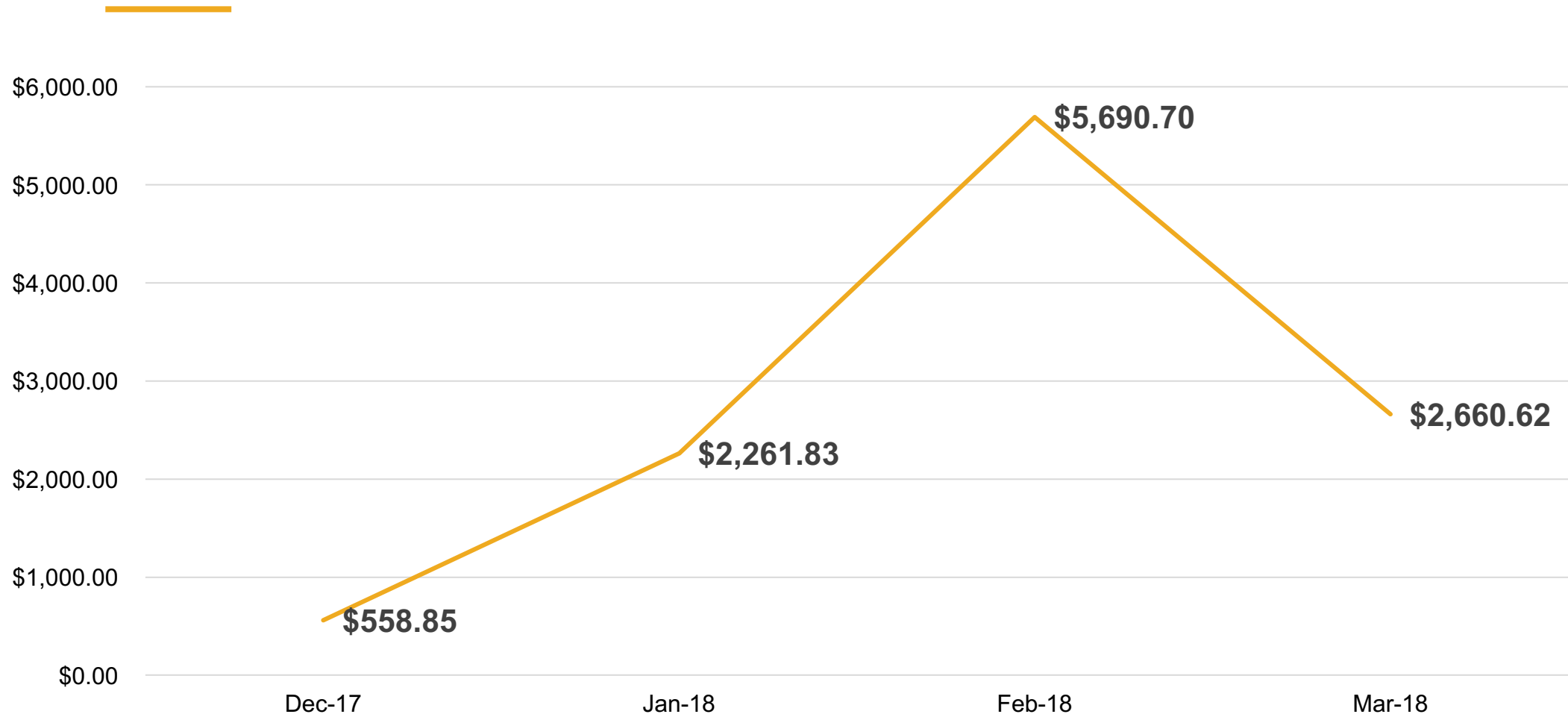
Incident in Regular Lanes

- Hold Express Lane toll rate until hourly traffic volume exceeds 1,700

Regular Lanes Closed

- Post “FREE” on Express Lane rate signs
- Adjust toll rates to \$0.00

Express Lane Toll Waiver by Month



Examples of Toll Waiver Incidents



Date & Time	Location	Incident Type	Transaction Count	Waiver Cost
2/07/18 @ 6:16P	NB Express Lane south of RM 2222	Disabled Vehicle	324	\$ 259.53
2/9/18 @ 5:08P	NB Express Lane at Capitol of Texas Hwy	Two vehicle accident	318	\$ 976.26
2/12/18 @ 4:18P	SB MoPac south of Bee Caves	Major Accident	1,653	\$ 4,265.97
2/20/18 @ 7:14A	SB General Purpose Lane at 2222	Accident	80	\$ 170.72
2/21/18 @ 1:39P	SB Express Lane at RM 2222	Single vehicle accident	38	\$18.22



- There are **8,648 plastic delineators** separating the Express Lane from the regular lanes
- A night crew does **debris and delineator maintenance** as needed, **Monday – Friday** from **5 pm – 2 am**
- Since October 2017 we have replaced approximately **47 delineators** each month
- If you stacked the delineators on top of each other, they would reach 19,245 feet in the air – the cruising altitude of a light airplane



US 183

US 183

Construction Activity

Anderson Lane

Anderson Lane

RM 2222

RM 2222

Hancock Dr.

Hancock Dr.

4

45th St.

45th St.

5



35th St.

35th St.

Westover Rd.

Westover Rd.



Windsor Rd.

Windsor Rd.

13

Express Lane (SB) ↓

↑ Express Lane (NB)

Enfield Rd.

Enfield Rd.

21

17

Lake Austin Blvd.

5th St.

Cesar Chavez St.



