

**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION**

**PROJECT CONSTRUCTION GRANT AGREEMENT
(FTA PCGA TX-03-0304-00, October 2011)**

On the date the authorized official of the Federal Transit Administration (FTA), U.S. Department of Transportation, signs this Project Construction Grant Agreement, the Government (FTA) has Awarded Federal assistance in support of the Project described below. Upon Execution of this Project Construction Grant Agreement by the Grantee named below, the Grantee affirms this Award by the Government (FTA) and enters into this Project Construction Grant Agreement with FTA. The following documents are incorporated by reference and made part of this Project Construction Grant Agreement:

- (1) "Federal Transit Administration Master Agreement," FTA MA (18), October 1, 2011, <http://www.fta.dot.gov/documents/18-Master.pdf>;
- (2) The Certifications and Assurances applicable to the Project that the Grantee has selected and provided to FTA; and
- (3) Any Award notification containing special conditions or requirements, if issued.

FTA AWARD

The Government (FTA) hereby awards a Project Construction Grant as follows:

Project Number(s): TX-03-0304-00

Grantee: Capital Metropolitan Transportation Authority

Statutes Authorizing the Project: 49 U.S.C. §§ 5309(b), 5309(e)

Estimated Net Project Cost: \$47,621,000

Maximum FTA Amount Awarded [Including This Amendment]: \$38,096,800

Amount of This FTA Award: \$38,096,800

Maximum Federal Small Starts Financial Contribution: \$38,096,800

Maximum Percentages of FTA Participation: 80.0%

Maximum Percentages of Section 5309 Small Starts Participation: 80.0%

Dates of U.S. Department of Labor Certifications of Public Transportation Employee Protection Arrangements:

Original Project
(or Amendment)

Numbers

Certification Dates

Revenue Operations Date: January 31, 2014

Project Description:

The Austin, Texas MetroRapid Bus Rapid Transit (BRT) project is a 37.5-mile street-running BRT system along two interconnected corridors: the 21-mile North Lamar/South Congress Corridor and the 16.5-mile Burnet/South Lamar Corridor. The North Lamar/South Congress Corridor extends from Tech Ridge park-n-ride at the North Interstate Highway 35 (IH-35) and Howard Lane property to the Southpark Meadows commercial development. The Burnet-South Lamar Corridor extends from St. David's North Austin Medical Center on Loop-1 (Mopac Expressway) at Cedar Bend Drive to Westgate Blvd. and US 290 (W). The BRT lines would share a 3.0-mile segment in central Austin between 38th Street, north of the University of Texas-Austin, and Cesar Chavez Street at the southern end of downtown Austin. The project is the first phase of Capital Metro's ("CMTA") long-range transit plan - *All Systems Go (ASG)* – 10-corridor BRT system.

The project includes 22 paired and one single terminus stations in the North Lamar/South Congress Corridor, 15 paired and two single terminus stations in the Burnet/South Lamar Corridor, a real-time passenger information system, traffic signal priority and the purchase of 40 low-floor, multi-door, branded vehicles. Several BRT stations would also link with CMTA's locally-funded 32-mile commuter rail line, which has been operating since late March 2010. The BRT system would operate via existing arterial streets and would parallel the region's main highways that serve central Austin: I-35 to the east and Loop-1 (Mopac Expressway) to the west. The service would operate with 10-minute headways during peak periods and 15-minute headways during off-peak periods. An existing bus maintenance facility would be used to accommodate the BRT vehicles.

For a more detailed description, see Attachments 1 and 2 to the Project Construction Grant Agreement.

**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION**

PROJECT CONSTRUCTION GRANT AGREEMENT TERMS AND CONDITIONS

THIS FEDERAL TRANSIT ADMINISTRATION PROJECT CONSTRUCTION GRANT AGREEMENT (Agreement) is entered into by the Capital Metropolitan Transportation Authority (hereafter, Grantee) and the United States of America, acting through the Federal Transit Administration of the United States Department of Transportation (FTA or Government).

WHEREAS, the Grantee has determined through its local planning process that construction and acquisition of the Austin MetroRapid BRT (hereafter, the "Project") will serve the transportation needs of metropolitan Austin, Texas.

WHEREAS, the Grantee has developed a Financing Plan, as defined herein, using a combination of local, state, and Federal funds to finance the costs of the Project, and in accordance with that plan, has requested a Grant, as defined herein, of Federal financial assistance for the Project;

WHEREAS, the Government has determined that the Project is based on the results of planning and alternatives analysis; justified based on the Government's review of the local land use policies supportive of public transportation, the cost effectiveness of the Project, and the Project's effect on local economic development; and supported by an acceptable degree of local financial commitment;

WHEREAS, the Government has decided to enter into this Agreement to support the Grantee's development and construction of the Project up to a Maximum Federal Small Starts Financial Contribution of \$38,096,800 in capital funds, subject to all the terms and conditions herein; and

WHEREAS, the Government and the Grantee have agreed that their respective duties and responsibilities for completion of the Project shall be determined by and under the terms and conditions of this Agreement and this Agreement shall be recognized as the sole understanding between the Government and the Grantee in consideration of the mutual promises set forth herein;

THEREFORE, the Government and the Grantee agree to the specific terms, conditions, and provisions set forth in this Agreement including, in particular, the specific terms of the following Sections and Attachments:

SECTION 1. DEFINITIONS

"Agreement" means this Federal Transit Administration Project Construction Grant Agreement (PCGA) and consists of all parts and documents identified in Section 17 of this Agreement, "Creation, Contents and Execution of Agreement and Amendments to the Agreement," and will include all future addenda, substitutions, modifications and amendments as and when legally executed and effective.

"Baseline Cost Estimate" means the document described in Section 3 of this Agreement and set forth in Attachment 3 to this Agreement. The Baseline Cost Estimate reflects the total anticipated cost of the Project as of the Date of this Agreement.

“Complete the Project” means to accomplish all of the scope and activities of the Project as described in Attachment 1 to this Agreement, “Scope of the Project,” and Attachment 2 to this Agreement, “Project Description.”

“Date of this Agreement” means the date the Government awards this Project Construction Grant Agreement.

“Estimated Net Project Cost” means the amount that is calculated by subtracting the cost that can reasonably be financed from the Grantee’s revenue from the total anticipated cost of the Project as reflected in the “Baseline Cost Estimate,” Attachment 3 to this Agreement. The Estimated Net Project Cost is set forth in Section 5 of this Agreement.

