



RSM US LLP

## Independent Accountant's Report

Ms. Sylnovia Holt-Rabb, Assistant Director  
City of Austin  
Economic Development Department

We have performed the procedures enumerated in the attached Summary of Procedures and Results, which were agreed to by the City of Austin (the City), solely to assist the specified user in evaluating whether Circuit of the Americas (COTA) and Circuit Events Local Organizing Committee (CELOC) have complied with certain provisions, as described below, of Exhibit A of their Agreements with City of Austin (the Agreements), dated June 29, 2011, and July 31, 2011, respectively. The City's management is responsible for the determination of compliance by COTA and CELOC with the Agreements. The sufficiency of these procedures is solely the responsibility of the City. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached Summary of Procedures and Results, either for the purpose for which this report has been requested or for any other purpose.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not, conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on whether COTA and CELOC are in compliance with their Agreements. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the City and is not intended to be, and should not be, used by anyone other than this specified party.

*RSM US LLP*

Austin, Texas  
June 7, 2018

## City of Austin

### Summary of Procedures and Results

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We have performed the following procedures related to certain records and transactions specified by the City:

1. With reference to section 1.A.1 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City the May 2012 memorandum from the City's Office of Sustainability to COTA regarding Carbon Offset Purchase. We inspected the May 2012 memorandum from the City's Office of Sustainability and confirmed the following requirement is specified therein: 50 percent of the carbon offset funds shall be used for projects within Texas, registered on a carbon registry and reductions shall be third party verified. No exceptions were found as a result of the foregoing procedures.
2. With reference to section 1.A.1 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City COTA's January 17, 2013, report entitled Carbon Reductions and Carbon Neutrality. We inspected the report and confirmed:
  - a. According to section 2.a of the report, in 2012, COTA calculated a greenhouse gas assessment of Formula 1 US Grand Prix (F1 USGP) related activities to generate a carbon footprint for the event and
  - b. According to section 2.e of the report, the data collected represents net carbon emissions associated with all fuel use and energy demands associated with the F1 USGP.

No exceptions were found as a result of the foregoing procedures.

3. With reference to section 1.A.1 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City an undated letter from the Green Sports Alliance. We inspected the letter and confirmed that it acknowledged that COTA has been a member in good standing in the Alliance from 2013-2014 through 2017-2018. No exceptions were found as a result of the foregoing procedures.
4. With reference to section 1.A.1 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City a report entitled Carbon Reductions and Carbon Neutrality describing COTA's work during 2016 and projects selected. We inspected the report and confirmed that according to the report:
  - a. Following collaboration with and approval from the City's Office of Sustainability, COTA contracted with two carbon reduction projects and
  - b. For its nonlocal project, COTA selected Rio Grande Valley Carbon Offset Project in Donna, Texas. COTA purchased \$7,500 of offsets via CBL Markets (New York, NY), retiring approximately 2,800 metric tons.

No exceptions were found as a result of the foregoing procedures.

5. With reference to section 1.A.1 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City the carbon offset certificate prepared September 17, 2017, and presented to COTA. We inspected the certificate and confirmed that it notes COTA purchased and retired carbon offset credits in the amount of 2,808 tons from the Rio Grande Valley Landfill Gas Capture Project, retired against 2016 COTA GHG emissions. No exceptions were found as a result of the foregoing procedures.

