



**FY2023–2024
QUARTERLY
PERFORMANCE REPORT
2ND QUARTER**

OVERVIEW

In November 2020, Austin voters approved Proposition A to dedicate new revenue to the implementation of Project Connect—a program of transit projects designed to provide transportation alternatives for our community. City of Austin and Capital Metro subsequently created the Austin Transit Partnership (ATP) and tasked its Board of Directors with overseeing the program.

On September 20, 2023, ATP’s Board of Directors unanimously approved the FY 2023–24 Budget. This annual budget reflects a twelve-month fiscal year from October 1, 2023 through September 30, 2024, and includes budgets for revenue, administrative expenses, and capital contracts. These budgets are described in more detail in the sections that follow as well

as year-to-date (YTD) actual spending through the second quarter of the fiscal year (October 1, 2023 through March 31, 2024).

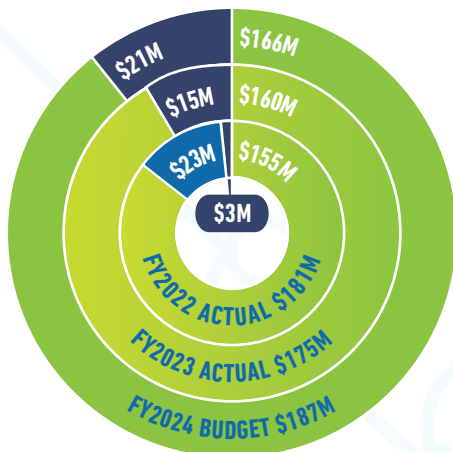
On March 27, 2024, ATP’s Board of Directors approved an additional \$65 million appropriation to the Light Rail Capital Fund to fully fund Project Development, a key requirement for entry into the Project Development phase with the Federal Transit Administration.

As ATP’s budget continues to evolve, quarterly update reports will adjust to accommodate additional financial information requested. Please reach out to input@atptx.org to request information included in quarterly reports.

REVENUE

► BY FUNDING SOURCE

	FY22 ACTUAL	FY23 ACTUAL	FY24 BUDGET
Prop A Property Tax	\$155M	\$160M	\$166M
Investment & Other Revenue	\$3M	\$15M	\$21M
CapMetro Contributions	\$23M	-	-



► FUTURE FUNDING SOURCES

Debt Proceeds **\$0M** Grant Funding **\$0M**

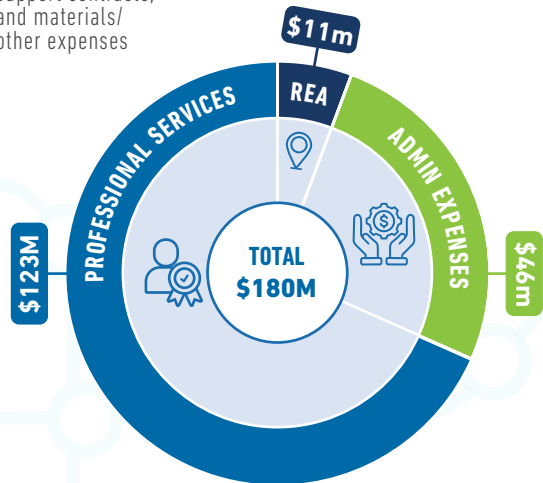
SPENDING

► AUSTIN LIGHT RAIL CAPITAL FUND

\$ FY24 TOTAL APPROPRIATIONS **\$180M¹**

Remaining appropriations from prior years **\$82M** New appropriations **\$98M**

- \$46M** Administrative expenses
Personnel, business support contracts, and materials/ other expenses
- \$11M** Right-of-way & real estate acquisitions
- \$123M** Professional services



¹ FY24 Total Appropriations include the \$65M budget amendment approved on March 27, 2024.

FY 2023–24 PRIORITY OUTCOMES

In FY24, ATP's strategic objectives encompass Federal Process, Design, and Community Engagement, with a emphasis on solidifying the partnership with the FTA, advancing design and engineering efforts, and continuing to engage with the local community.