“Financing Plan” means the plan accepted by the Government that describes the Grantee’s financial condition and demonstrates the Grantee’s capability to Complete the Project, and to maintain and operate the Project together with its existing public transportation system. This Financing Plan includes all explanatory, supporting and supplementary documents, commitments, and agreements accepted or approved and relied upon by the Government.

“Government” means the United States of America, acting through the Federal Transit Administration of the United States Department of Transportation.

“Grantee” means Capital Metropolitan Transportation Authority (CMTA).

“Grant” means the obligation and award of Federal financial assistance pursuant to 49 U.S.C. Chapter 53.

“Local Share” means that portion of the Grantee’s local financial commitment that is the Grantee’s required share of the Net Project Cost under this Agreement.

“Master Agreement” means the standards terms and conditions applicable to recipients of Federal financial assistance pursuant to 49 U.S.C. Chapter 53. The Master Agreement is updated and published annually. The Master Agreement is incorporated by reference and made part of this Agreement; in Federal Fiscal Year 2012, it is identified as FTA Form MA(18)(October 1, 2011).

“Maximum Federal Small Starts Financial Contribution” means the limit of Federal capital “Small Starts” financial participation in the Project through the award of funding pursuant to 49 U.S.C. § 5309(e). The amount of the “Maximum Federal Small Starts Financial Contribution” is set forth in Section 6 of this Agreement, “Limitations of the Federal Funding Commitment.”

“Net Project Cost” means the cost of the Project that cannot reasonably be financed from the Grantee’s revenues.

“Project” means the public and multi-modal transportation improvements the Grantee has promised to carry out as a condition of this Project Construction Grant. A description of the Project is set forth in Attachment 1, “Scope of the Project.” Activities to carry out the project scope are set forth in Attachment 2, “Project Description.”

“Project Costs” mean all costs eligible for Federal financial participation under the terms of this Agreement and consistent with the cost principles set forth in Section 9 of the Master Agreement, “Payments.”

“Revenue Operations Date” means the date certain by which the Grantee shall commence revenue operations of the Project as defined in Section 13 of this Agreement.

SECTION 2. PREVIOUS FEDERAL GRANTS AND DOCUMENTS

(a) Federal law, procedure, and policy require the completion of a project development process and environmental and historic preservation reviews prior to the award and execution of this Agreement. Prior grants of Federal funds for these reviews and other project activities are described in Attachment 5 to this Agreement. These grants (and any other previous documents identified in Attachment 5, including Letters of No Prejudice) are incorporated by reference and made part of this Agreement, except for the terms and conditions thereof specifically superseded by this Agreement. Further, in executing this Agreement, the Grantee assures the Government that the certifications and assurances made by the Grantee (or on behalf of the Grantee by a third party) upon which the Government relied in these prior actions were made in good faith and to the best of the Grantee’s knowledge and belief, and that the Grantee has no present knowledge of facts or circumstances substantially affecting the continued validity of these certifications and assurances that the Grantee has not formally conveyed to the Government prior to the Government’s awards of funding set forth in this Agreement.

(b) This Agreement does not discharge or rescind any of the terms, conditions, or obligations established under the documents set forth in Attachment 5 unless specifically stated otherwise herein. Furthermore, the terms, conditions and obligations of this Agreement take precedence over the provisions of all prior agreements between the Government and the Grantee related to the Project and will be controlling for all actions related to the Project taken after the Date of this Agreement, unless specifically stated otherwise herein.

(c) No amendments will be sought or approved to increase the amount of funds in the prior Grants listed in Attachment 5 beyond the amounts described in this Agreement as available to the Project.

SECTION 3. BASELINE COST ESTIMATE

The Baseline Cost Estimate (BCE) is set forth at Attachment 3A to this Agreement. The BCE is comprised of all activities necessary to complete the Project and reflects the total anticipated costs of the Project as of the Date of this Agreement. The BCE is derived from the most recent cost estimates of the individual third party contracts and force account work and reflects appropriate escalation and contingencies, and the milestones set forth in Attachment 4 to this Agreement, “Baseline Schedule.” The BCE will not be amended or modified during the construction of the Project. The Government will use the BCE to monitor the Grantee’s construction of the Project and the Grantee’s compliance with certain terms and conditions of this Agreement. The Grantee will submit cost reports as required by this Agreement and in a format consistent with the units set forth in the BCE so that the Government can, with reasonable diligence, reconcile the Grantee’s reports with the BCE.

SECTION 4. NET PROJECT COST

(a) This Grant is to assist in the payment of actual eligible costs within the scope of the Project under this Agreement, minus any amount that can reasonably be financed from revenues of the Grantee. If

the funds awarded under this Grant exceed the amount necessary to finance the Federal share, the excess funds are not available to the Grantee for payment of costs beyond the scope of this Project supported by this Grant.

(b) The portion of the Net Project Cost that may be financed by the Government with capital small starts funds may not exceed the amount of the Maximum Federal Small Starts Financial Contribution for this Project as stated in Section 6 of this Agreement, "Limitations of the Federal Funding Commitment."

(c) The Grantee acknowledges that Federal funds may be used only to reimburse eligible expenses for the Project. Should the Government determine that Federal funds have been used to reimburse any expenses that were ineligible for Federal reimbursement, the Government will direct the Grantee either to reimburse the Government with local funds not already committed to the Project or to reduce the total project costs by the amounts found to have been ineligible.

SECTION 5. ESTIMATED NET PROJECT COST

(a) The Government's determination to provide financial assistance for the Project is based in significant part upon the Grantee's estimated costs as set forth in the Baseline Cost Estimate, Attachment 3A to this Agreement. The Estimated Net Project Cost reported in Attachment 3A is \$47,621,000.

(b) The Estimated Net Project Cost financed under this Agreement is limited by the amount of the Maximum FTA Amount Awarded. The amount of the Estimated Net Project Cost and the Maximum FTA Amount Awarded are stated on the first page of this Agreement. The amount reimbursable by the Government is limited to the lesser of either the Maximum FTA Amount Awarded or the maximum percentage of FTA participation permitted by Federal law and regulation. Additional funds will not be provided until a Grant amendment awarding additional funds and amending this Project Construction Grant Agreement is executed.

