

Exhibit F Work Plan

F.1 Study Approach

This section describes the Cambridge Systematics (CS) team's (the Contractor's) technical approach to the Capital Metropolitan Transportation Authority (Capital Metro) Peer Review in more detail, including major tasks, milestones, and deliverables.

Task 1. Assess Current Situation

Objectives

- Collect and review background information and stakeholder perspectives on the issues facing Capital Metro.
- Develop elements of the quadrennial performance audit related to statutory compliance and performance indicators.

Approach

The Contractor will conduct this task in six main phases, as described below.

Kickoff Meeting. The Contractor will conduct a kickoff meeting with members of the Capital Area Metropolitan Planning Organization (CAMPO) Peer Review Committee and Capital Metro staff at the beginning of the study. The purposes of this meeting will be to introduce study participants and their roles, review project administrative procedures, discuss potential peer systems, collect background documents for review, identify stakeholders and groups to interview, develop general discussion points for meetings, and begin scheduling meetings. Although some key meetings could be scheduled immediately after this meeting, the majority of meetings will be conducted over a one-week period several weeks after the kickoff meeting.

Background Review. The Contractor will review background information beginning with the list included in the request for proposals (RFP), including CAMPO planning documents, our recent CAMPO peer review, the *All Systems Go* long-range transit plan, agency budget documents and comprehensive annual financial reports, the agency financial plan, results of recent state and Federal performance evaluations, and other documents. The Contractor will focus on items raised at the kickoff meeting in the review of these and other documents.

Performance Indicators. As a first step in the development of the Quadrennial Performance Audit, the Contractor will examine and summarize state mandated key performance indicators for the last three fiscal years. The Contractor will identify trends in each performance indicator and highlight where groups of statistics seem to indicate larger performance trends or challenges for the agency. Based on the timeframe in which

this work will be conducted, it is assumed that Capital Metro will add fiscal year 2008 financial and operational data to this report before submitting to the State before the statutory deadline for the Agency's next performance audit of February 1, 2009. The Contractor's work will be based on fiscal year data reported to the National Transit Database and provided by Capital Metro.

Statutory Compliance. As a second step in the development of the Quadrennial Performance Audit, the Contractor will perform a general examination of the Capital Metro's compliance with applicable State law, including sections related to metropolitan transit authorities, collective bargaining and strikes, public work performance and payment bonds, interlocal cooperation contracts, professional and consulting services, air quality, conflicts of interest, open meetings, public information, and eminent domain, and other issues. As the last performance audit found no significant problems in this area, the Contractor will focus on changes in the law and in Capital Metro's activities since 2004 that could have implications on statutory compliance.

Stakeholder Interviews. Over a period of approximately one week, the Contractor will meet with stakeholders individually or in small groups. As this will involve up to 16 meetings, the Contractor will work closely with Capital Metro staff on scheduling and logistics to make this week as productive as possible. Capital Metro staff will be responsible for coordinating with stakeholders and scheduling meetings. A second round of meetings may be necessary over two to three days a few weeks later. Each meeting will follow a consistent agenda of general discussion points, with some specific questions tailored to each interviewee.

Meeting Documentation. The Contractor will prepare meeting summaries following each facilitated discussion. These meeting summaries will be combined and summarized in a Current Situation technical memorandum. The Contractor will meet with the CAMPO Peer Review Committee and Capital Metro staff following submittal of the draft technical memorandum to highlight patterns in its findings, confirm peer systems for analysis in Task 2, and prioritize challenges for additional exploration in Task 3.

Deliverables

- Draft and final Performance Audit Report sections on performance indicators and statutory compliance, in Adobe Acrobat (PDF) format.
- Draft and final Current Situation technical memorandum, in PDF format.

Task 2. Review Peer Systems

Objective

- Research peer regional transit systems and identify best practices.

Approach

The Contractor will conduct this task in three main phases, as described below.

Identify Peer Systems: The Contractor will identify regional transit systems that serve areas that are comparable to Austin, based on features such as current and forecast regional population, city-suburb relationships, investment in fixed guideway transit, and whether the agency has faced challenges similar to Capital Metro. The Contractor will identify candidate peer systems that provide insight into Capital Metro’s challenges of regionalism, governance, operating structure, rapid transit implementation, funding, and other areas identified in Task 1.

Table F.1 shows an initial group of potential candidate cities and summarizes their state capital status, presence of a major university, metropolitan area population, and rapid transit implementation status. The Contractor will work with Capital Metro staff and the CAMPO Peer Review Committee to refine this list and identify up to eight selected peer systems for more detailed data collection and analysis.