This work will be completed mainly by leveraging existing resources with HDR, HNTB, AECOM, Ernst & Young Infrastructure Advisors, HUG Joint Venture, and Buie & Co., which have all been previously approved by the ATP Board.

► FEDERAL PROCESS

FY24 will be primarily focused on continuing to advance the work needed to solidify ATP's partnership with the FTA. This includes the following year-to-date achievements:

- Completed the FTA's required steps for recognition as a federal grant recipient.
- Initiated the environmental analysis required by the National Environmental Policy Act (NEPA).
- Entered the Capital Investment Grant (CIG) process to continue the path towards a Full Funding Grant Agreement for Austin Light Rail Phase 1.

► DESIGN

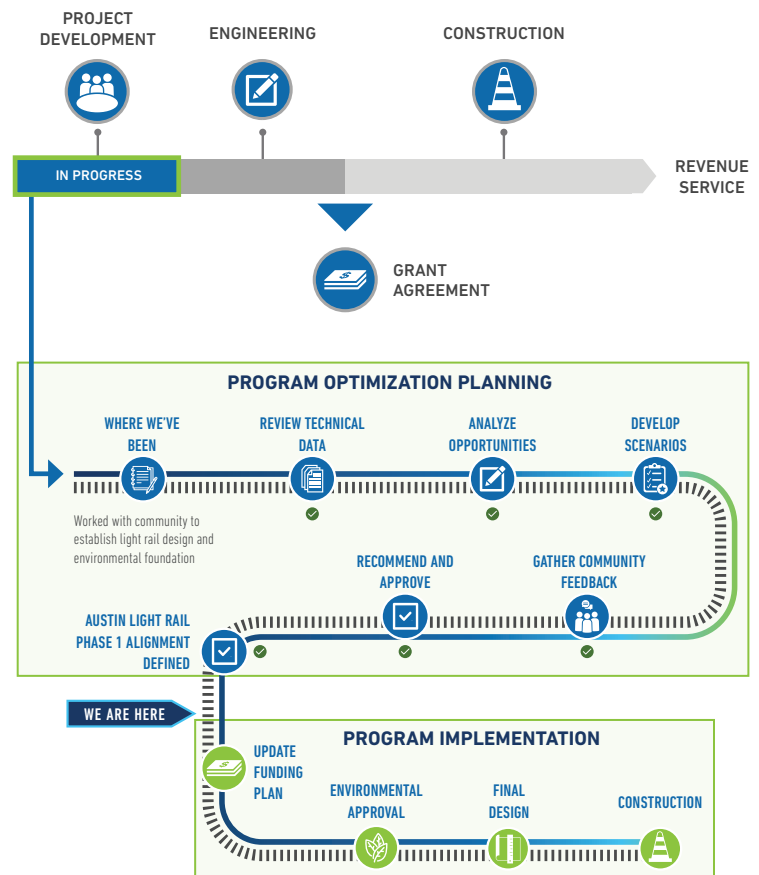
ATP will advance engineering and architectural efforts by leveraging the ATP Board-approved contracts for HDR, AECOM, HNTB, and HUG. This work will inform the environmental analysis and our understanding of project issues and right-of-way requirements.

► ENGAGEMENT

The FY24 Budget also includes new resources to enhance public involvement and community engagement efforts. A key focus by ATP will be to inform design principles with human-centered design and user experiences as it relates to the transit environment.

ATP will also be focused on conducting the environmental review process with transparency and opportunities for meaningful input into the process.

FEDERAL CAPITAL INVESTMENT GRANT PROCESS



AUSTIN LIGHT RAIL

ATP continues Austin Light Rail design and environmental analysis while advancing federal process requirements. In the second quarter, ATP staff prioritized design coordination with our City and CapMetro partners, environmental analysis of the proposed project and a set of design options to support the NEPA process, a robust public engagement program for NEPA scoping, and ongoing work to support the federal funding grant process.