## City of Austin

### Summary of Procedures and Results

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6. With reference to section 1.A.1 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City an invoice CFS 0300, dated July 25, 2017, from CBL Markets for \$7,500. We inspected the invoice and noted the invoice described it is for the "2016 Non Local Carbon Offsetting Project." No exceptions were found as a result of the foregoing procedures.
7. With reference to section 1.A.2 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City the May 2012 memorandum from the City's Office of Sustainability to COTA regarding a Carbon Offset Purchase. We inspected the memorandum and confirmed that the memorandum indicates the City's Office of Sustainability specified the following requirement: 50 percent of the carbon offset funds were to be used for projects within the five county area (Hays, Bastrop, Caldwell, Travis and Williamson). In addition, we confirmed the memorandum indicated the requirement for the use of such funds to be documented, measured and reported annually to the City's Office of Sustainability with no third-party verification required. No exceptions were found as a result of the foregoing procedures.
8. With reference to section 1.A.2 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City a report entitled Carbon Reductions and Carbon Neutrality describing COTA's work during 2016 and projects selected. We inspected the report and confirmed that according to the report, COTA's local carbon reduction project, implemented by local nonprofit organization TreeFolks, supports tree planting and quantifying carbon sequestration for different species in the bio-region at a cost of \$7,500 to COTA. No exceptions were found as a result of the foregoing procedures.
9. With reference to section 1.A.2 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City a copy of an invoice dated September 21, 2016, from TreeFolks. We inspected the invoice and confirmed that it billed COTA \$7,500 for the 2016 Local Carbon Offset Project. No exceptions were found as a result of the foregoing procedures.
10. With reference to section 1.A.2 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City TreeFolks' report entitled COTA Local Carbon Reduction Project Report: 2016 End of Season Report. We inspected the report and confirmed that according to the report, TreeFolks distributed 100 new trees at a tree give-away event held at the Sunset Valley Farmers' Market, and monitored the growth and survival of previously distributed trees. No exceptions were found as a result of the foregoing procedures.
11. With reference to section 1.A.3 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City COTA's report dated January 4, 2017, Notice of Race Date for the Formula One United States Grand Prix. We inspected the report and confirmed that according to the report, COTA investigated holding the 2016 race outside of ozone season by indicating its preference to Federation Internationale de l'Automobile (FIA) for holding the USGP outside of the local ozone season; however, the FIA scheduled the F1 USGP for October 21-23, 2016. No exceptions were found as a result of the foregoing procedures.
12. With reference to section 1.A.4 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City a COTA report dated January 4, 2017, entitled Notice of Race Date for the Formula One United States Grand Prix. We inspected the report and confirmed that according to the report, the 2016 F1 USGP was held October 21-23, and that the entire event fell inside Central Texas' ozone season. No exceptions were found as a result of the foregoing procedures.

## City of Austin

### Summary of Procedures and Results

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13. With reference to section 1.A.4 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained COTA's Air Emissions Mitigation Report for the 2016 F1 USGP. We inspected the report and confirmed that the report was provided to the City on October 19, 2016, and that the report lists the following mitigation strategies COTA planned to implement for the 2016 F1 USGP:
- a. Establish park and ride program with service from downtown Austin and from offsite parking lots;
  - b. Provide free showers and on-site bike parking for cyclists;
  - c. Provide direction on COTA's website showing the best routes to and from COTA, depending on starting location;
  - d. Communicate through COTA social media and website about best ways to take advantage of public transportation during race weekend;
  - e. Communicate No Idling Policy for buses and taxis;
  - f. Organize and promote after-race concerts and similar events that stagger patron entry and departure times (Taylor Swift on Saturday and Usher on race day);
  - g. Where feasible, expand grid-connected electricity distribution infrastructure to areas around track not currently serviced to minimize need for portable generators;
  - h. Migrate to natural gas to fuel the generators, rather than diesel;
  - i. Maintain existing xeriscaping within defined perimeter of track to reduce dust in the air and on the track and
  - j. Reduce helicopter operations from previous years.

No exceptions were found as a result of the foregoing procedures.

14. With reference to sections 1.B.8 and 2.B.8 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City COTA's report dated January 2017 entitled Low Emission Transit Vehicles. We inspected the report and confirmed that according to the report:
- a. COTA remains committed to seeking low emission partners that can provide mass transit vehicles for shuttle operations at reasonable costs;
  - b. COTA's procedure to provide a contracting preference to the lowest emissions rapid transit vehicles available that reasonably satisfied COTA's needs include requiring bus procurement contractors to provide emission and propulsion data regarding their available bus fleet in order for COTA to determine how many busses of each type are available, and whether sufficient vehicles are available to prioritize their usage based partly on emissions;
  - c. The data from all respondents was compiled into an inventory of available shuttle vehicles, including propulsion and emission types and state of origin (if available);
  - d. COTA used a matrix, categorized by propulsion and emission type, and the vehicle's distance from Austin to rank the available vehicles;
  - e. The bus fleet was procured from local school districts, Capital Metro Transit Authority and private providers;
  - f. No hybrid electric, natural gas or propane busses were available for the fleet and
  - g. All transit vehicles used were either diesel- or low-emission diesel powered, and most were procured locally.