SECTION 6. LIMITATIONS OF THE FEDERAL FUNDING COMMITMENT

(a) The sources of Federal financial assistance for the Project are set forth in the Project Budget, Attachment 3B to this Agreement. These funds are in addition to all previous Federal financial commitments to the development of the Project as set forth in the schedule of Prior Grants and Related Documents, Attachment 5 to this Agreement. The Government is not obligating and awarding any Federal capital small starts funds for the Project with the Award and Execution of this Agreement.

(b)(1) With its Award set forth in this Agreement the Government acknowledges its intent to provide Federal capital small starts assistance for the Project in an amount that will not exceed \$38,096,800. The anticipated sources of Federal financial assistance in this amount are listed in Attachment 6 to this Agreement, Schedule of Federal Funds for the Project. All Federal capital small starts funds obligated pursuant to this Paragraph will be subject to all the terms, conditions and obligations set forth in this Agreement. Accordingly, it is expected that the award of additional funds will be processed through amendments to this Agreement.

(b)(2) The Government's award of additional Federal capital small starts financial assistance to the Project under Paragraph (b)(1) of this Section 6 is subject to the following limitations:

(A) The availability of appropriated funds; and

(B) The Grantee's continued performance under the terms and conditions of this Agreement.

(c) The Maximum Federal Small Starts Financial Contribution for this Project under the capital small starts category of funds is limited to \$38,096,800, which is the sum of the amounts set forth in Paragraphs (a) and (b)(1) of this Section 6.

SECTION 7. FEDERAL FUNDING – OTHER SOURCES

The Maximum Federal Small Starts Financial Contribution specified in Section 6(c) of this Agreement does not include funds from Federal sources other than the Capital Small Starts program under 49 U.S.C. § 5309. Should such other Federal funds be provided for the Project in addition to the Federal Capital Small Starts funds set forth in Attachment 6 to this Agreement, the limitation of the Federal funding commitment set forth in Section 6 of this Agreement shall not apply to those funds. Accordingly, such additional funds shall be excluded from the calculation of the Maximum Federal Small Starts Financial Contribution. Funds awarded pursuant to this Section will be subject to all other terms, conditions and obligations set forth in the Agreement.

SECTION 8. LOCAL FINANCIAL COMMITMENT – CAPITAL COSTS

(a) As a condition precedent to the Government's Award of this Project Construction Grant, the Grantee has developed and adopted a Financing Plan for funding all Project Costs necessary to Complete the Project. In addition to the amount of Federal funds requested, the Financing Plan includes a statement identifying the State, local and private sources of funding and the amount of funds available for and committed to the Project from each such source. This Financing Plan, as accepted and relied upon by the Government, is hereby incorporated by reference and made part of this Agreement, together with the supporting documentation identified in the Financing Plan, including formal funding agreements and third-party commitments.

(b) The Grantee hereby commits and certifies that it will provide funds in an amount sufficient to ensure full and timely payment of Project Costs as necessary to Complete the Project, together with the Federal contribution as identified and limited by Section 6 of this Agreement.

(c) The Grantee hereby commits and certifies that the Local Share portion of its financing commitment will be provided from funding sources other than Federal funds (except as may otherwise be authorized by Federal statute), receipts from the use of Project facilities or equipment (except as may otherwise be authorized by Federal statute), or revenues of the public transportation system in which such facilities or equipment are used.

(d) Given the Estimated Net Project Cost as set forth in Section 5 of this Agreement, the Grantee's financial commitment to the Net Project Cost is estimated to total \$9,524,200. This amount constitutes the Local Share needed to match the Maximum Federal Small Starts Financial Contribution for the Project and Other Federal Sources.

(e) The Grantee agrees to notify the Government of any change in circumstances or commitments that adversely affects the Grantee's plan to fund the Project Costs necessary to Complete the Project as set

forth in the Financing Plan. In its notification, the Grantee shall advise the Government of what actions the Grantee has taken or plans to take to ensure adequate funding resources and reaffirm its commitment to the Government as set forth in Paragraph (b) of this Section 8.

SECTION 9. AUTHORIZATION TO ADVANCE PROJECT WITHOUT PREJUDICE

The Grantee may incur costs or expend local funds for all phases of the Project as is reasonably necessary to advance the Project prior to an award of Federal financial assistance without prejudice to possible future Federal participation in or reimbursement of the Project Costs to the extent that such costs are incurred in accordance with all applicable Federal requirements and this Agreement. It is understood that the authority conferred on the Grantee to advance the Project without prejudice does not constitute a legal commitment by the Government to obligate and award Federal funds.

SECTION 10. LOCAL FINANCIAL COMMITMENT – OPERATION AND MAINTENANCE COSTS

- (a) As a condition precedent to the Government's Award of this Project Construction Grant, the Grantee has developed and adopted a Financing Plan for funding the future operation and maintenance of the Project that also takes into consideration the Grantee's continuing financial responsibilities to operate, maintain and reinvest in its existing public transportation system. This Financing Plan, as accepted by the Government, is hereby incorporated by reference and made part of this Agreement, together with the supporting documentation identified in the Financing Plan, including formal funding agreements and third-party commitments, and serves to demonstrate stable and dependable funding sources, which are an essential part of the Grantee's Application for this Project Construction Grant.
- (b) With the Execution of this Agreement the Grantee assures the Government that it has stable and dependable funding sources, sufficient in amount and degree of commitment, to operate and maintain its entire public transportation system at an adequate and efficient level of service, including the future operation and maintenance of the Project without additional Federal assistance beyond the amounts set forth in the Financing Plan. The foregoing assurance does not preclude the Grantee from altering service through contracts with private providers of public transportation services.
- (c) The Grantee agrees to notify the Government of any change in circumstances or commitments that adversely affects the Grantee's plan to fund the operation and maintenance costs of the Project as set forth in the Financing Plan. In its notification, the Grantee shall advise the government of what actions the Grantee has taken or plans to take to ensure adequate funding resources and reaffirm its commitment to the Government as set forth in Paragraph (b) of this Section 10.

SECTION 11. OBLIGATION TO COMPLETE THE PROJECT

The Government has no obligation to provide any financial assistance for the Project beyond the Maximum Federal Small Starts Financial Contribution. If the total Federal funding provided under Section 6 of this Agreement, Limitations of the Federal Funding Commitment, is insufficient to undertake revenue operation of the Project and the subsequent activities necessary to Complete the Project, the Grantee agrees to Complete the Project and accepts sole responsibility for the payment of any additional costs (overruns).