Lady Bird Lake





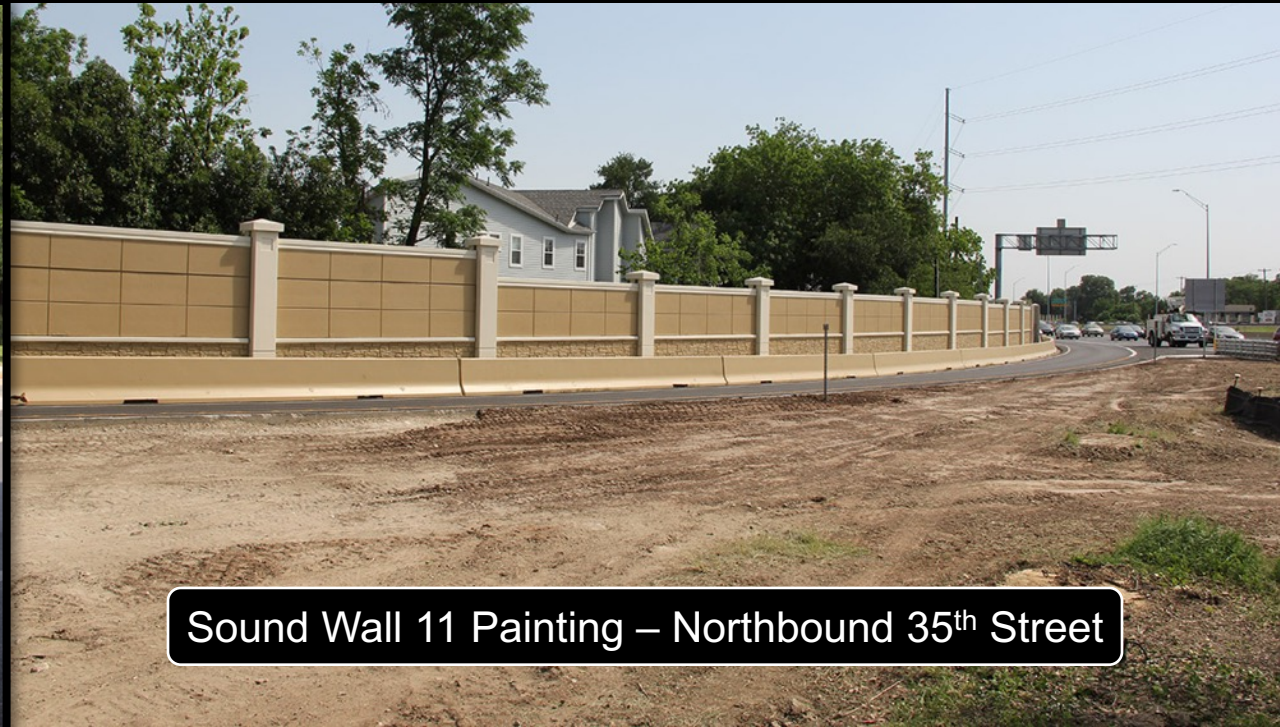
Sound Wall 13 – Southbound Westover



Final Grading and Seeding – Westover Road



Concrete Paver Installation – Westover Road



Sound Wall 11 Painting – Northbound 35th Street

MoPac Design/Build Contract



Obligations

ORIGINAL CONSTRUCTION CONTRACT VALUE **\$136,632,100**

CO#01B	5th & Cesar Chavez SB Reconfiguration (Construction)	\$593,031
CO#05B	FM 2222 Bridge NB Ret Wall Abutment Repair (Construction)	\$850,000
CO#07	FM 2222 Exit Storage Lane	\$426,000
CO#08C	Refuge Area: Added Shoulder Adjustment Sound Wall #1	\$2,508,548
CO#09	Westover SB Frontage Repairs	\$450,000
CO#12	Barrier Rail Opaque Seal	\$542,419
CO#17	Bike and Ped Improvements at Far West Blvd Bridge/FM 2222	\$971,889
CO#20	Northern Terminus Sound Wall #3	(\$1,210,540)
CO#32	Void of CO#05B, #09, #10, UPRR	(\$1,501,437)
CO#33	Shared Use Path at US 183	(\$1,000,000)
CO#34	Undercrossing Fire Protection	\$1,412,574
CO#35	TxDOT Duct Bank Interference	\$1,357,196
CO#36	Non-Compliant Existing Illumination	\$2,226,189
CO#37	NB Pavement Cross Slope and Profile Corrections	\$3,635,477
CO#38	SB Pavement Cross Slope and Profile Corrections	\$3,100,298
	Total of Others less than \$300,000 (21)	\$1,689,616

EXECUTED CHANGE ORDERS **\$16,051,260**

Change Orders under Negotiation **\$5,301,049**

Potential Construction Contract Value **\$157,984,409**

Amount Paid CH2M (as of 3/31/2018) **(\$119,755,351)**

Assessed Liquidated Damages **(\$20,000,000)**

Potential Amount Due (CH2M) **\$22,903,848**

Current as of
3/31/2018

MoPac Design/Build Financial Summary



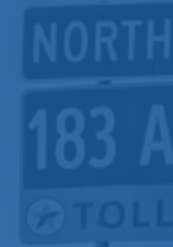
Potential Obligations	Amount
Original Contract Amount	\$136.6 M
Executed Change Orders	\$16.1 M
Revised Contract Amount	\$152.7 M
Change Order Under Negotiation	\$5.3 M
Potential Contract Amount	\$158.0 M
Milestone Payment	\$21.5 M
Potential Contract Amount w/ Milestone Payment(s)	\$179.5 M
Payments	Amount
Contract Payments	\$119.8 M
Milestone Payment(s)	\$16.8 M
Assessed Liquidated Damages	\$20.0 M
Potential Remaining Payments to CH2M	\$22.9 M

Remaining Payments to CH2M - Detail	
Next Monthly Payment	\$1.5 M
Potential Change Order(s)	\$5.3 M
Sound Wall Withholding	\$4.0 M
Retainage	\$7.6 M
Milestone Payments	\$4.5 M
Total	\$22.9 M