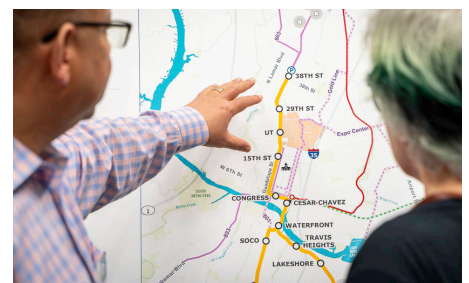
On January 19, 2024, the FTA published a Notice of Intent to prepare an environmental impact statement with ATP, a key milestone in the NEPA process.

This notice kicked off an approximately 45-day public scoping period, during which ATP collected public input on a range of study topics and issues associated with the Austin Light Rail Phase 1 project. The Scoping period included six public open houses (one virtual and five in-person), on-demand virtual meeting materials on ATP's website, and bus-stop and other community outreach. In addition to the proposed project, ATP presented a set of design options that are being studied as a part of the NEPA process, including station location refinements and strategies to incorporate various transportation modes. The public input collected will be used to inform the analysis in the Draft Environmental Impact Statement (DEIS). A Scoping Summary Report will be prepared to compile the public comment that was received.

On March 11, ATP formally requested entry into the Project Development phase of the FTA Capital Investment Grant (CIG) New Starts program. For this phase, a key requirement is that the funds necessary to complete the Project Development phase are committed and available for use. ATP estimates projected expenditures for the two-year Project Development phase to total approximately \$180 million. As part of the FY24 budget process, ATP's Board appropriated \$115 million to fund Austin Light Rail work. On March 27, the ATP Board passed a resolution amending the Fiscal Year 2024 Budget to appropriate an additional \$65 million to the Capital Fund from existing reserves.

Requests for Proposals were released in January for on-call engineering and planning/additional environmental services. Successful respondents will support ATP's work during Project Development.

Looking ahead to the third quarter of the fiscal year, ATP will issue the Scoping Summary Report to document public input received during this period. As part of continuing project delivery planning, ATP is evaluating alternative models for project delivery. Procurement activities are expected to include awards for the on-call solicitations, and industry engagement and solicitation development for the Delivery Partner, a key Owner support role for the delivery of the light rail project.



Attendees and staff at Open House events — February 2024

ATP REVENUES

ATP’s annual revenues come primarily from ATP’s share of the City of Austin’s ad valorem property tax rate, as approved by the voters with the approval of Proposition A in November 2020. Prop A-committed revenue, along with investment and other revenues and unspent prior year fund balances, comprise ATP’s total available funds (Figure 1). Monies dedicated by CapMetro for Project Connect will be retained by CapMetro for the components they are responsible for implementing pursuant to the Supplement to the Joint Powers Agreement executed on June 6, 2023. Future revenue sources will include debt proceeds and grant funding.

► **FIGURE 1: REVENUES THROUGH MARCH 31, 2024 (IN MILLIONS)**

SOURCE	FY24 BUDGET	YTD ACTUALS ¹
Balance from Prior Year	\$148.0	\$148.0
Proposition A Voter-Approved Revenue	166.0	166.5
Investment & Other Revenue	21.0	9.5
Total	\$335.0	\$324.0

¹ YTD Actuals include all revenues collected from October 1, 2023 to the time of this report.



3rd & Congress Ave Station
Artist Conceptual Rendering



Station view at Pleasant Valley Rd.
Artist Conceptual Rendering

CAPITAL EXPENDITURES

The capital budget funds the total cost of acquiring or constructing an agency asset, including design, bidding, project management, right-of-way acquisition, construction,

and administrative expenses. Unlike the operating budget, which appropriates funding annually, capital budget funds are available until expended, typically over multiple years.

MAJOR PROJECT CONTRACTS

To further light rail development, ATP has awarded several major professional services contracts. These project-specific contracts with HDR for project management support, AECOM and HNTB for advanced conceptual engineering work, and architectural and urban design firms HKS, UNStudio, and Gehl—referred to as ‘HUG’—for systemwide architecture, urban design, and engineering services are detailed in

Figure 6, which includes all paid invoices during the service period. Additionally, the Board has authorized contracts with Ernst & Young Infrastructure Advisors (EYIA) for commercial, risk and project delivery advisory services, various legal firms for on-call legal services, and communications firms for communications and marketing services. These are also detailed in the table below.