SECTION 12. BASELINE SCHEDULE

The Baseline Schedule is set forth in Attachment 4 to this Agreement. The Baseline Schedule demonstrates how the Grantee intends to Complete the Project and meet the Revenue Operations Date. The Government will use the Baseline Schedule to monitor the Grantee's construction of the Project and compare planned to actual Project implementation. Accordingly, the Baseline Schedule will not be amended or modified during the construction of the Project, although the actual schedule of the Project may be modified from time to time as necessary and appropriate. The Grantee agrees to notify the Government of any change in circumstances or commitments that may affect the Grantee's ability to achieve the Revenue Operations Date, and what actions the Grantee has taken or plans to take to minimize any further slippage in its construction of the Project.

SECTION 13. REVENUE OPERATIONS DATE

(a) The Grantee agrees to achieve revenue operations of the Project on or before January 31, 2014, the Revenue Operations Date, in accordance with the terms and conditions of this Agreement.

(b) The Revenue Operations Date is a significant term of this Agreement. The Grantee's failure to achieve the operational functions of the Project on or before the Revenue Operations Date will constitute a breach of this Agreement. Upon the Grantee's request, the Government may determine, in its sole discretion, to waive a breach or an anticipatory breach of this Agreement and extend the Revenue Operations Date, provided that there is an unavoidable delay in achieving the operational goals of the Project resulting from an event or circumstance beyond the control of the Grantee, or the Government determines that allowing the delay is in the best interests of the United States and the success of the Project. Requests by the Grantee for waiver of a breach or anticipatory breach of this Agreement and extension of the Revenue Operations Date shall be submitted promptly to the Government, in writing, with appropriate documentation. In the exercise of its sole discretion to waive the breach and extend the Revenue Operations Date, the Government will take into consideration the actions and measures taken by the Grantee to meet its commitment to achieve the operational goals of the Project on or before the scheduled Revenue Operations Date.

(c) Delays in appropriations of funds from the Congress shall not constitute a basis for extension of the Revenue Operations Date.

(d) The Government's consent to extend the Revenue Operations Date pursuant to Paragraph (b) of this Section 13 does not constitute a basis for additional Federal financial assistance beyond the Maximum Federal Small Starts Financial Contribution.

SECTION 14. ENVIRONMENTAL PROTECTION

As a condition precedent to this Agreement the Government and the Grantee have assessed the environmental impacts of the Project, as required by the National Environmental Policy Act and other applicable law. The results of this assessment and the mitigation measures adopted for this Project are set forth in Attachment 7 to this Agreement, Environmental Mitigation. The Grantee acknowledges that it shall not withdraw or substantially change any of the mitigation measures set forth in either Attachment 7 or the Government's environmental record for the Project without express written approval from the Government. On a periodic basis the Grantee will provide the Government a written report on the Grantee's progress in carrying out these mitigation measures.

SECTION 15. APPLICABLE LAW AND FEDERAL REQUIREMENTS

All awards of Federal financial assistance for this Project are governed by the Federal statutory, regulatory, and program requirements identified in the Master Agreement, FTA MA(18), dated October 1, 2011, which is incorporated by reference and made part of this Project Construction Grant Agreement. The Master Agreement will continue to govern the Project unless and until it is modified by FTA. If neither Federal statute nor regulation nor Federal common law governs the interpretation of the provisions of this Agreement, the state law of the State of Texas will apply. This provision is intended only to supplement Section 2.c of the Master Agreement, "Application of Federal, State, and Local Laws, Regulations, and Directives."

SECTION 16. NOTICES

Notices required by this Agreement will be addressed as follows:

As to the Government:

Robert Patrick,
Regional Administrator
Federal Transit Administration, Region VI
819 Taylor Street, Suite 8A36
Fort Worth, TX 76102
(817) 978-0550

As to the Grantee:

Linda S. Watson
President/CEO
Capital Metropolitan Transportation Authority
2910 East 5th Street
Austin, TX 78702

SECTION 17. CREATION, CONTENTS, AND EXECUTION OF THE AGREEMENT AND AMENDMENTS TO THE AGREEMENT

- (a) This Project Construction Grant Agreement consists of the text of this Agreement, the several Attachments to this Agreement, the Master Agreement, the Grantee's application for Federal financial assistance, and the Government's environmental record for the Project.
- (b) There are several identical counterparts of this Agreement in typewritten hard copy; each counterpart is to be fully executed in writing by the parties and each counterpart is deemed to be an original having identical legal effect. When signed and dated by the authorized official of the Government, this instrument will constitute an Award that should be executed by the Grantee within ninety (90) days of the date of the Government's Award (FTA Award). The Government may withdraw its Award of financial assistance and obligation of funds if this Agreement is not executed within the ninety (90) day period. Upon full execution of this Agreement by the Grantee, the effective date will be the date the Government awarded funding under this Agreement as set forth below.
- (c) Simultaneous to the execution of this Agreement in typewritten hard copy, the Agreement will be executed by electronic means through FTA's electronic award and management system. To the extent any discrepancy may arise between the typewritten version and the electronic version of this

Agreement, the typewritten version will prevail. Any inconsistency between the Grantee's application and the terms and conditions of this Agreement will be resolved according to the clear meaning of the provisions of this Agreement and the Attachments hereto.

(d) Amendments to any of the documents referenced in this Section 17 will be made in accordance with the requirements and procedures set forth in FTA Circular 5010.1C, "FTA Project Management Guidelines" (October 1, 1998), as may be amended from time to time.

THE GOVERNMENT HEREBY AWARDS THIS PROJECT CONSTRUCTION GRANT THIS
10th DAY OF April, 2012.

Signature: 
Peter Rogoff
Federal Transit Administrator
United States Department of Transportation

EXECUTION BY GRANTEE

The Grantee, by executing this Agreement, affirms this FTA Award; adopts and ratifies all statements, representations, warranties, covenants, and materials the Grantee has submitted to FTA; consents to this Award; and agrees to all terms and conditions set forth in this Agreement.

THE GRANTEE HEREBY EXECUTES THIS PROJECT CONSTRUCTION GRANT THIS 10
DAY OF April, 2012.