Table F.1 Potential Candidate Peer Systems

Metro Area	State Capital	Major University¹	Population Ratio²	Rapid Transit Implementation Status³
Austin, TX	yes	yes	1.0	construction
Albuquerque, NM		yes	0.6	operation
Dallas, TX		yes	4.1	operation
Denver, CO	yes		1.7	operation
Las Vegas, NV		yes	1.1	operation
Louisville, KY			0.9	planning
Madison, WI	yes	yes	0.4	planning
Memphis, TN			1.0	planning
Nashville, TN	yes	yes	1.1	operation
Phoenix, AZ	yes	yes	2.6	construction
Sacramento, CA	yes	yes	1.4	operation
Salt Lake City, UT	yes	yes	0.8	operation
San Antonio, TX		yes	1.4	planning
Tampa, FL		yes	1.9	planning
Tucson, AZ		yes	0.7	planning

Notes:

1. Major university based on presence of at least one Top 100 institution of higher education as ranked by enrollment (greater than approximately 25,000 students) in MSA. Statistics available at http://nces.ed.gov/programs/digest/d05/tables/dt05_215.asp
2. Population Ratio based on comparison of 2000 Census Metropolitan Statistical Area (MSA) population. Statistics available at <http://www.census.gov/main/www/cen2000.html>

3. Rapid Transit Implementation Status based on implementation phase of one or more fixed guideway transit projects in the MSA.

Peer Research. Data to be collected from selected systems will include 1990 and 2000 Census population and employment statistics, metropolitan planning organization (MPO) population and employment forecasts, city vs. suburban growth patterns, National Transit Database financial and operating statistics for major transit agencies serving each region, financial and operating statistics related to rapid transit systems currently operating or under construction in each region, information on governance structure, terms of State enabling legislation, authority invested in each transit agency, funding sources, and transit agency history. This information will be collected from agency websites and other publicly available sources. Telephone interviews will be conducted where necessary to collect more detailed information and to follow up on questions that arise during the review of published information.

Case Studies. The Contractor will develop up to four case studies at peer agencies selected above exploring particular topics identified during Task 1. These case studies will focus on specific areas where an agency represents a best practice or an innovative solution in meeting a challenge identified by stakeholders. The Contractor will review agencies both within and outside Texas to ensure that national best practices are captured while developing insight into Texas-specific issues, such as labor arrangements.

Deliverable

- Draft and final Peer Review technical memorandum, including methodology and results of comparison with peer cities and case studies of particular topics in selected other cities, in PDF format.

Task 3. Address Challenges

Objective

- Explore, in more detail, potential solutions to challenges identified by stakeholders in Task 1.

Approach

The CS team will conduct this task in six main phases, as described below.

Refine Approach. Following the stakeholder meetings in Task 1, the Contractor will meet with the CAMPO Peer Review Committee to prioritize up to four key areas for development of recommended solutions and to discuss methodological options for their exploration. Potential approaches to the likely issues described in the RFP follow.

Explore Agency Role in Regional Planning. Through the peer review work and case studies in Task 2, the Contractor will identify a range of levels of involvement of transit agencies in regional planning, including agencies that focus mainly on operations to those that actively engage their communities in shaping and implementing a regional vision that includes high quality public transportation. The Contractor will combine this information with its knowledge of agencies across the country that have been successful in

introducing fixed guideway transit as part of a sustainable regional growth management strategy. In many cases, this has involved transit agency involvement in the development of regional solutions for funding and governance, transit supportive land use planning, and expansion of supporting transit services, such as flexible services to provide improved mobility options for populations with special needs and suburban residents in low-density areas. Through case study research that builds on the work in Task 2 with more in-depth treatment of specific issues in a few selected peer agencies or a broader survey of best practices across other regions, the Contractor will provide examples of how regions successfully have met the challenges facing Central Texas. Through its understanding of the local issues gained in Task 1, the Contractor will translate these examples into draft recommendations for CAMPO and Capital Metro. The Contractor then will coordinate with stakeholders to refine these recommendations to ensure that they are as appropriate and useful as possible.

Explore Agency Governance. The peer review work and case studies in Task 2 also will identify a range of approaches to transit agency governance, including board size, board composition, representation and voting rights, mechanisms for service area expansion, transit authority responsibilities, and relationships with other regional agencies. The Contractor will build on the work in Task 2 with more in depth treatment of specific issues in a few selected peer agencies or a broader survey of best practices across other regions and provide examples of how regions successfully have met the challenges facing Central Texas. The Contractor will translate these examples into draft and final recommendations for CAMPO and Capital Metro.