No exceptions were found as a result of the foregoing procedures.

## City of Austin

### Summary of Procedures and Results

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15. With reference to section 2.A.1 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City COTA's report dated March 6, 2017, entitled Air Quality Analysis and Inventory Narrative. We inspected the report and confirmed that according to the report:
  - a. The mitigation strategy has been developed and provided to the City and
  - b. Three major events were held at COTA in 2016, namely MotoGP, held April 8-10; X Games Austin, held June 2-5; and F1 USGP, held October 21-23.No exceptions were found as a result of the foregoing procedures.
16. With reference to section 2.A.1 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City COTA's application for the 2016 Moto GP event held April 8-10, 2016. We inspected the application and confirmed that the anticipated total attendance at the primary event was 44,422. No exceptions were found as a result of the foregoing procedures.
17. With reference to section 2.A.1 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City COTA's attendance certification for the 2016 X Games Austin event. We inspected the attendance certification and confirmed that according to the certification, the total attendance at the primary event was 89,973. No exceptions were found as a result of the foregoing procedures.
18. With reference to section 2.A.1 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City the attendance certification for the 2016 F1 USGP event. We inspected the attendance certification and confirmed that according to the certification, the total attendance at the primary event was 99,991. No exceptions were found as a result of the foregoing procedures.
19. With reference to section 2.A.1 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City COTA's Air Emissions Mitigation Plans for the 2016 MotoGP and for the 2016 X Games Austin. We inspected the plans and confirmed that each plan noted COTA utilizes, to the extent possible, the mitigation strategies identified in COTA's 2014 Air Quality Analysis and Inventory. No exceptions were found as a result of the foregoing procedures.
20. With reference to section 2.A.2 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City the following:
  - a. E-mail communication dated May 23, 2017, between Anton Sole of Austin Energy and Terry Franz of the Economic Development Department (EDD). We inspected the e-mail and confirmed that according to the e-mail, COTA's subscription to Austin Energy's GreenChoice program lapsed beginning January 1, 2015.
  - b. E-mail communication dated May 11, 2017, between Anton Sole and Paul Eastup of Austin Energy and Terry Franz of EDD. We inspected the e-mail and confirmed that according to the e-mail, EDD and Austin Energy calculated COTA's average daily nonevent consumption between December 8, 2014, and April 6, 2017, to be 20,713 kWh.

## City of Austin

### Summary of Procedures and Results

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- c. E-mail correspondence dated June 2, 2017, between Terry Franz of EDD and Edgar Farrera of COTA. We inspected the e-mail and confirmed that according to the e-mail, COTA and the City agreed that based on the City's calculation of average daily nonevent usage between December 8, 2014, and April 6, 2017, COTA would pay Austin Energy \$67,811 as remedy for the period, January 1, 2015, through June 30, 2017, during which COTA did not subscribe to GreenChoice.
- d. We obtained an invoice dated July 28, 2017, from Austin Energy to COTA. We inspected the invoice and confirmed that it includes a "GreenChoice True-Up" charge of \$67,811.00. In addition, we obtained from the City Austin Energy's August 28, 2017, invoice to COTA for the same account. We inspected the invoice and confirmed that it showed that the July 28, 2017, invoice was paid in full.

No exceptions were found as a result of the foregoing procedures.

- 21. With reference to sections 2.A.13 and 2.C of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City results of queries of the development review database at [https://www.austintexas.gov/devreview/a\\_queryfolder\\_permits.jsp](https://www.austintexas.gov/devreview/a_queryfolder_permits.jsp) of the permits issued between January 1, 2016, and January 4, 2017, to COTA. We inspected the results of the queries and confirmed that according to the results, the City issued the following building permits in 2016.

