

**Memorandum of Understanding between the  
Capital Metropolitan Transportation Authority and the City of Round Rock  
Regarding the Provision of Federal Transit Administration  
Section 5307 and Section 5339(a) Program Funds**

This Memorandum of Understanding (“MOU”) regarding the provision of Federal Transit Administration Section 5307 and Section 5339(a) Program Funds is executed by and between the City of Round Rock (“City”) a local government public entity and the Capital Metropolitan Transportation Authority (“CapMetro”), a political subdivision of the State of Texas organized under Chapter 451 of the Texas Transportation Code, each a “Party” and collectively referred to as “the Parties.” Accordingly, the Parties set forth their intent and understandings as follows:

**I. PURPOSE**

CapMetro is the designated recipient (“Designated Recipient”) of funding under the Urbanized Area Formula Funding program (49 U.S.C. 5307 or Section 5307) and the Bus and Bus Facilities Funding program (49 U.S.C. 5339(a) or Section 5339(a)) apportioned by the Federal Transit Administration (“FTA”) for the Austin urbanized area. This MOU outlines the Parties’ mutual intent and understanding with respect to CapMetro’s authorization of City as a direct recipient of FTA Section 5307 and Section 5339(a) funds. City and CapMetro agree to work cooperatively and in good faith in the manner set forth herein.

**II. KEY TERMS**

- A.** The Parties will comply with the requirements of the Urbanized Area Formula Funding Program (49 U.S.C. 5307 and 49 U.S.C. 5339(a)).
- B.** Since City is not a member city of the CapMetro transit system, City intends to be a direct recipient (“Direct Recipient”) of a share of the Section 5307 and Section 5339(a) funding apportioned to the Austin urbanized area (“FTA Section 5307 and Section 5339(a) Program Funds”).
- C.** During the term of this MOU, City is authorized to apply for a share of Section 5307 and Section 5339(a) Program Funds apportioned and distributed to CapMetro as Designated Recipient for the Austin urbanized area, based upon the distribution formula established by the FTA for fiscal years 2025 (October 1, 2024 – September 30, 2025) and 2026 (October 1, 2025 – September 30, 2026) (each an “FTA Fiscal Year”).
- D.** The distribution of any amounts payable to City as a Direct Recipient is contingent upon the successful apportionment and distribution of Section 5307 and Section 5339(a) funds to CapMetro as the Designated Recipient for the Austin urbanized area for FTA Fiscal Years 2025 and 2026. If the FTA does not apportion or distribute Section 5307 or Section 5339(a) Program Funds to CapMetro as the Designated Recipient, City will not be eligible to receive Section 5307 or Section 5339(a) Program Funds as a Direct Recipient. If the FTA reduces the amount of Section 5307 or Section 5339(a) Program Funds available to CapMetro as the Designated Recipient, City’s

share of funding will be based upon the reduced amount. CapMetro will not be liable to City for any damages, which are caused or associated with any FTA changes to the amounts apportioned or distributed to the Austin urbanized area under Section 5307 or Section 5339(a).

- E. CapMetro is not obligated to provide any technical assistance or technical support to City beyond the requirements of FTA Circular 9030.1E.
- F. City's designation as a Direct Recipient requires approval by the CapMetro Board of Directors and the Round Rock City Council.

**B. CapMetro's Responsibility:**

- A. CapMetro will remain the Designated Recipient of Section 5307 and Section 5339(a) Program Funds apportioned by the FTA for the Austin urbanized area;
- B. CapMetro authorizes City to be a Direct Recipient of a share of the Section 5307 and Section 5339(a) Program Funds apportioned to the Austin urbanized area based on the distribution formula established by the FTA for FTA Fiscal Years 2025 and 2026; and
- C. CapMetro authorizes this designation once to include all grant applications for FTA Section 5307 and Section 5339(a) Program Funds submitted by City to FTA during the term of this MOU.

**C. Round Rock Responsibility:**

- A. City will remain an eligible FTA grantee for the provision of transit services and construction of transit facilities throughout the term of this MOU;
- B. As a Direct Recipient, City will use FTA Section 5307 and Section 5339(a) Program Funds to support the planning, capital development, and operation of transit services for the Round Rock community in accordance with the terms of this MOU;
- C. City shall comply with all provisions of FTA Circular 9030.1E, Urbanized Area Formula Program: Program Guidance and Application Instructions, Chapter II, Section 8, Applicants Other than Designated Recipients, including but not limited to providing its local share of matching, as amended; and
- D. City shall comply with all applicable requirements set forth in state or federal law, regulations, policies, and administrative practices, as amended.

### **III. TERM OF MOU**

This MOU will be executed and effective as of the date of the last Party to sign (the "Execution Date") and expire on the last day of the FTA Fiscal Year 2026. The Parties may mutually agree, in writing, to extend the term of this MOU. This MOU may be terminated or modified by thirty (30) days advanced written notice by either Party. In the event that either Party shall be in default of its material obligations under this Agreement and shall fail to remedy such default within thirty (30) days after receipt of written notice thereof,

this MOU may be terminated at the option of the Party, not in default upon expiration of the thirty (30) day period.

#### **IV. INCORPORATION OF DOCUMENTS**

This MOU incorporates by reference the following attachments:

- A.** Attachment A, resolution of the CapMetro Board of Directors approving this MOU.
- B.** Attachment B, Resolution of the Round Rock City Council approving this MOU.

#### **V. MISCELLANEOUS**

- A.** This MOU constitutes the entire agreement between CapMetro and City. No other terms and conditions are applicable, unless amended and agreed to in writing by both Parties.
- B.** By execution of this MOU, neither Party waives or relinquishes any sovereign immunity rights available to it by law except as otherwise stipulated by applicable laws.

#### **VI. SIGNATORY**

This MOU is hereby accepted and agreed to by the following individuals or officers who are duly authorized to bind the Parties as set forth above:

##### **Capital Metropolitan Transportation Authority**

By: \_\_\_\_\_  
Dottie Watkins  
President & CEO  
Date: \_\_\_\_\_

##### **City of Round Rock**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Approved as to form:

\_\_\_\_\_  
CMTA Legal Department

**Attachment A**  
**CapMetro Board of Directors Resolution No.**

**Attachment B**  
**Round Rock City Council Resolution No.**