Signature: _____

Linda S. Watson

President/CEO

Capital Metropolitan Transportation Authority

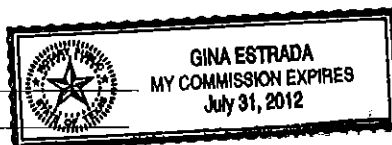
ATTESTED BY:

Signature: _____

Name: _____

Title of Attesting Official: _____

Name of Organization: _____



AFFIRMATION BY GRANTEE'S ATTORNEY

As the undersigned Attorney for the Grantee, I affirm to the Grantee that I have examined this Agreement and the proceedings taken by the Grantee relating to this Agreement. As a result of my examination I hereby affirm to the Grantee the Execution of the Agreement by the Grantee is duly authorized under State and local law. In addition, I find that in all respects the Execution of this Agreement is due and proper and in accordance with applicable State and local law. Further, in my opinion, this Agreement constitutes a legal and binding obligation of the Grantee in accordance with the terms of the Agreement. Finally, I affirm to the Grantee that, to the best of my knowledge, there is no legislation or litigation pending or imminent that might adversely affect the full implementation of the Project in accordance with the terms thereof.

DATED THIS 10th DAY OF April, 2012.

AFFIRMED BY:

Signature: _____

Kerri L. Butcher

Interim Chief Counsel

Capital Metropolitan Transportation Authority

Attachment 1 -Scope of the Project

Capital Metropolitan Transportation Authority, Austin; Texas Austin MetroRapid BRT Project

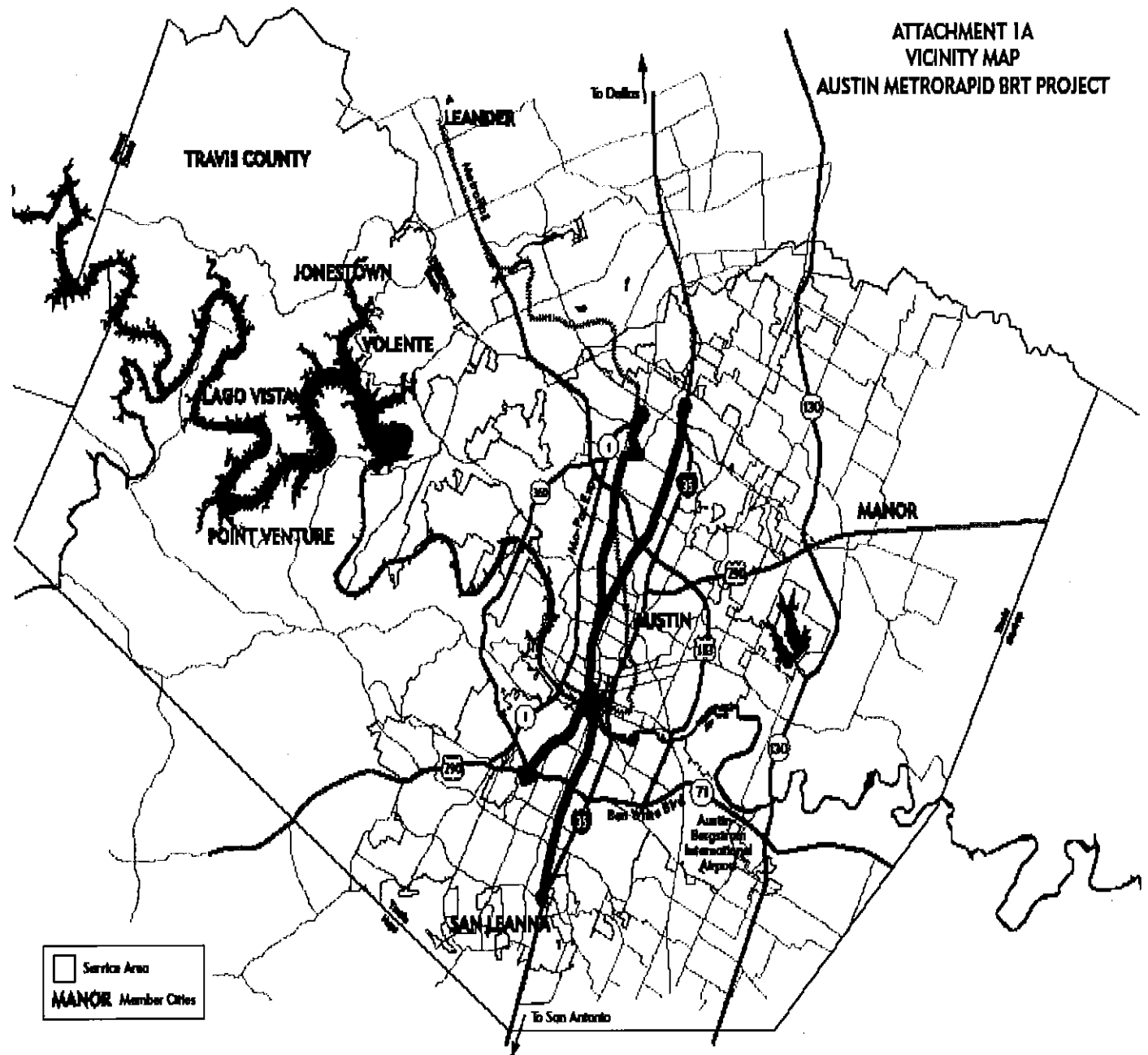
The Austin MetroRapid Bus Rapid Transit (BRT) project is a 37.5-mile street-running BRT system along two interconnected corridors: the 21-mile North Lamar/South Congress Corridor and the 16.5-mile Burnet/South Lamar Corridor. The North Lamar/South Congress Corridor extends from the North Interstate Highway 35 park-n-ride lot at Tech Ridge to the Southpark Meadows commercial development. The Burnet-South Lamar Corridor extends from St. David's North Austin Medical Center on Loop-1 (Mopac Expressway) at Cedar Bend Drive to Westgate Blvd. and US 290 (W). The BRT lines would share a 3-mile segment in central Austin between 38th Street, north of the University of Texas-Austin, and Cesar Chavez Street at the southern end of downtown Austin. The project is the first phase of CMTA's long-range transit plan - *All Systems Go (ASG)* - 10-corridor BRT system.

The project includes 22 paired stations in the North Lamar/South Congress Corridor, 15 paired stations in the Burnet/South Lamar Corridor, and three single terminus stations with a real-time passenger information system, traffic signal priority and the purchase of approximately forty (40) low floor, multi-door, branded vehicles. Several BRT stations would also link with CMTA's locally-funded 32-mile commuter rail line, which has been operating since March 2010. The BRT system would operate via existing arterial streets and would parallel the region's main highways that serve central Austin: IH-35 to the east and Loop-1 to the west. The service would operate with ten-minute headways during peak periods and 15-minute headways during off-peak periods. An existing bus maintenance facility would be used to accommodate the BRT vehicles.