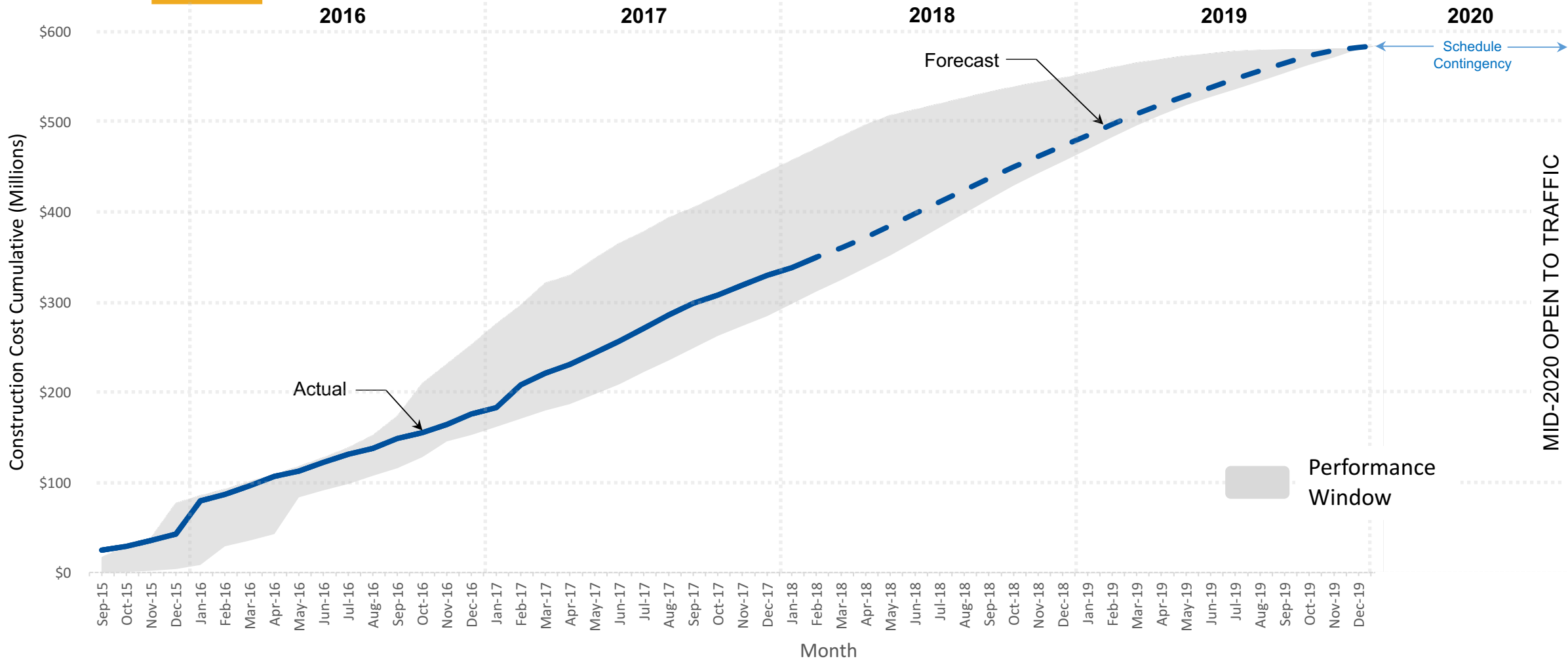
Justin Word, P.E., Director of Engineering