- a. 2016-126730 BP , New construction of turn 12 triple decker COTA club;
- b. 2016-126360 BP , New construction of turn 1 psl tent - temporary;
- c. 2016-126133 BP , New construction of turn 18 hospitality - temporary;
- d. 2016-125992 BP , New construction of t6 covered bar - temporary;
- e. 2016-125973 BP , New construction of temporary Paddock kitchen (MEP Permitted Separately) ;
- f. 2016-125957 BP , New Construction of 7 (seven) Temporary Team Hospitality Buildings for F1 teams.(4356 SF e;
- g. 2016-125942 BP , New construction of temporary main grandstand skybox;
- h. 2016-125930 BP , New Construction of temporary Hospitality Tent;
- i. 2016-125883 BP , Construction of temporary trackside suites (trophy suites);
- j. 2016-125156 BP , New Construction Temporary Super Stage (Taylor Swift Stage);
- k. 2016-118760 BP , New Construction of temporary Grandstand #1;
- l. 2016-118751 BP , New Construction of temporary Grandstand #4;
- m. 2016-118746 BP , New Construction of temporary Grandstand #9;
- n. 2016-118740 BP , New Construction VIP Bleachers;
- o. 2016-095540 PR , New Construction Uncovered Deck 30'x 40';
- p. 2016-074124 BP , 6400 sq. ft. VIP seating riser for concert;
- q. SP-2011-0053D(R2) , The applicant is proposing to revise 8.78 acres on an already approved site plan;
- r. 2016-036673 BP , Alteration of Existing Roof Structure; and
- s. 2016-027001 BP , New Construction of swimming pool and enclosure.

No exceptions were found as a result of the foregoing procedures.

## City of Austin

### Summary of Procedures and Results

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22. With reference to sections 2.A.13 and 2.C of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City a description of each type of permit. We inspected the description provided by the City and confirmed the City had noted that 12 permits were for construction of temporary improvements, three permits were for construction of an open deck, bleachers and seating risers, one was for new construction of a Turn 12 triple decker COTA Club, one was for new construction of a swimming pool and enclosures, one was for alteration of an existing roof and one was for track and rain gardens. No exceptions were found as a result of the foregoing procedures.
23. With reference to section 2.A.13 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City COTA's May 26, 2017, report entitled Particulate Emissions Reductions. We inspected the report and confirmed that according to the report:
- a. There were no qualifying construction activities in 2016;
  - b. There were three major events in 2016, namely MotoGP, X Games Austin and F1 USGP;
  - c. No pertinent construction, maintenance or power generation contracts were issued or renewed in 2016, since contracts for these services were already in place;
  - d. Efforts related to transit are reported separately;
  - e. Pre-existing maintenance and power generation contracts were used; however, measures were taken to eliminate the use of some generators;
  - f. The solicitation for transportation providers asked proposers to specify the type of equipment available, and many buses were Tier 3;
  - g. COTA found no measures in the City Construction Equipment Emission Reduction Toolkit;
  - h. No new maintenance contracts were issued or renewed in 2016, and site maintenance activities are curtailed during major public events in order to minimize any impacts on local air quality;
  - i. Some bio-diesel generators were used during major events and
  - j. To reduce on-site emissions, pedi-cabs and ride-sharing services were used to support major races and concerts.

No exceptions were found as a result of the foregoing procedures.

24. With reference to section 2.B.9 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City COTA's report entitled No Idling Policy dated May 26, 2017. We inspected the report and confirmed that according to the report, COTA's efforts to post and enforce its No Idling Policy in 2016 included:
- a. Signage posted around the site;
  - b. Printed no idling placards handed to shuttle bus drivers during major events;
  - c. Instructing parking lot managers to enforce the no idling policy while on site
  - d. Discussing the No Idling Policy in training sessions with shuttle/bus drivers and
  - e. Visiting various parking lots during events to determine whether unauthorized idling is a problem.

No exceptions were found as a result of the foregoing procedures.

## City of Austin

### Summary of Procedures and Results

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25. With reference to section 2.B.12 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City COTA's report entitled Explore EV Charging dated September 5, 2017. We inspected the report and confirmed that according to the report, it documented COTA's work in prior years regarding this obligation and affirms that COTA continues to be open to future partnerships with Austin Energy regarding EV charging. No exceptions were found as a result of the foregoing procedures.
  