► **FIGURE 2: MAJOR PROJECT CONTRACTS AS OF MARCH 31, 2024 (IN MILLIONS)**

HDR	BOARD AUTHORIZED	COMMITTED (CONTRACT)	REMAINING AUTHORIZATION			
	\$44.0	–	\$42.8 = \$1.2			
HUG	BOARD AUTHORIZED	COMMITTED (CONTRACT)	REMAINING AUTHORIZATION			
	\$16.7	–	\$15.7 = \$1.0			
		COMMITTED (CONTRACT)	SPENT TO DATE	REMAINING CONTRACT		
	\$42.8	–	\$16.8 = \$16.7	\$15.7	–	\$11.3 = \$4.4
AECOM	BOARD AUTHORIZED	COMMITTED (CONTRACT)	REMAINING AUTHORIZATION			
	\$6.7 ¹	–	\$3.5 = \$3.2			
HNTB	BOARD AUTHORIZED	COMMITTED (CONTRACT)	REMAINING AUTHORIZATION			
	\$5.3 ¹	–	\$2.7 = \$2.6			
		COMMITTED (CONTRACT)	SPENT TO DATE	REMAINING CONTRACT		
	\$3.5	–	\$2.2 = \$1.3	\$2.7	–	\$2.0 = \$0.7
EYIA	BOARD AUTHORIZED	COMMITTED (CONTRACT)	REMAINING AUTHORIZATION			
	\$17.0	–	\$13.0 = \$4.0			
LEGAL SERVICES	BOARD AUTHORIZED	COMMITTED (CONTRACT)	REMAINING AUTHORIZATION			
	\$23.0	–	\$12.7 = \$10.2			
		COMMITTED (CONTRACT)	SPENT TO DATE	REMAINING CONTRACT		
	\$13.0	–	\$9.3 = \$3.7	\$12.7	–	\$4.6 = \$8.2
REAL ESTATE SERVICES	BOARD AUTHORIZED	COMMITTED (CONTRACT)	REMAINING AUTHORIZATION			
	\$6.1	–	\$0.9 = \$5.2			
MARCOM SERVICES	BOARD AUTHORIZED	COMMITTED (CONTRACT)	REMAINING AUTHORIZATION			
	\$2.8	–	\$2.7 = \$0.1			
		COMMITTED (CONTRACT)	SPENT TO DATE	REMAINING CONTRACT		
	\$0.9	–	\$0.0 = \$0.9	\$2.7	–	\$0.3 = \$2.4

¹ The board approved \$6M for conceptual engineering to be used on the AECOM and HNTB task order. For the purpose of this report, \$3M was added to the original board authorized amounts for each contract.

During the quarter, HDR continued to provide support to ATP related to management, oversight and assistance with coordination and execution of the Austin Light Rail (ALR) project, including the following: Management Reports; FTA CIG Funding process (Readiness Documents, Ratings and Evaluation Package), updated information related to FTA entry into Project Development, finalized OMF Title VI Analysis, continued development of the Draft Environmental Impact Statement (DEIS); ALR updated base design oversight, design reports, guidelines, and standards. In addition, the team prepared materials and supported planning and execution of the Scoping Public Outreach, analyzed community feedback and developed the Scoping Report.

AECOM and HNTB submitted the Draft Base Design for ALR Phase 1 (and six design options) to establish the footprint for the project. The design included civil infrastructure and utilities in collaboration with ATP’s partners. The teams worked with stakeholders to discuss and address comments provided through several collaborative coordination meetings. AECOM also coordinated with the City of Austin on an updated Traffic Analysis Model.