7 Project Reports

B. 183 South Project

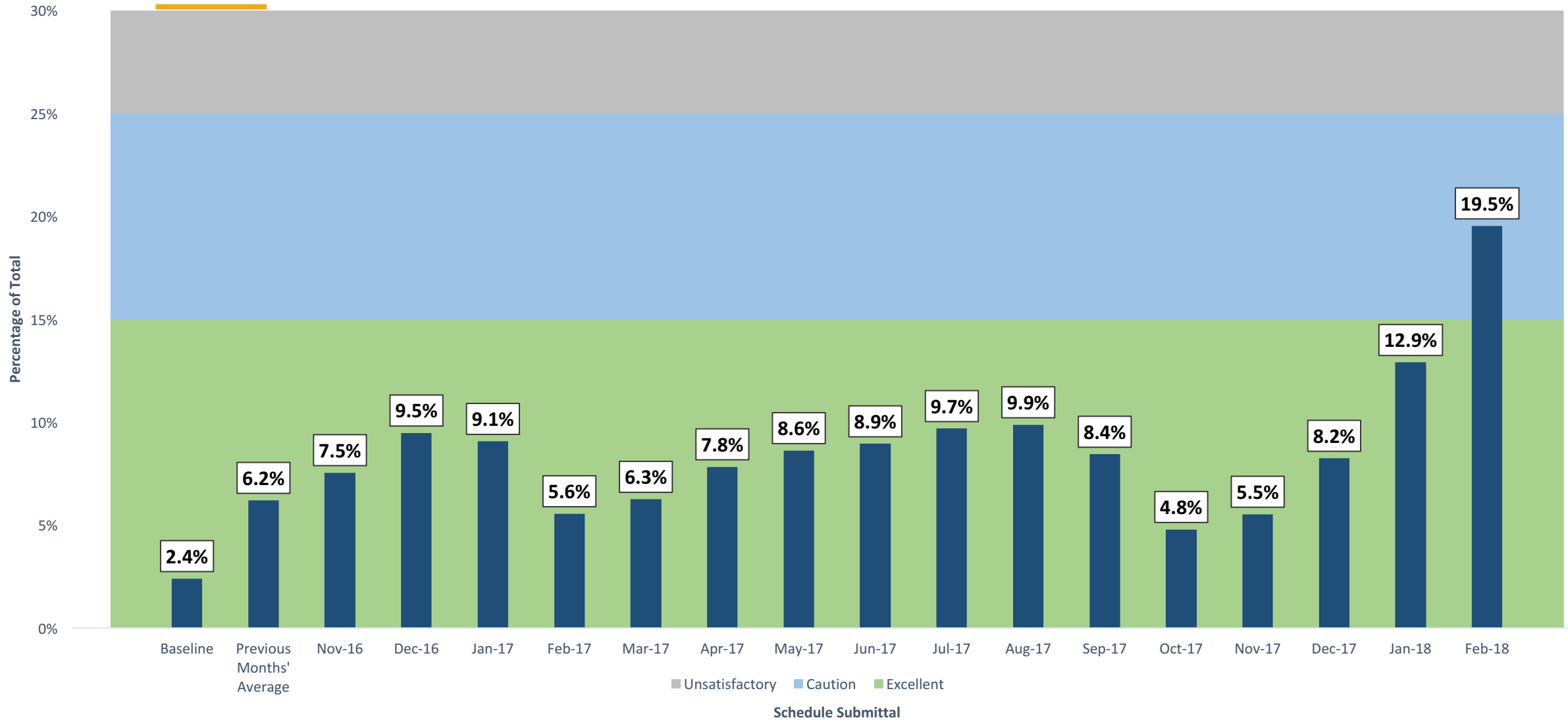


Cashflow Analysis



MID-2020 OPEN TO TRAFFIC

Near Critical Activities



183 South Design/Build Project



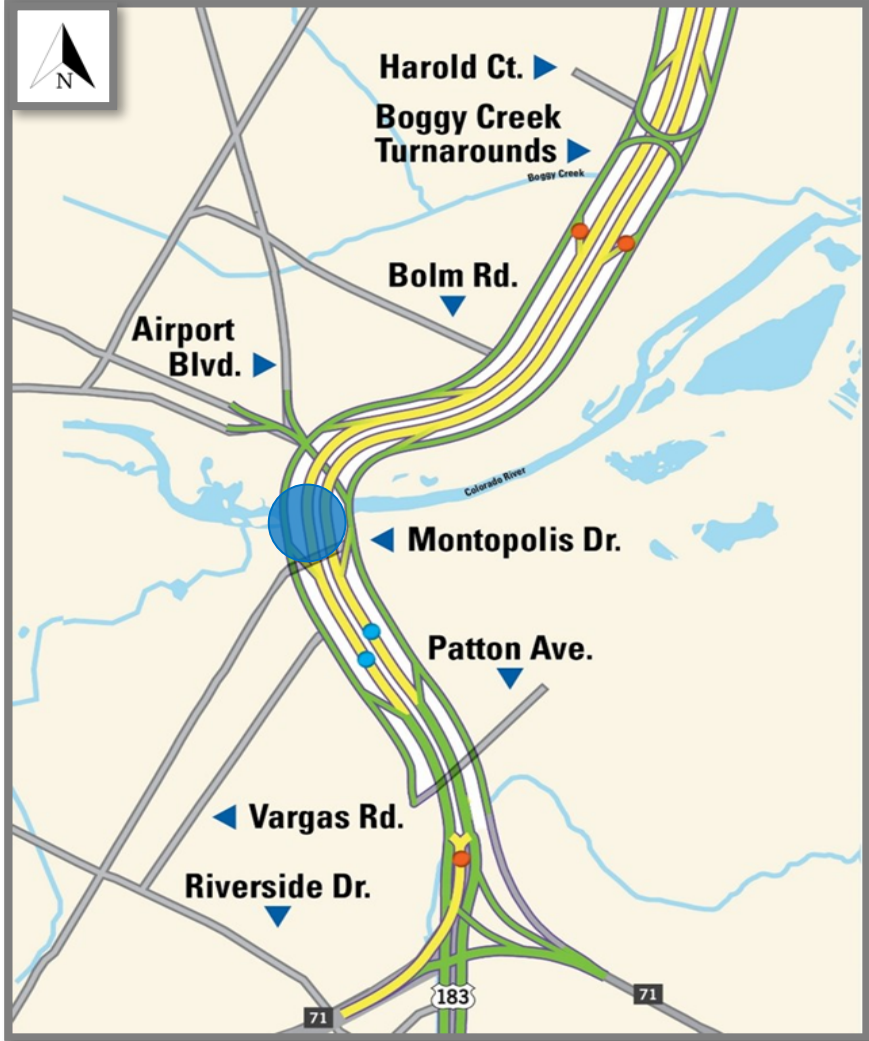
EXECUTED CONTRACT VALUE		\$581,545,700
Total Project Contingency		\$47,860,000
Obligations	CO#1 City of Austin ILA Adjustment	(\$2,779,934)
	CO#2 Addition of Coping to Soil Nail Walls	\$742,385
	CO#4 Greenroads Implementation	\$362,280
	CO#6 51st Street Parking Trailhead	\$477,583
	CO#9 Patton Interchange Revision	\$3,488,230
	Others Less than \$300,000 (5)	\$253,242
	EXECUTED CHANGE ORDERS	\$2,543,786
	Change Orders in Negotiations	\$8,270,000
Potential Contractual Obligations	\$10,610,000	
Total Project Obligations		\$21,423,786
Remaining Project Contingency		\$26,436,214

Change Order
Status as of **4/10/18**

Construction Activities: Colorado River



April 2018



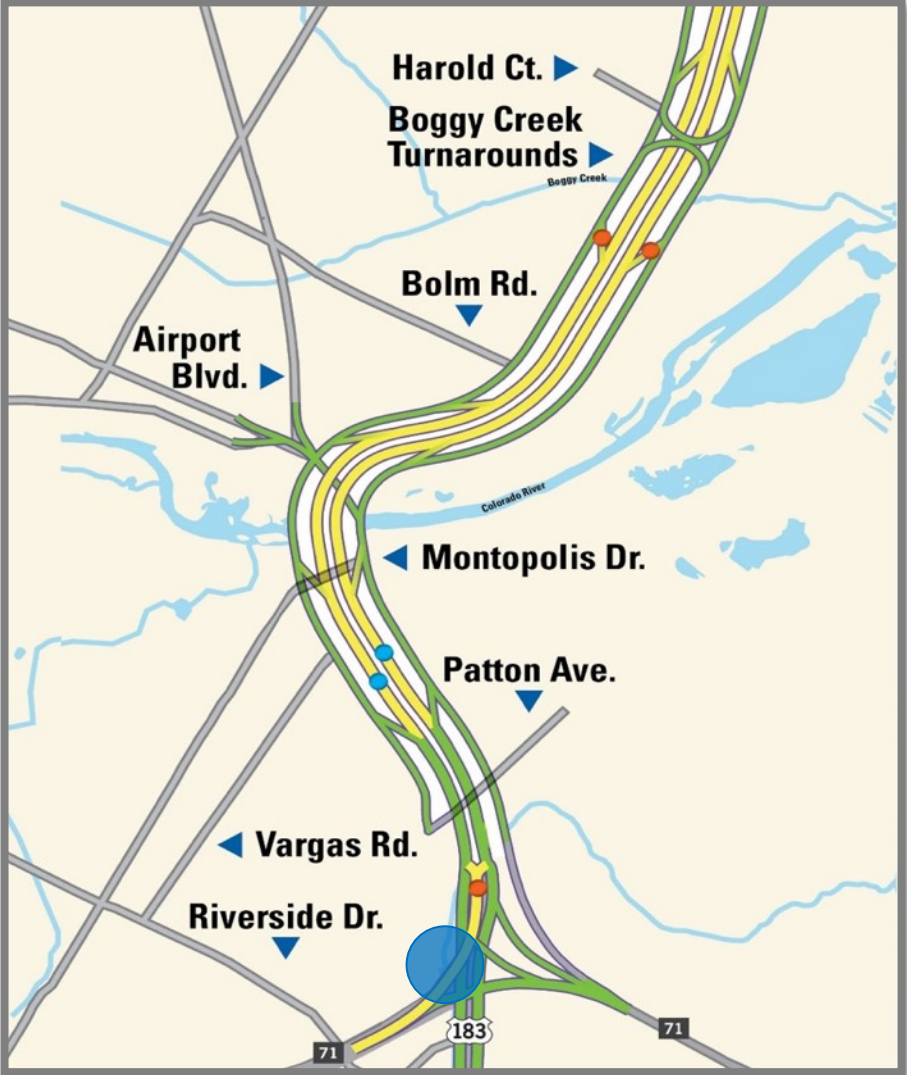
Drone Flight: Colorado River to Montopolis



Construction Activities: US 183 at SH 71 Interchange



April 2018



Drone Flight: US 183 at SH 71 Interchange





-
- Success story video interviews of employees working on 183 South
 - **Designing website content**
 - Discussions with the City of Austin on their 2016 mobility bond program
 - **Working with Cofiroute on possible job candidate needs**
 - Preparing to assist contractors with qualified job candidates for the Travis County projects



The pre-construction Context Sensitive Solutions process identified three community priorities for the corridor aesthetics:

Enhanced landscaping

Community Connections

Regional Identity

- The PI team is further exploring the concept of “regional identity” to determine what enhancements may be added to the current aesthetics design to ensure community values are folded into the project.
- A **survey** to gather input on what makes the community proud to call east Austin home is being circulated to elected officials, key stakeholders and the general public over the next 2 months.
- Input received will be incorporated into the final aesthetic designs.