26. With reference to section 2.A.8 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City COTA's report dated June 19, 2017, entitled Sustainable Site Maintenance and Operations Plan. We inspected the report and confirmed that the report addressed COTA's actions regarding each of the categories in their Sustainable Site Operations and Maintenance Plan. In addition, we confirmed the report noted the following:
  - a. Water Conservation:
    1. COTA's irrigation system and landscape have been installed in accordance with the approved landscape plans, specifications, site development plans and codes and ordinances of the City of Austin; and COTA's landscaping and irrigation design strategy has water conservation at the forefront.
    2. COTA's watering schedule is based on the Austin Water Utility's watering restrictions and the plants' water requirements.
    3. The types of plants used by COTA in its landscaping.
    4. Based on average evapotranspiration and precipitation rates, COTA's peak watering month is July.
    5. Measures taken to conserve potable water include:
      - a. Closing master valves at each connection when the irrigation system is not in use;
      - b. Monthly checking and adjusting the irrigation system;
      - c. COTA patrols for leaks, and when leaks are identified, they are isolated immediately and
      - d. Use of pressure check and control valves in the irrigation system.
    6. COTA has piped the irrigation system with marked piping for use of nonpotable water. There is currently no nonpotable water source near the track, but COTA plans to tap the next closest nonpotable water source for irrigation.
  - b. Site Maintenance Worksheet:
    1. Sustainable maintenance operations are directed and carried out under the authority of the Grounds and Landscape (G&L) Manager. Site pest management is monitored and regulated by the G&L Manager.
    2. Much of the landscaping equipment at COTA is low-emission certified, and STIHL is the primary supplier of COTA's landscaping equipment. STIHL utilizes many modern engine technologies and designs to meet low-emission standards.
    3. Tree maintenance plans are in place per the tree placement companies, Bartlett Tree Expert Company and ValleyCrest Landscape Management. All tree maintenance on site is managed by COTA's Landscape Manager.



## City of Austin

### Summary of Procedures and Results

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- c. Recycling: COTA tracks recycling and composting of site materials and identifies opportunities for increasing diversion rates. COTA recycles paper, boxes, cardboard, aluminum, metals, glass and hard plastics.
- d. Composting: All vegetation waste throughout COTA is collected in a designated composting bin in Lot N and recycled off-site. Grass clippings from mowing are mulched on the property. COTA composts and recycles all food waste from day-to-day activities, as well as large events, and attempts to separate this waste from traditional recycling or landfill waste.
- e. Exterior Energy Use:
  - 1. COTA utilizes Acuity Brands, Inc. outdoor lighting controls, and wireless controls for monitoring and control systems, including the racetrack, associated facilities and parking lots. The tower uses LED technology to efficiently light the entire tower in a pleasant manner.
  - 2. For exterior and site lighting, COTA uses LC and D relay systems, which incorporate photocell and timing along with scheduling to minimize usage on fixtures that are attached to buildings and most zones are timed to shut off at 11:00 p.m. The site lighting is controlled through Roam Node, which allows for control of each individual light, so lighting is adjusted for each event. Everyday lighting in selected areas provides security and right of way passage.
  - 3. With regard to HVAC, COTA uses Trane's Tracer operating system to monitor and control RTUs. The facility is divided into zones for which schedule and temperature are set and adjusted by request. Most closets and office areas have motion sensors. Nonessential and unoccupied areas have most RTUs turned off.
- f. Renewable Energy: COTA subscribes to Austin Energy's GreenChoice 2015 Renewable Energy.
- g. No Smoking Policy: COTA's No Smoking Policy prohibits smoking tobacco, e-cigarettes and vaporizers except in designated areas.
- h. Minimize Air Pollution: In addition to using low-emission landscaping equipment when feasible, all other COTA vehicles and maintenance equipment are purchased based, in part, on energy efficiency paired with low emission certifications. During ozone season, COTA stays subscribed to Ozone Action Day alerts and implements a limited refueling schedule on ozone action days. COTA limits use of portable maintenance equipment and avoids any type of aerosols.
- i. High Efficiency Vehicle Parking: COTA encourages carpooling and assists employees to find co-workers who live in their general portion of the City. Employees with electric vehicles are permitted to recharge them in the garages in the paddock area.