The project scope includes preliminary engineering and final design; construction; project management, insurance; vehicles; transit signal priority; real-time passenger information system at BRT stations; training and testing of the system for revenue service; the Before and After Study; and other elements to achieve project completion and delivery.

Revenue operations are expected to start on or before January 31, 2014.

Attachment 1A - Vicinity Map
Capital Metropolitan Transportation Authority, Austin; Texas
Austin MetroRapid BRT Project



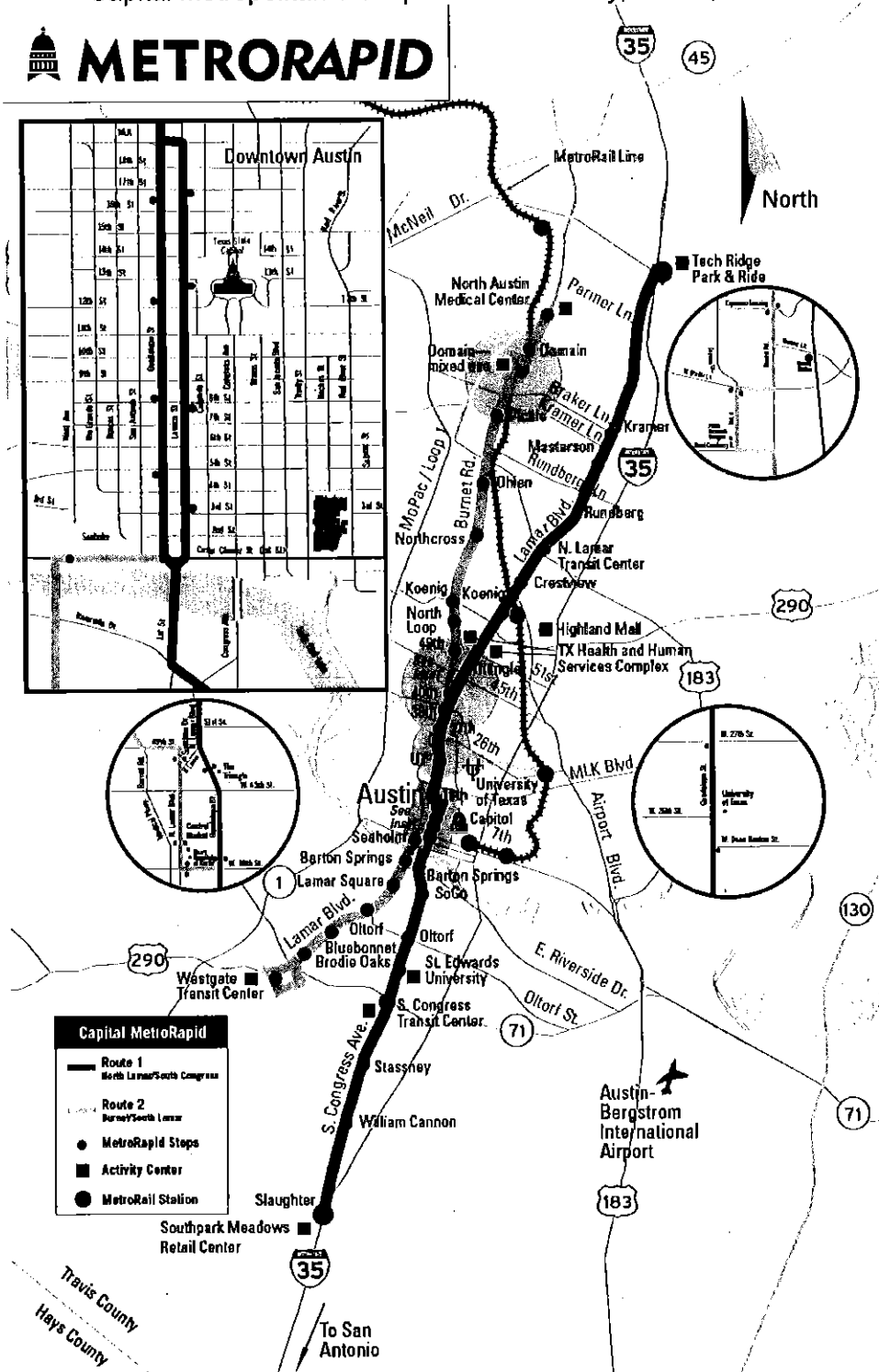
Attachment 1B - Map of Project Footprint/Alignment

Austin MetroRapid BRT Project

Capital Metropolitan Transportation Authority; Austin, Texas



METRORAPID



Attachment 2 - Project Description
Capital Metropolitan Transportation Authority
Austin, Texas
Austin MetroRapid BRT Project

The Austin MetroRapid BRT Project is a 37.5-mile street-running bus rapid transit (BRT) system along two interconnected corridors: the 21-mile North Lamar/South Congress Corridor and the 16.5-mile Burnet/South Lamar Corridor. The BRT lines would share a 3-mile segment in central Austin between 38th Street, north of the University of Texas-Austin, and Cesar Chavez Street at the southern end of downtown Austin. The BRT system will serve 37 paired and three single terminus stations in two corridors. The following project elements are included in the project by Standard Cost Category.

SCC 10 Guideway and Track Elements

None, as the entire 37.5-mile system is mixed flow street-running operation.

SCC 20 Stations, Stops, Terminals, Intermodal

This category includes the construction of BRT stations in existing street right-of-way, including pads, bulb-outs, canopies, ramps, railings, benches/or lean bars, real-time passenger information displays, trash receptacles, signage and markings etc. All paired stations are of split configuration, many on the far-side of signalized intersections. In total there are 37 paired BRT stations in both corridors, 22 in the North Lamar/South Congress Corridor and 15 in the Burnet/South Lamar Corridor, and three single terminus stations. All stations are curbside. All BRT stations are of standard design with special BRT branding, color scheme and logo to distinguish this from our other bus services.

SCC 30: Support Facilities: Yard, Shop Administration Buildings

The project includes: renovations to the existing administrative building and maintenance facility at North Operations Center (North Ops); a storage yard for the BRT vehicles; and security improvements.