The aesthetics survey is available on our project website at 183south.com

**SAMPLE SURVEY
QUESTIONS**

TAKE OUR AESTHETICS SURVEY

Which community or historical themes should be recognized? (check all that apply):

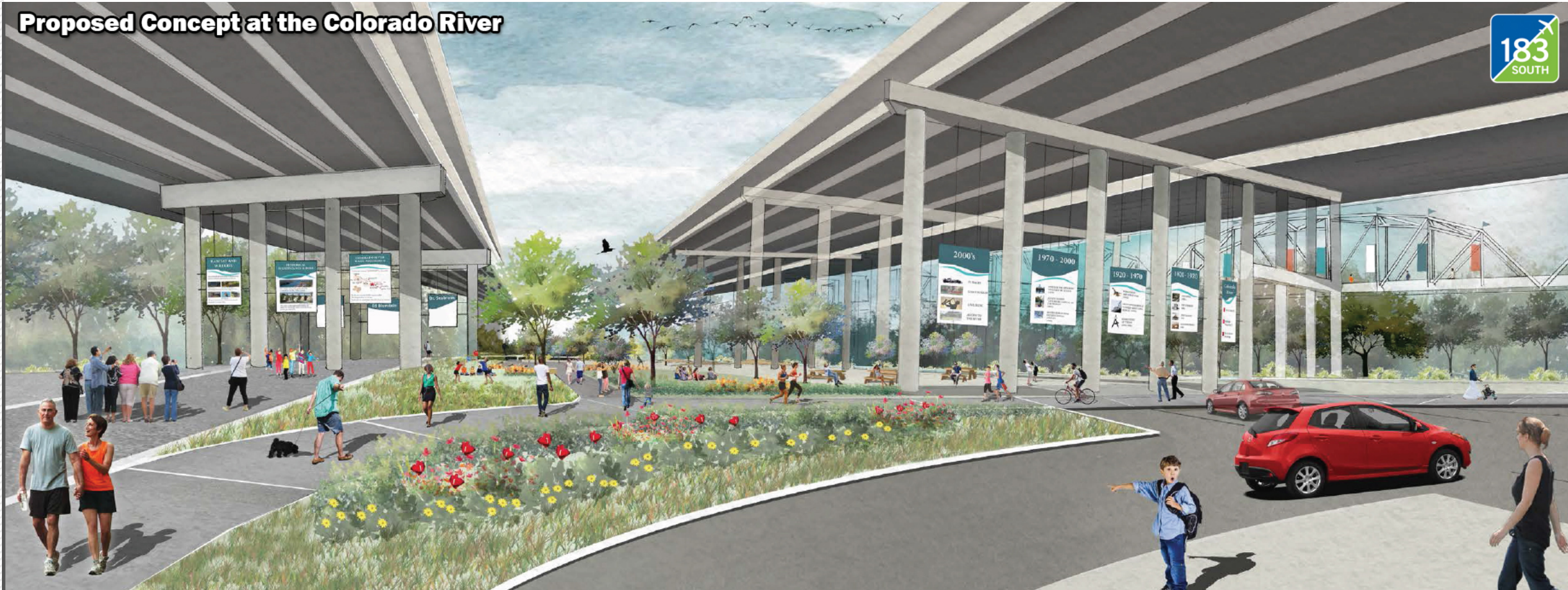
- Cultural history
- Social history
- Political history
- Education
- Aviation
- Military history
- Native American settlements
- Music
- Modern culture
- Eco-Tourism

What facts about the Colorado River should be recognized? (check all that apply):

- The Colorado River is the water source for City of Austin residents
- Origin of the name
- Geographic limits of the River
- Information about flood events
- Key statistics (e.g., number of crossings in Austin)
- Native bird, amphibian and plant species commonly found in and along the river
- Bird, amphibian and plant species threatened in and along the Colorado River
- Other _____