No exceptions were found as a result of the foregoing procedures.

27. With reference to section 2.A.10, 2.A.11, 1.A.5 and 1.A.6 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City COTA's report, entitled Synopsis of Resource Recovery Efforts. We inspected the report and confirmed that according to the report:

- a. Recycling collection takes place at all COTA events, including at a minimum:
  - 1. Paper,
  - 2. Plastic grades 1 (PETE) and 2 (HDPE),
  - 3. Aluminum and
  - 4. Glass.

## City of Austin

### Summary of Procedures and Results

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- b. Compostables were collected at all major motorsport events and other times as feasible and
- c. COTA has found that the following approach appears to offer the best diversion rates:
  - 1. At Motorsport events:
    - a) 3-stream (recyclable, compost and nonrecyclable) post-consumer collection at key locations around the facility with green volunteers staffing these collection stations (usually the Main Grandstand and Main Plaza, as well as T11 for USGP);
    - b) 3-stream pre-consumer collection at food and beverage concessionaires' main kitchen areas, where the bulk of compostables is collected and
    - c) 2-stream (recyclable and nonrecyclable) post-consumer recovery at all other locations.
  - 2. Concert Events:
    - a) 2-stream post-consumer recovery at all times;
    - b) Crews attempt to recycle all collected waste since most of the waste is recyclable bottles and cans, but bags containing too much food waste to make this feasible are sent to the landfill and
    - c) 3-stream post-consumer collection at select concerts or backstage.
- d. COTA's key resource recovery partners are:
  - 1. Texas Disposal Systems (TDS) for resource recovery and waste removal;
  - 2. Venue Smart and On-Site Resource Recovery support (site clean-up) and
  - 3. RS3 is year-round food and beverage vendor.
  - 4. Post-consumer recycled paper napkins in all concession locations.
- e. RS3 utilizes recyclable and compostable products, including:
  - 1. Compostable cups for concessions,
  - 2. Recyclable paper food trays in concession and vendor locations for food items sold,
  - 3. Souvenir cups for fountain beverages, and
- f. RS3 is required to use recycled and/or compostable materials to the extent available.
- g. COTA utilizes Green Volunteers to tend to compost collection locations to inform vendors and guests about which items were compostable.

No exceptions were found as a result of the foregoing procedures.

- 28. With reference to section 2.A.10, 2.A.11, 1.A.5 and 1.A.6 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City a TDS report entitled Circuit of the Americas 2016 Event Summary. We inspected the report and confirmed that according to the report, 1,826,526 pounds of nonrecyclable material; 207,359 pounds of compost, including 166,918 pounds of brush; and 1,056,615 pounds of recyclable material, including 635,765 pounds of concrete and 101,479 pounds of metal, were collected at COTA during 2016. No exceptions were found as a result of the foregoing procedures.