Explore Agency Operating Structure. Utilizing the background and experience of McDonald Transit, the Contractor will address the following challenges in this area:

- Maximizing productivity, responsiveness, efficiency, and employee motivation within the current structure;
- Evaluating the pros and cons of the current structure versus unit cost operating contracts or a series of operating contracts similar to those used by Capital Metro in their UT service;
- Best practices for employee supervision and quality control through contract administration techniques by a separate organizational unit;
- Harmonizing wages and benefits in a multi-unit employee environment that has public, private, and semi-private employees;
- Advantages and disadvantages with regard to operating costs in the utilization of different labor models;
- Customer service implications of various organizational structures; and
- Avoidance of duplication of effort and the ability to take advantage of economies of scale in human resource areas, wages, and benefits under different scenarios.

The Contractor will translate its findings from these explorations into draft and final recommendations for CAMPO and Capital Metro.

Explore Sustainable Funding Sources. The Contractor will work with Capital Metro staff to test alternative scenarios using the financial models being developed for the Financial Plan. No significant activity developing future service plans or ridership forecasts is anticipated. At a minimum, the analysis will evaluate the combined effect on agency net income and cash flow over a period of 20 years or more of:

- Rising operating and maintenance costs of current service associated with changes in labor costs, energy costs, security costs, and other factors;
- Rising operating and maintenance costs associated with service expansion and introduction of commuter rail and bus rapid transit (BRT) services;
- Rising revenues associated with ridership growth, fare increases, and regional economic growth impacts on sales tax revenues; and
- Potential new sources of funding, including service area expansion and new funding sources.

Part of this work will be an exploration of funding strategies that are being used in other regions based on the work in Task 2, including an assessment of their potential applicability in Central Texas. The Contractor will translate its findings into draft and final recommendations for CAMPO and Capital Metro.

Explore Other Topics: Other topics may be identified during Task 1 that may warrant treatment in this task as well. In each case, the Contractor's work will include research into best practices conducted as part of the peer system review and case study development in Task 2, additional contact with peer agencies as appropriate, and follow up discussions with stakeholders on the merits of potential solutions.

Deliverables

- Draft and final technical memoranda describing the process and results of the review of the challenges selected for detailed exploration in this task, in PDF format. Depending on the flow of work in this task and preferences of Capital Metro and the CAMPO Peer Review Committee, separate technical memoranda may be prepared for each topic.

Task 4. Document Findings and Recommendations

Objective

- Compile the findings developed in previous tasks into final reports documenting the study background, work process, research methodology, findings, and recommendations.

Approach

The technical memoranda developed in previous tasks will be combined into a final report that follows the format of previous Capital Metro Quadrennial Performance Audit documents.

The Contractor will also combine the technical memoranda developed in previous tasks into a second final report that serves as a blueprint for the CAMPO peer reviews of other agencies. This document will share much of the content of the performance audit document, but will likely differ in structure and have more emphasis on regional planning issues and agency challenges.

Deliverable

- Draft and final Capital Metro Quadrennial Performance Audit document, in PDF format.
- Draft and final Peer Review Report, in PDF format.

Task 5. Presentations

Objective

- Present the study process, findings, and recommendations to stakeholder groups and solicit comments.

Approach

The Contractor will summarize the material contained in the draft Capital Metro Quadrennial Performance Audit document in the form of a Microsoft PowerPoint presentation and related handouts.