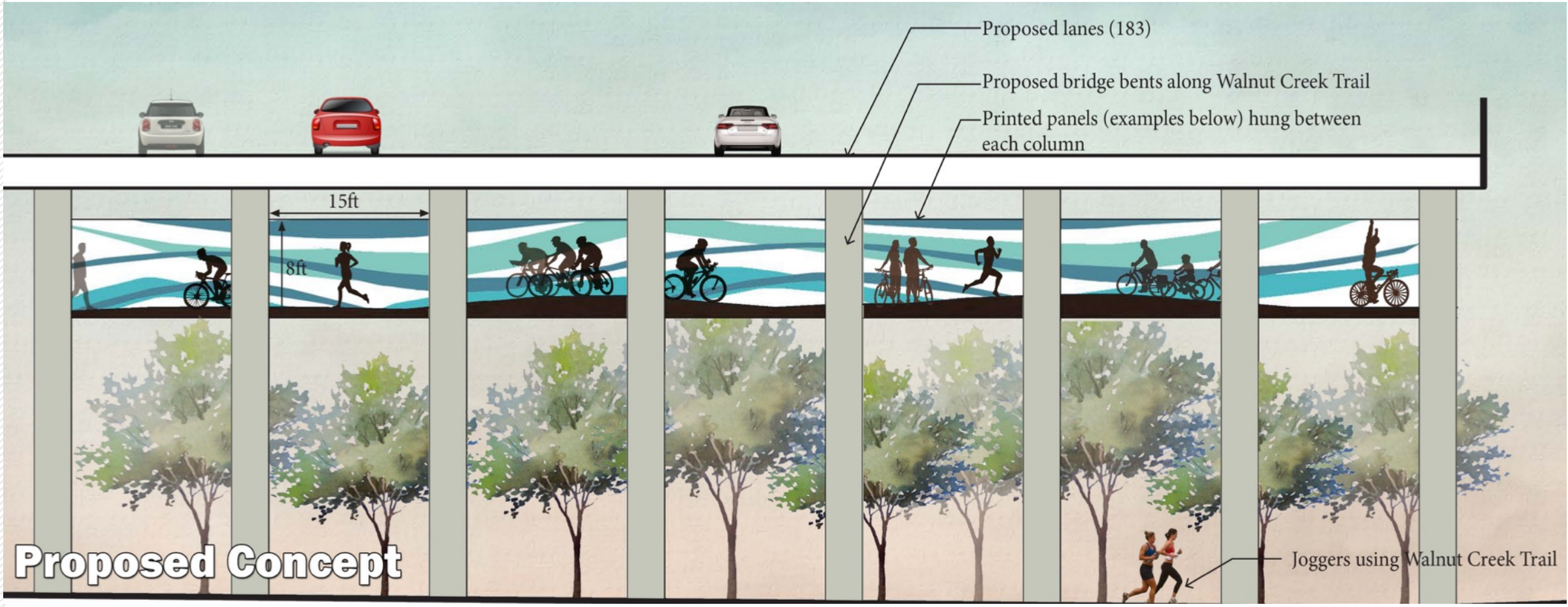


Proposed Concept at the Colorado River





Proposed Concept



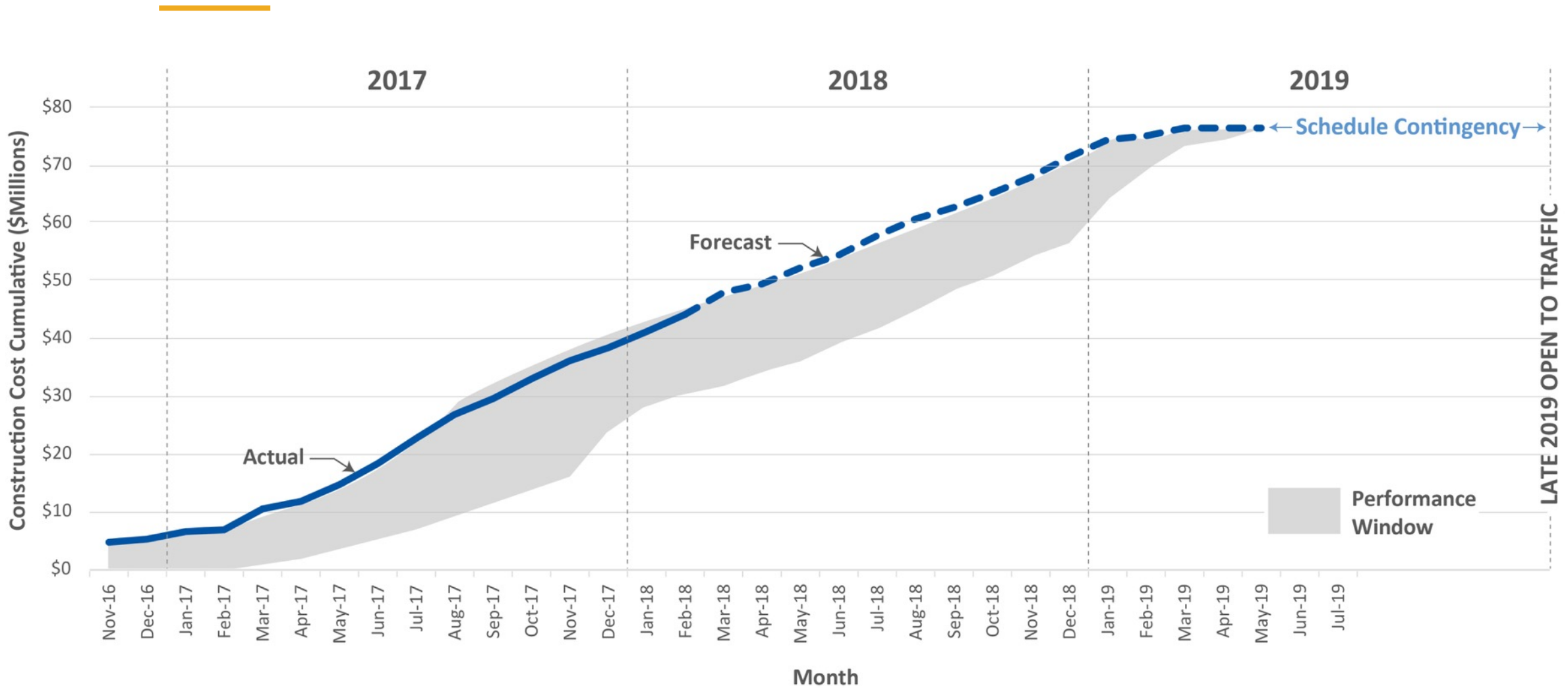
Justin Word, P.E., Director of Engineering