## City of Austin

### Summary of Procedures and Results

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29. With reference to section 2.D.1 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City a report printed from [www.austintexas.gov/page/gold-austin-green-business-leaders](http://www.austintexas.gov/page/gold-austin-green-business-leaders) on March 1, 2017. We inspected the report and confirmed that COTA is listed as one of the City of Austin Office of Sustainability's Gold-level Green Business Leaders. No exceptions were found as a result of the foregoing procedures.
30. With reference to section 2.D.1 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained a report from Terry Franz of EDD dated November 16, 2017. We inspected the report and confirmed the report noted that Zach Baumer and Terry Franz met with Edgar Farrera of COTA at COTA on November 16, 2017, at 1:30 pm. We inspected the report and confirmed it noted that Terry, Zach and Edgar took a driving tour around the site, discussing new buildings, irrigation and trees; the Community Garden; electric vehicles and the ongoing relationship between COTA and the Sustainability Office.
31. With reference to section 2.F.1 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City COTA's report dated April 4, 2017 entitled Green Racing and Events. We inspected the report and confirmed that according to the report, in 2016 the Formula Sun Grand Prix (FSGP) did not return to COTA, but the World Endurance Championship (WEC) held its 6-hour endurance race at COTA from September 14-17, 2016. In addition, we confirmed the report noted WEC featured hybrid cars of Audi, Porsche and Toyota. No exceptions were found as a result of the foregoing procedures.
32. With reference to section 2.F.1 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City a September 27, 2016, media report entitled Getting to Know the 1,000 hp hybrids of the World Endurance Championship. We inspected the report and confirmed that the report described the cars' performance at the 2016 LoneStar LeMans event held at COTA. No exceptions were found as a result of the foregoing procedures.
33. With reference to section 2.F.2 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City a report dated April 4, 2017, entitled Green Racing and Events. We inspected the report and confirmed that according to the report, COTA is and remains committed to hosting bicycle and foot races at the track, and the 2016 X Games Austin (held at COTA), featured various cycling events. No exceptions were found as a result of the foregoing procedures.
34. With reference to section 2.G.3 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City a blog report from COTA's website [www.circuitoftheamericas.com/blog/2016/ann-richards-school](http://www.circuitoftheamericas.com/blog/2016/ann-richards-school). We inspected the report and confirmed that according to the report, on January 8, 2016, COTA hosted 140 8<sup>th</sup> grade students from the Ann Richards School (ARS). In addition, we confirmed the report noted the students were hosted by COTA Sustainability Director Edgar Farrera and programming included a speaker on electric vehicle technology, an interactive session with COTA staff and building and racing small electric cars. No exceptions were found as a result of the foregoing procedures.

## City of Austin

### Summary of Procedures and Results

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35. With reference to section 2.G.3 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City COTA's February 18, 2017, report entitled Synopsis of Educational Partnerships with Area Schools Related to Technology and Sustainability. We inspected the report and confirmed that according to the report:
- a. It describes COTA's 2016 involvement with Texas State University (TSU), its K-12 partnerships with F1 in Schools and ARS tour held January 8, 2016.
  - b. COTA's participation with TSU included the following in 2016:
    1. During the 2016 MotoGP event, COTA collaborated with the student organization Net Impact, based in the McCoy College of Business at TSU to work on sustainability related projects in which groups of students helped plan and staff resource recovery initiatives at COTA's major motorsport events, including hydration efforts for MotoGP to reduce reliance on single-use water bottles;
    2. As part of MotoGP, Federation Internationale Motorcyclisme (FIM) Environmental Director Kattia Hernandez lectured at TSU about FIM's sustainability in sport initiatives and
    3. Net Impact students participated in a tour of the X Games Austin waste recovery efforts that coincided with the United States Zero Waste Business Conference held in Austin in May 2016.
  - c. F1 in Schools is the world's largest STEM program in which students use CAD/CAM software to design, build and test a balsawood model F1 car of the future, powered by compressed air and COTA's 2016 involvement with F1 in Schools included the following:
    1. Hosting the regional 2016 F1 in Schools event at the Paddock Building, in which approximately 12 local high school teams competed to represent Texas at the F1 in Schools national championship; and
    2. Hosing the 2016 World Finals in which teams of students aged 9 to 19 from all over the world competed in the multi-disciplinary challenge to collaborate, design, analyze, manufacture, test and then race their miniature compressed air-powered balsa wood F1 cars.
- No exceptions were found as a result of the foregoing procedures.
36. With reference to section 2.C.1, 2.C.2 and 2.C.3 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City COTA's January 21, 2017, report entitled Green Building. We inspected the report and confirmed that according to the report, no qualifying new buildings were constructed in 2016. No exceptions were found as a result of the foregoing procedures.
37. With reference to sections 1.B.1 and 2.B.2 of Exhibit A, as amended, to the agreements between the City and CELOC and between the City and COTA, we obtained from the City COTA's January 18, 2017, report entitled Major Event Parking and Transportation Coordination. We inspected the report and confirmed that according to the report:
- a. COTA coordinated with the following government agencies and individuals to develop transportation plans for major events:
    1. City of Austin Transportation: Gordon Derr, Frances Hargrove and others and
    2. TxDOT: Imelda Barret and Wayne Rehnborg.