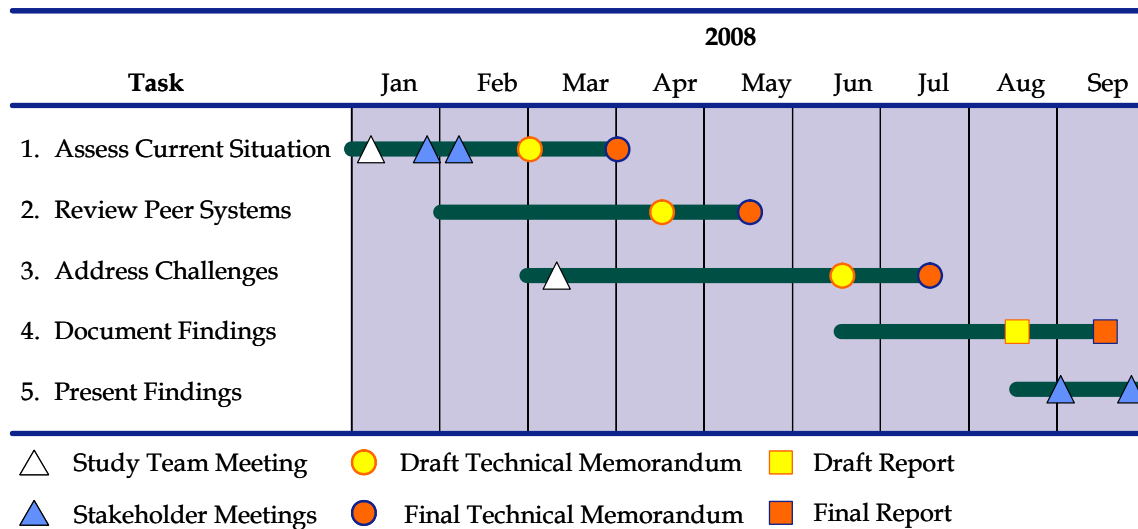
Deliverables

- CAMPO Peer Review Committee presentation on draft Capital Metro Quadrennial Performance Audit document, in Microsoft PowerPoint and PDF format.
- Capital Metro Board of Directors presentation on draft Capital Metro Quadrennial Performance Audit document, in Microsoft PowerPoint and PDF format. At the direction of the CAMPO Peer Review Committee and Capital Metro staff, this presentation may represent a condensed summary of content presented to the CAMPO Peer Review Committee.
- Capital Metro Board of Directors presentation on final Capital Metro Quadrennial Performance Audit document, in Microsoft PowerPoint and PDF format. At the direction of the CAMPO Peer Review Committee and Capital Metro staff, this presentation, intended to meet the public hearing requirements in Section 451 of the Texas Transportation Code, also may represent a condensed summary of content presented to the CAMPO Peer Review Committee.

F.2 Timelines and Milestones

The Contractor proposes to conduct the study in nine calendar months with completion by September 30, 2008, assuming Notice to Proceed before January 14, 2008. Figure F.1 shows the proposed study timeline, including major meetings and deliverables.

Figure F.1 Study Schedule



F.3 Staff Loading Plan

Table F.2 shows the proposed level of effort by each of the key staff assigned to the study.

Table F.2 Proposed Level of Effort by Person and Task(in Hours)

Staff	Task I	Task II	Task III	Task IV	Task V	Total
<i>Cambridge Systematics, Inc.</i>						
Steven Pickrell	16	4	4	4	16	44
Christopher Kopp	96	36	64	64	24	284
James Brogan	56	16	40	32	16	160
Mark Chang	0	72	64	16	0	152
Roger Schiller	56	72	40	16	0	184
Audrey Wennink	0	72	64	48	0	184
Laurie Hussey	0	0	0	0	0	0
Arlee Reno	0	0	0	0	0	0
Christopher Wornum	0	0	20	0	0	20
Production Support	0	0	0	36	8	44
<i>McDonald Transit Associates, Inc.</i>						
John Bartosiewicz	60	0	80	56	16	212
Robert Babbitt	6	0	60	12	0	78
Christine Hines	16	0	112	56	0	184
Kenneth Housden	12	0	16	0	0	28
Administrative Support	8	0	40	40	0	88
Total	326	272	604	380	80	1,662

F.4 Communication Plan

The Contractor recognizes the importance of effective communications with CAMPO and Capital Metro. The Contractor will use e-mail in conjunction with project team meetings and teleconferences to maintain frequent and open communications with key project staff on a range of project functions, including:

- **A Project Calendar** - Provides a way to track schedules and availability and provide a calendar for deliverables and meetings.
- **A Contact List** - A basic contact database of the CAMPO Peer Review Committee key Capital Metro staff, the Contractor's team members, and other participants involved with the ongoing effort.
- **Basic Discussion** - Provides on-line discussion capabilities. New discussion topics and responses are seen as they are posted.
- **Discussion with Attachments** - This is the same as the basic discussion database with the added feature allowing individuals to place attachments in the document.
- **Document Library and Review** - A central repository for all databases related to a project that allows for the review of applicable documents. Documents may be copied and pasted to the database, placed as an attachment, or both.

F.5 Subcontracted Work

Cambridge Systematics will contract with McDonald Transit of Fort Worth to explore certain management and administration issues and develop certain elements of the Quadrennial Performance Audit. McDonald Transit brings 35 years of planning, implementing, managing, and growing multimodal transit systems across the country to the team. This extensive operating and consulting experience provides a wealth of information on best practices, practical examples, and actual experience, including knowledge of potential peer and non-peer case studies.

McDonald Transit will participate in many of the stakeholder interviews in Task 1, conduct the assessment of statutory compliance in Task 1, assist in the development of recommendations related to Capital Metro's operating structure and labor arrangements in Task 3, provide insights from their experience operating transit systems around the country on sustainable funding sources, and summarize findings from other study tasks into a section of the Quadrennial Performance Audit on the administration and management of Capital Metro.