SCC 40: Site Work and Special Conditions

This category includes underground utilities relocation and adjustments at proposed new BRT stops; and allowance for temporary access easements during construction of BRT stops. If contractor requests access easement due to difficult field conditions, it would be evaluated using an established procedure outlined in the project management plan (PMP).

SCC 50: Systems

50.02 Traffic Signals and Crossings Protection: The project includes upgrading the traffic control system including hardware and software to enable transit signal priority along the BRT corridors except for Guadalupe and Lavaca Streets through downtown. All

forty (40) vehicles would be equipped with transmitters to enable them vehicle to send a signal to the traffic control system requesting priority.

50.05 Communications: The project includes central automated dispatch for BRT vehicles, automated vehicle location (AVL), bus arrival prediction software, and real-time passenger display units at all BRT stations. It also includes additional work stations to monitor the system in real time from desktops and incident management.

50.06 Fare Collection System and Equipment: The project includes ten (10) ticket vending machines at various station locations including the downtown stations. All vehicles will be equipped with ticket validators at rear doors and fareboxes at the front door. The farebox cost is not included in this category, as it is covered under vehicle cost.

SCC 60: Right-of-Way and Existing Improvements

No right-of-way acquisition or improvements are anticipated for this project. However, temporary construction easements will be obtained for station locations where the right-of-way is not sufficient for construction activities.

SCC 70: Vehicles

Twenty two (22) 60' articulated vehicles and eighteen (18) 40' BRT style vehicles would be acquired with special branding for this service. All vehicles will be equipped with automated vehicle locator (AVL) system and TSP emitters for communication with central dispatch, traffic signals and the real-time bus arrival system.

SCC 80: Professional Services

Professional services are to be contracted for the design, system integration, QA/QC, IT systems, construction management, survey work, material testing, permitting, and the Before-and-After Study.

SCC 90: Unallocated Contingencies

Approximately nine and nine-tenths percent (9.9%) unallocated contingency for the entire project is included in the Baseline Cost Estimate.

SCC 100 Finance Charges

There are no finance charges for the project.

Attachment 3 - Baseline Cost Estimate
Capital Metropolitan Transportation Authority; Austin, Texas
Austin MetroRapid BRT Project

Table 1: BCE by SCC

Table 1 - BCE by Standard Cost Category		YOE Dollars Total
<i>Applicable Line Items Only</i>		
10 GUIDEWAY & TRACK ELEMENTS (route miles)		0
20 STATIONS, STOPS, TERMINALS, INTERMODAL (number)		4,309,765
20.01	At-grade station, stop, shelter, mall, terminal, platform	4,309,765
30 SUPPORT FACILITIES: YARDS, SHOPS, ADMIN. BLDGS		2,047,757
30.01	Administration Building: Office, sales, storage, revenue counting	533,704
30.05	Yard and Yard Track	1,514,053
40 SITEWORK & SPECIAL CONDITIONS		3,280,309
40.01	Demolition, Clearing, Earthwork	138,663
40.02	Site Utilities, Utility Relocation	463,895
40.06	Pedestrian / bike access and accommodation, landscaping	478,270
40.07	Automobile, bus, van accessways including roads, parking lots	1,033,521
40.08	Temporary Facilities and other indirect costs during construction	1,165,960
50 SYSTEMS		2,893,711
50.02	Traffic signals and crossing protection	572,555
50.05	Communications	1,956,631
50.06	Fare collection system and equipment	204,319
50.07	Central Control	160,205
Construction Subtotal (10 - 50)		12,531,542
60 ROW, LAND, EXISTING IMPROVEMENTS		600,747
60.01	Purchase or lease of real estate	600,747
70 VEHICLES (number)		24,588,776
70.04	Bus	24,588,776
80 PROFESSIONAL SERVICES (applies to Cats. 10-50)		5,186,481
80.02	Final Design	1,946,143
80.03	Project Management for Design and Construction	642,394
80.04	Construction Administration & Management	613,948
80.06	Legal; Permits; Review Fees by other agencies, cities, etc.	365,401
80.07	Surveys, Testing, Investigation, Inspection	1,311,620
80.08	Start up	306,974
Subtotal (10 - 80)		42,907,546
90 UNALLOCATED CONTINGENCY		4,713,454
Subtotal (10 - 90)		47,621,000
100 FINANCE CHARGES		0
Total Project Cost (10 - 100)		47,621,000

Attachment 3
Baseline Cost Estimate
Capital Metropolitan Transportation Authority
Austin, Texas
Austin MetroRapid BRT Project

Table 2 - Inflated Cost to Year of Expenditure

	Base Year Dollars w/o Contingency	Base Year Dollars Allocated Contingency	Base Year Dollars TOTAL	Inflation Factor	YOE Dollars TOTAL
10 GUIDEWAY & TRACK ELEMENTS (route miles)	0	0	0	0	0
20 STATIONS, STOPS, TERMINALS, INTERMODAL (number)	3,782,520	378,252	4,160,772	1.0358	4,309,765
30 SUPPORT FACILITIES: YARDS, SHOPS, ADMIN. BLDGS	1,742,099	227,194	1,969,293	1.0398	2,047,757
40 SITEWORK & SPECIAL CONDITIONS	2,858,531	308,375	3,166,906	1.0358	3,280,309
50	2,527,407	276,805	2,804,212	1.0319	2,893,711
SYSTEMS	523,687	75,673	599,360	1.0023	600,747
60 ROW, LAND, EXISTING IMPROVEMENTS	23,677,261	0	23,677,261	1.0385	24,588,776
70 VEHICLES (number)(40)					
80 PROFESSIONAL SERVICES (applies to Cats. 10- 50)	4,351,476	717,176	5,068,652	1.0232	5,186,481
90 UNALLOCATED CONTINGENCY			4,530,544	1.0404	4,713,454
100 FINANCE CHARGES			0	0	0
Total Project Cost (10 - 100)			45,977,000	1.0358	47,621,000

Attachment 3
Baseline Cost Estimate
Capital Metropolitan Transportation Authority
Austin, Texas
Austin MetroRapid BRT Project