7 Project Reports

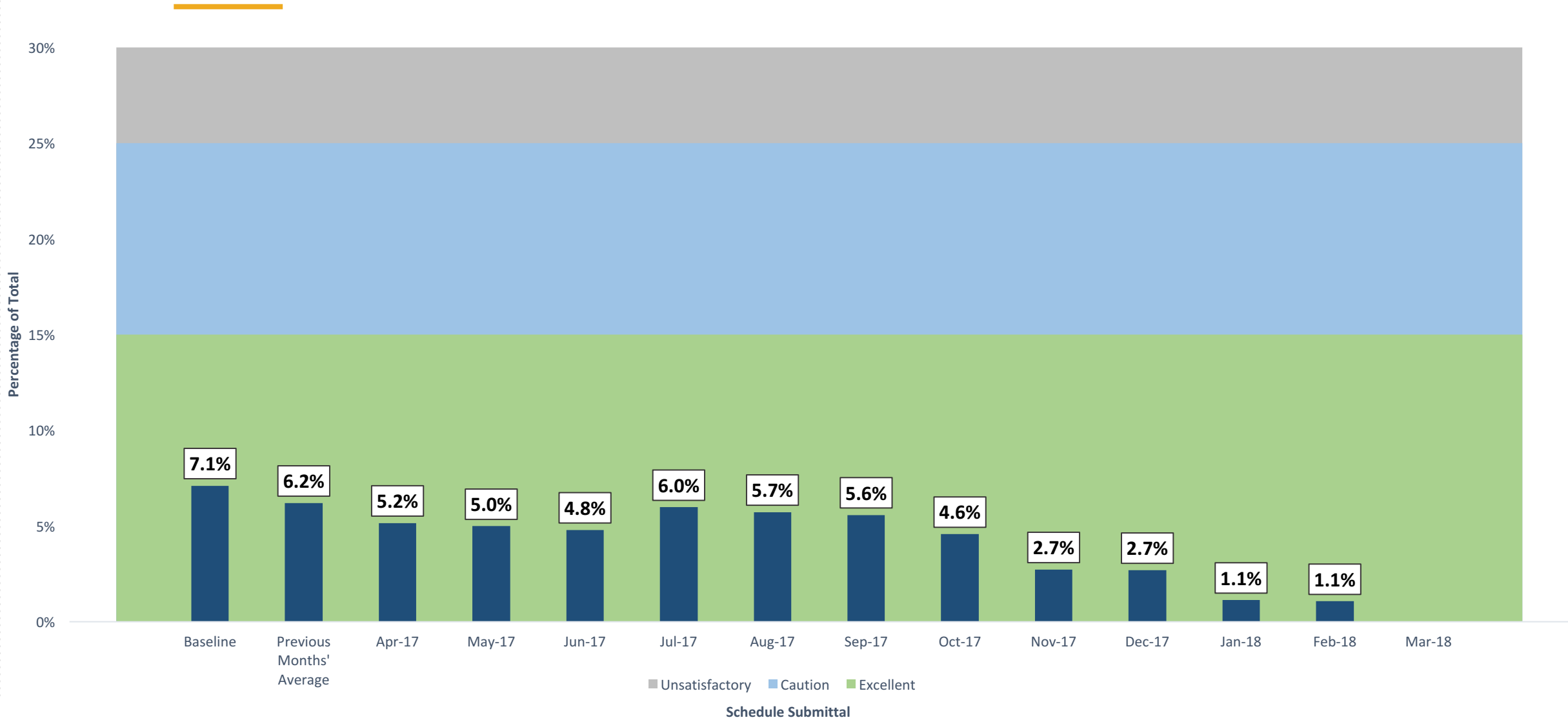
C. SH 45SW Project



Cash Flow Without Mobilization



Near Critical Activities

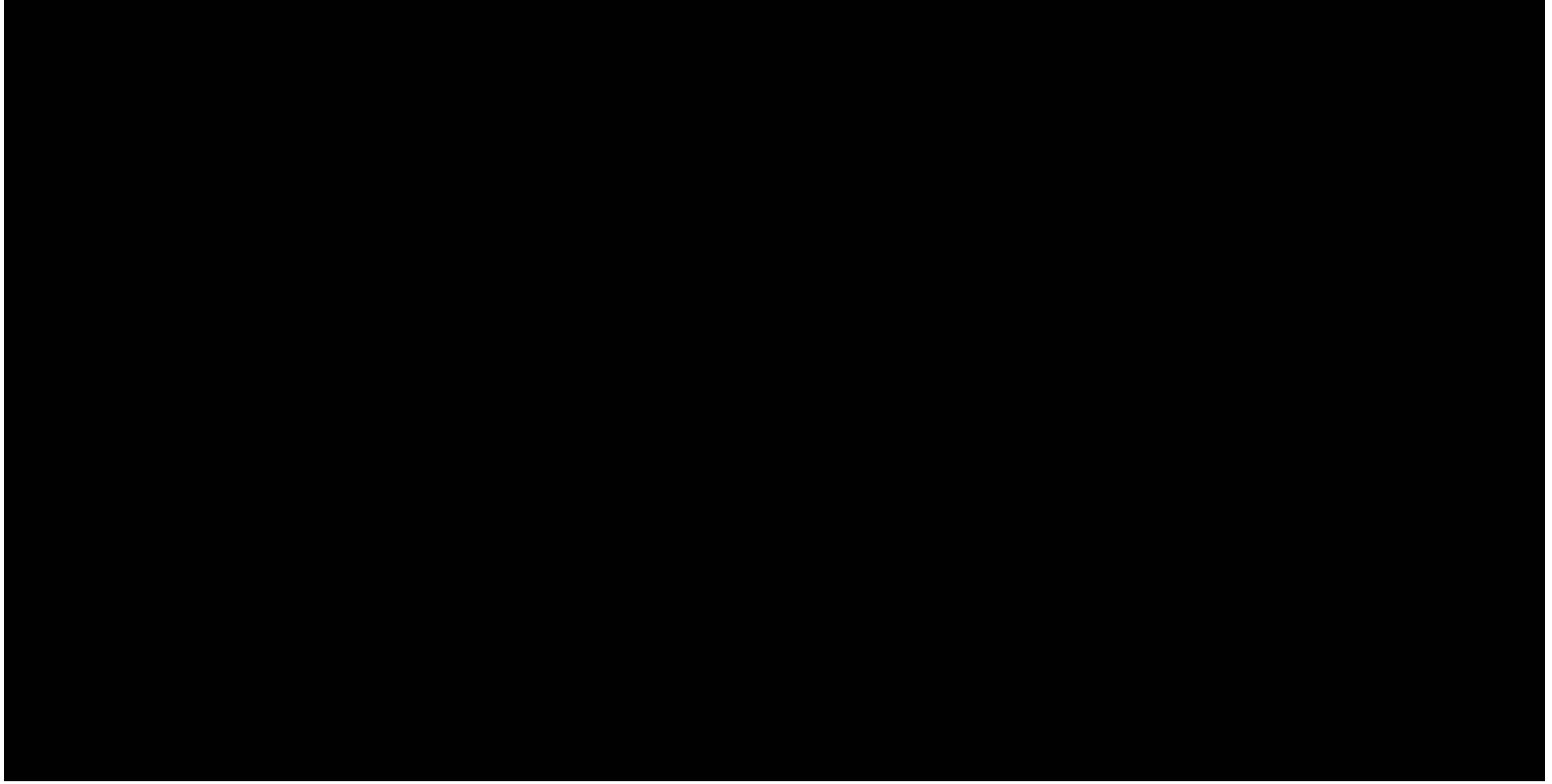


SH 45SW Design/Bid/Build Project



EXECUTED CONTRACT VALUE		\$75,103,623
Total Project Contingency		\$7,520,000
Obligations	CO#1 Asbestos Removal	\$1,962
	CO#2 TCEQ Protection Plan	\$103,773
	CO#3 Conduit Installation Revision	(\$11,970)
	CO#4 Installation of PEC and TWC Conduits	\$458,439
	CO#5 Installation of SSTR Drilled Shafts and Moment Slab	\$538,945
	CO#6 Feature 004 Protection and Bridge Drain Assembly	\$2,932
	CO#7 Traffic Control Savings and Removal of Mulch	(\$5,560)
	CO#8 Slope Protection Under Bear Creek Bridge	\$167,338
	CO#9 Temporary Relocation of Overhead Lines	\$7,227
	CO#10 Bridge Drain Outfall Revision and Bicycle Detour Plan	\$28,229
	CO#11 Additional Clearing for PEC Transmission Lines	\$86,609
	CO#12 Closure Plan / Mitigation for Potential Features 11 and 12	\$0 *
	CO#13 Elevation Changes in Retaining Walls 20 and 24	\$0 *
<i>* CO#12 (\$10,039) and CO#13 (\$13,146) paid under construction contingency allowance</i>		
EXECUTED CHANGE ORDERS		\$1,377,924
Change Orders in Negotiations		\$0
Potential Contractual Obligations		\$2,106,797
Total Project Obligations		\$3,484,721
Remaining Project Contingency		\$4,035,279