During this period, the HUG team completed their research phase, delivering a comprehensive document derived from desktop studies and in-field data collection, covering Austin’s urban form, codes and context, the local approach to sustainability, landscape, lighting, materials and trades, light rail precedents, and Austinites’ transit experience via cognitive

behavioral mapping. This research led to the definition of User Needs - or those values most important to the future light rail rider. These User Needs formed the basis of the content in ATP’s fall 2023 community engagement period, which was also supported by the HUG team, and included a series of open houses (in-person and virtual) and surveys (analog and digital) to help form Performance Objectives that will shape forthcoming Design Guidelines for Station Areas and Systemwide Elements.

Throughout the second quarter, EYIA partnered with staff on finalizing the request for information and associated scope of work for the Delivery Partner solicitation. To help ensure DBE firms are poised to take part in upcoming ATP solicitations, EYIA assisted the Procurement and DBE teams in preparing material for the April 30th Connect & Build: Partnerships for Austin Light Rail forum. Lastly, EYIA provided continued support in resolving any questions/comments submitted by the Federal Transit Administration in relation to ATP’s New Recipient submittal.

Beginning late in the second quarter, Buie & Co. provided event planning and coordination in support of ATP’s small, and disadvantaged business networking event, Connect & Build: Partnerships for Austin Light Rail. They also provided messaging and consultation for public relations engagements. Butler facilitated initial Austin Light Rail branding activities including onboarding and stakeholder research.

ADMINISTRATIVE EXPENSES

New in FY24, but consistent with budgeting practices for other large capital projects, administrative expenses will now be charged to Capital Projects instead of the Operating Fund to maximize allowable reimbursements from federal partners and grant opportunities. A total of \$11.5 million was expended through March 31, 2024 (Figure 3) for administrative expenses,

which funded staff labor costs, including salaries, taxes, and fringe benefits; business support contracts, including legal contracts, financial advisory services, administrative office space, and reimbursements to the City of Austin and CapMetro for project support; as well as materials and staff development expenses.

► **FIGURE 3: ADMINISTRATIVE EXPENSES THROUGH MARCH 31, 2024 (IN MILLIONS)**

CATEGORIES	FY24 BUDGET	YTD ACTUALS ¹	REMAINING BUDGET
Personnel	\$16.1	\$5.2	\$10.9
Business Support Contracts	27.9	5.4	22.5
Materials & Staff Development	2.0	0.8	1.1
Total	\$46.0	\$11.5	\$34.5

¹ YTD Actuals include all expenditures from October 1, 2023 to the time of this report.

OPERATING FUND SUMMARY

FY24 BUDGET VS. YTD ACTUALS

	FY24 BUDGET	FY24 ACTUAL (Q2)
Beginning Fund Balance	\$147,964,834	\$147,964,834
Revenues		
Prop A Property Tax	\$166,000,000	\$166,500,000
CapMetro ¹	-	-
Investments & Other Income	\$21,000,000	\$9,549,288
Total Revenues	\$187,000,000	\$176,049,288
Total Available Funds:	\$334,964,834	\$324,014,122
Expenditures & Transfers		
Administrative Expenses ²	-	-
Transfer to Operating Reserve	-	-
Transfer to Anti-Displacement Fund	\$20,000,000	\$20,000,000
Transfer to Light Rail Capital Fund	\$98,000,000	\$98,000,000
Transfer to CapMetro Projects Fund ³	-	-
Total Expenditures & Transfers	\$118,000,000	\$118,000,000
Reserved for Future Project Needs (Total Available Funds Net Expenditures & Transfers)	\$216,964,834	\$206,014,122
Operating Reserve	\$20,000,000	\$20,000,000

¹ CapMetro-committed revenue will still be utilized for Project Connect projects but will remain with CapMetro.

² To maximize ATP's allowable reimbursements from federal partners and grant opportunities, administrative expenses will be charged to Capital Projects instead of the Operating Fund in FY24.

³ CapMetro-led Project Connect projects will be appropriated via budget amendments along with interlocal agreements approved by both the CapMetro and ATP Boards.