Table 3: BCE by Source of Funding

	Total Project Cost in YOE Dollars	Federal 5309 New Starts	Federal Other	Local
0 GUIDEWAY & TRACK ELEMENTS (route miles)	0	0	0	0
20 STATIONS, STOPS, TERMINALS, INTERMODAL (number)	430,977	3,447,812	0	861,953
30 SUPPORT FACILITIES: YARDS, SHOPS, ADMIN. BLDGS	204,776	1,638,206	0	409,551
40 SITEWORK & SPECIAL CONDITIONS	328,031	2,624,247	0	656,062
50 SYSTEMS	289,371	2,314,969	0	578,742
60 ROW, LAND, EXISTING IMPROVEMENTS	60,075	480,598	0	120,149
70 VEHICLES (number)	2,458,878	19,671,021	0	4,917,755
80 PROFESSIONAL SERVICES (applies to Cats. 10-50)	518,648	4,149,185	0	1,037,296
90 UNALLOCATED CONTINGENCY	471,345	3,770,763	0	942,691
100 FINANCE CHARGES	0	0	0	0
Total Project Cost (10 - 100)	47,621,000	38,096,800	0	9,524,200

	Costs Attributed to Source of Funds	Federal/ Local Matching Ratio within Source	All Federal Funds	Local Funds
Federal 5309 New Starts	47,621,000	80/20	38,096,800	9,524,200
Federal Other (pls say what...)				
Total	47,621,000		38,096,800	9,524,200
Overall Federal Share of Project			80.00%	
New Starts Share of Project			80.00%	

Attachment 5
Grants and Related Documents
Capital Metropolitan Transportation Authority
Austin, Texas
Austin MetroRapid BRT Project

I. Prior Grants

None

II. Related Documents

1. Approval to Enter Project Development – February 23, 2009
2. Categorical Exclusion-Environmental Clearance – March 5, 2009
3. Supplemental Documented Categorical Exclusion – June 28, 2011

III. PCGA Grant History (Section 5309)

Project No.	Obligation Date	Federal Amount	Funding Source	Purpose
TX-03-0298-00	8/30/2007	\$496,800	Section 5309	Project Development

Attachment 6
Schedule of Federal Funds for Project

Capital Metropolitan Transportation Authority
Austin, Texas
Austin MetroRapid BRT Project

Section 201(o) of the SAFETEA-LU Technical Corrections Act of 2008 (Pub. L. 110-244; 122 Stat. 1572; June 6, 2008) authorizes the FTA to award Federal Small Starts capital funds for construction of the MetroRapid Bus Rapid Transit project (the "Project") in Austin, Texas. In accordance with Federal Transit Law, 49 U.S.C. Chapter 53, by the execution of this Agreement the Government is limiting its commitment to provide funding for the Project to those funds that have been or may be appropriated under SAFETEA-LU and subsequent authorizations. The Government and the Grantee recognize, however, that the period of time necessary to complete the Project may extend beyond the expiration of SAFETEA-LU, as evidenced by Attachment 4 to this Agreement (Baseline Schedule).

Currently, the Government (FTA) and the Grantee (CMTA) anticipate that the Federal Capital Small Starts funds will be provided for the project as follows:

Fiscal Year	Section 5309 Small Starts Funds	Local Funds	Total
2011 and prior	\$38,096,800	\$9,524,200	\$47,621,000
Total	\$38,096,800	\$9,524,200	\$47,621,000

Attachment 7 Environmental Mitigation

Capital Metropolitan Transportation Authority, Austin; Texas Austin MetroRapid BRT Project

The environmental record for the project includes the following documents:

- Coordination with the Texas Historical Commission (THC) and findings of "no significant or adverse effect" and conditions conveyed in HTC letters: July 11, 2008 and July 17, 2008.
- Environmental Finding Summary Report: August 29, 2008
- Environmental and Mitigation Measures submitted with the project application: August 29, 2008
- Categorical Exclusion (CE): March 5, 2009
- Environmental Finding Summary Report: May 25, 2011
- Letter dated May 31, 2011 from the University of Texas (UT) approving changes to the sidewalks, stone planters and walls in front of the UT campus on Guadalupe between 20th and 26th Streets pursuant to the requirements set forth in the March 4, 2009 Categorical Exclusion
- Coordination with the Texas Historical Commission (THC) and findings of "no significant or adverse effect" dated June 21, 2011
- Supplemental Documented Categorical Exclusion (SDCE): June 28, 2011

The mitigation measures and other actions that reduce the adverse environmental and community impacts, to which FTA and CMTA committed in the environmental record, must be implemented under this Project Construction Grant Agreement (PCGA). Such mitigation measures may not be eliminated from the Project or altered except with FTA's written consent and in accordance with applicable laws and regulations (23 CFR 771.130). These mitigation measures include, but are not limited to, any commitment in the environmental record to perform further consultation with an agency or community on environmental related matters.

A summary of mitigation measures for the Project is contained in FTA's letters of approval of categorical exclusion dated March 5, 2009 and June 28, 2011. CMTA will periodically review and revise this table to add any measures resulting from required consultations, permit approvals and FTA approved changes and to update the implementation status of the measures.

CMTA has assigned responsibility for implementing mitigation measures to the Program Manager within the Project Management Plan. The Program Manager shall monitor the status of these measures and prepare quarterly reports for submittal to FTA during quarterly review meetings.

Attachment 8

Capital Metropolitan Transportation Authority Austin, Texas Austin MetroRapid BRT project Preparation of a Before-and-After Study

The Capital Metropolitan Transportation Authority (CMTA) will assemble information and conduct analyses to identify the actual performance of the Austin MetroRapid BRT Project in terms of its costs and impacts and evaluate the reliability of forecasts prepared and technical methods used during the planning and development of the Project. CMTA will assemble the data and conduct the analyses in accordance with the Before-and-After Study Plan prepared by CMTA and approved by FTA. Specifically, the Plan addresses the following requirements:

I. Required Information

CMTA will assemble information on four required characteristics of the Project and its associated transit services: project scope, capital cost, service levels, and ridership.

II. Milestones

CMTA will assemble items at key milestones in the development and operation of the Project:

- a) Predictions: The predictions developed for the four characteristics of the Project at the conclusion of alternatives analysis and for the PCGA;
- b) Before Conditions: Transit service levels and ridership prior to opening of the Project; and
- c) After Conditions: The actual outcomes for the four characteristics of the Project after the opening of the Project.

III. Performance

CMTA will maintain communication with FTA and its contractors on progress in implementing the Plan and provide opportunities for early review and comment on draft products. CMTA must obtain approval in advance of any changes in the scope or schedule for the Before-and-After Study as defined in the FTA-approved Plan.