Drone Flight



A blue-tinted photograph of a highway. In the foreground, a concrete barrier with rounded posts runs along the right side of the road. A signpost on the right side of the road has three signs: 'NORTH', '183 A', and 'TOLL' with a circular arrow icon. The road stretches into the distance under a cloudy sky. On the left side of the road, there are some trees and a building.

8 Executive Director Board Report

A. Discount for qualified veterans



CTRMA Veteran Discount Program

Texas House Bill 3139, made effective on September 1, 2009:

- Allows a toll entity to establish discount program for electronic toll collection customers for certain veteran classes.
- States that the Program must include free or discounted use of the entity's toll project by an electronic toll collection customer whose account relates to a qualified veteran.
- Authorizes legislature to appropriate funds from the general revenue fund to a toll project entity to defray the cost.



Qualified Veteran Plates

Plate Type	Number Issued in Texas *
Disabled Veteran	315,180
Purple Heart	3,232
Legion of Valor	38
Congressional Medal of Honor	12
Distinguished Service Medal	2
Bronze Star Medal	1
TOTAL	318,465

* Data current as of November 2017



Mobility Authority Financial Impact Analysis

Year	Eligibility		
	<i>Tag Only</i>	<i>Tag w/ some Pay By Mail Shift to Tag</i>	<i>Tag & Pay By Mail *</i>
2018	\$1.5M	\$1.5M	\$2.1M
2019	\$1.7M	\$1.8M	\$2.4M
2020	\$2.2M	\$2.4M	\$3.2M
2021	\$2.7M	\$3.2M	\$4.1M
2022	\$3.0M	\$3.8M	\$4.5M
2023	\$3.3M	\$4.3M	\$4.9M

** Includes \$0.04 / transaction image review cost incurred by PBM transactions*



Veteran Discount Programs in Texas

Agency	Tag or Plate?	Disabled Veterans	Purple Heart	Legion of Valor	Medal of Honor	Subsidy?
Cameron County RMA (CCRMA)	Plate	✓	✓	✓	✓	No
Fort Bend County Toll Road Authority (FBCTRA)	Tag	✓	✓	✓	✓	No
Harris County Toll Road Authority (HCTRA)	Plate	✓	✓	✓	✓	No
Northeast Texas RMA (NETRMA)	Tag & Plate	✓	✓	✓	✓	No
North Texas Tollway Authority (NTTA)	Tag				✓	Yes
Texas Department of Transportation (TxDOT)	Tag & Plate	✓	✓	✓	✓	Yes




Operational Considerations

- **Electronic Toll Collection and Interoperability**
 - Different rules for various electronic toll tag products leads to confusion
- **Pay By Mail / Infrequent Toll Users**
 - Additional cost incurred for image-based transactions
- **Express Lane Facilities**
 - Every vehicle in the Express Lane affects the price
- **Program Limits**
 - No limitation on number of vehicles one can register under veteran plate codes
- **Revenue Impact**
 - Veteran discounts adds to revenue loss from first responder and transit exemptions



Next Steps

- ✓ Conduct traffic and revenue study
 - Investigate the legal, operational and customer service impacts
 - Coordinate with other Texas agencies
 - Develop program guidelines
 - Seek Board input and consideration



8 Executive Director Board Report
**B. April 18, 2018 House
Transportation Committee Hearing**

The background image shows a perspective view of a multi-lane road stretching into the distance. On the right side of the road, there is a signpost with three signs: 'NORTH', '183 A', and a circular 'TOLL' sign with a right-pointing arrow. The scene is overlaid with a semi-transparent blue filter. A white grid pattern is visible across the entire image.

8

Executive Director Board Report
C. 2018 Mobility Authority Strategic Plan

8

Executive Director Board Report

**D. Mobility Authority Fiscal year 2019
Operating Budget**



FY 2019 Budget – Next Steps

April 25, 2018 until May 30, 2018 Board Meeting:

- Finance and all departments will be available to meet on an as needed basis.
- Revenues will be refined as our analysis of each roadway's revenues become more complete.
- The Operations department's expenditures will be broken out by roadway.
- Departmental Narratives and the Overview will be added at the beginning of each section.
- Details of changes and feedback from the Board since the April 25, 2018 meeting will be presented to Board at the May 30th Board meeting.

May 30, 2018 until June 27, 2018 Board Meeting:

- Finance and all departments will be available to meet on an as needed basis.
- Any further refinements identified by staff will be incorporated and documented and shared in advance with the Board.
- Board or Executive Director changes will be made.

June 27, 2018 Board Meeting:

- Details of changes since the May 30, 2018 meeting will be presented to Board at the June 27th Board meeting.
- At the June 27th Board meeting, amendments to the budget can still be made.
- Appropriate action to adopt FY 2019 Budget will be requested for the fiscal year beginning July 1, 2018.

9

Recognize and present CTRMA Board Member Amy Ellsworth a resolution commemorating her service to the citizens of Central Texas

The background image shows a perspective view of a multi-lane road stretching into the distance. On the right side of the road, there is a concrete barrier with rounded posts. Further right, a grassy shoulder leads to a sidewalk and utility poles. A prominent signpost on the right side of the road features three stacked signs: 'NORTH' at the top, '183 A' in the middle, and a circular arrow icon with the word 'TOLL' below it. The sky is blue with scattered white clouds. The entire image is overlaid with a semi-transparent blue filter.

> Executive Session
Agenda Items 10-12



➤ **Reconvene in Open Session**

A blue-tinted photograph of a highway. On the right side of the road, there is a signpost with three signs: 'NORTH', '183 A', and 'TOLL'. The road has a concrete barrier on the right and a grassy shoulder. In the background, there are utility poles and a large building on the left.

13 Adjourn meeting



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Thank You

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