LIGHT RAIL CAPITAL FUND SUMMARY

FY24 BUDGET VS. YTD ACTUALS

	FY24 BUDGET	FY24 ACTUAL (Q2)
Beginning Fund Balance	\$82,000,000	\$82,000,000
New Appropriations		
Transfer from Operating Fund	\$98,000,000	\$98,000,000
Total New Appropriations	\$98,000,000	\$98,000,000
Total Available Appropriations	\$180,000,000	\$180,000,000
Expenditures		
Professional Services	\$123,000,000	\$14,359,255
Right-of-Way & Real Estate Acquisitions	\$11,000,000	-
Administrative Expenses ¹	\$46,000,000	\$11,454,006
Total Expenditures	\$180,000,000	\$25,813,260
Reserved for Future Project Needs (Total Available Funds Net Expenditures & Transfers)	-	\$154,186,740

¹ To maximize ATP's allowable reimbursements from federal partners and grant opportunities, administrative expenses will be charged to Capital Projects instead of the Operating Fund in FY24.

PORTFOLIO OVERVIEW

Quarterly, the Austin Transit Partnership (the "Entity") prepares an Investment Report in accordance with Chapter 2256 of the Texas Public Funds Investment Act ("PFIA"). The investment portfolio complied with the PFIA and the Entity's approved Investment Policy and Strategy throughout the period. All investment transactions made in the portfolio during this period were made by Hilltop Securities, ATP's Investment Advisor, on behalf of ATP.

In the second quarter of Fiscal Year 2024, the investment portfolio generated \$9.0 million in net income. The investment portfolio contained a mix variety of different US Government and Federal Agency-related securities over a two year time horizon. ATP, in conjunction with Hilltop Securities, continues to monitor the market and will structure future investment purchases around the cash flow needs of the Entity.

▶ PORTFOLIO SUMMARY

	PRIOR 31 DEC-23	CURRENT 31 MAR-24
Par Value	337,452,762.02	316,990,847.78
Original Cost	334,640,609.22	314,379,556.98
Book Value	335,745,201.94	315,679,315.74
Market Value	336,008,578.27	315,685,035.28
Accrued Interest	1,503,520.56	1,657,129.75
Book Value Plus Accrued	337,248,722.50	317,336,445.48
Market Value Plus Accrued	337,512,098.83	317,342,165.03
Net Unrealized Gain/(Loss)	263,376.33	5,719.54

▶ INCOME SUMMARY

CURRENT PERIOD	1 JAN-24 TO 31 MAR-24
Interest Income	3,555,259.09
Net Amortization/ Accretion	746,028.03
Realized Gain/(Loss)	0.00
Net Income	4,301,287.12

FISCAL YEAR-TO-DATE	1 OCT-23 TO 31 MAR-24
Net Income	8,951,491.22

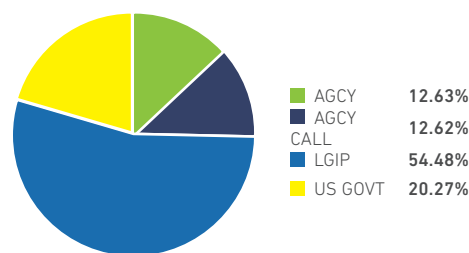
▶ PORTFOLIO CHARACTERISTICS

	PRIOR 31 DEC-23	CURRENT 31 MAR-24
Yield to Maturity	5.354%	5.316%
Yield to Worst	5.354%	5.316%
Days to Final Maturity	127	99
Days to Effective Maturity	127	99
Duration	0.67	0.57

▶ TRANSACTION SUMMARY

TRANSACTION TYPE	QUANTITY	PRINCIPAL	INTEREST	TOTAL AMOUNT	REALIZED GAIN/LOSS
Buy	10,000,000.00	(9,650,000.00)	(10,302.20)	(9,660,302.20)	0.00
Maturity	(35,000,000.00)	35,000,000.00	0.00	35,000,000.00	0.00
Coupon	0.00	0.00	1,264,375.00	1,264,375.00	0.00

▶ ASSET ALLOCATION



Source: Hilltop Securities Portfolio Overview for Austin Transit Partnership, January 1, 2024 - March 31, 2024.