## City of Austin

### Summary of Procedures and Results

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- b. Patti Edwards of City of Austin's Aviation Department was kept in the loop but did not have a direct function regarding COTA's transportation plans.
- c. Davis Greear served as the TMP liaison for Travis County.

No exceptions were found as a result of the foregoing procedures.

38. With reference to sections 1.B.1 and 2.B.2 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City e-mail correspondence between Terry Franz of EDD and Brian Burk, Travis County Transportation Engineer. We inspected the correspondence and confirmed that Mr. Burk stated that COTA routinely provides traffic control plans in advance of major events to be held at the site, and is responsive to Travis County's comments regarding the plans. No exceptions were found as a result of the foregoing procedures.

39. With reference to sections 1.B.2, 1.B.8 and 2.B.1 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City copies of e-mails dated June 3, 2016, from COTA. We inspected the e-mails and confirmed that the Transportation Management Plan for the 2016 X Games Austin was provided to the following individuals on June 3, 2016:

- a. City Transportation officials Rob Spillar, Gordon Derr, and Frances Hargrove;
- b. TxDOT officials Imelda Barrett and Wayne Rehnborg;
- c. City Aviation official Patti Edwards and
- d. Travis County official David Greear.

No exceptions were found as a result of the foregoing procedures.

40. With reference to sections 1.B.2, 1.B.8 and 2.B.1 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City e-mail communication dated September 14, 2016, from Aaron Nathan of Kimley-Horn. We inspected the e-mail and confirmed that COTA transmitted its 2016 F1 Traffic Control Plan to City Transportation officials Gordon Derr and Frances Hargrove, as well as to Travis County officials, on September 14, 2016. No exceptions were found as a result of the foregoing procedures.

41. With reference to sections 1.B.3 and 2.B.3 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City COTA's February 10, 2017, report entitled Special Events Permits. We inspected the report and confirmed that according to the report, COTA applied for, and the City issued special events permits for FanFest 2016, which involved road closures and concerts and took place October 21-22 in downtown Austin, primarily on 6<sup>th</sup> Street. No exceptions were found as a result of the foregoing procedures.

42. With reference to sections 1.B.3 and 2.B.3 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City copies of permits 2016-075404 RW and 2016-126518. We inspected the permits and confirmed the City permits for the 2016 FanFest were for:

- a. Right of way permits for street closures on East 6th, Trinity and Neches Streets and
- b. Right of way Permit for parking spaces on Trinity Street.

No exceptions were found as a result of the foregoing procedures.

## City of Austin

### Summary of Procedures and Results

---

43. With reference to sections 1.B.4 and 2.B.4 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City COTA's report dated January 28, 2017, entitled Satellite Parking Locations. We inspected the report and confirmed that according to the report:
- a. There were three major events held at COTA in 2016, namely MotoGP, X Games Austin and F1 USGP;
  - b. For the 2016 MotoGP, designated public park-n-ride lots operated on FM 812;
  - c. For the 2016 X Games Austin:
    1. Public ticketed-spectator shuttles operated from the Austin Convention Center to COTA and
    2. Staff/VIP only shuttles operated from the W Hotel downtown for the duration of the event.
  - d. For the F1 USGP, COTA organized shuttles to the event from various locations around Austin:
    1. Downtown to Front Gate Shuttle ran Friday through Sunday;
    2. Downtown to McAngus Road Shuttle ran Friday through Sunday;
    3. Toney Burger Center to McAngus Road Shuttle ran Saturday and Sunday and
    4. Travis County Expo Center to McAngus Road Shuttle ran Saturday and Sunday.

No exceptions were found as a result of the foregoing procedures.

44. With reference to sections 1.B.4 and 2.B.4 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City COTA's report dated January 28, 2017, entitled Satellite Parking Locations Additional Information Re: 2016 MotoGP. We inspected the report and confirmed that according to the report:
- a. The off-site parking for 2016 MotoGP was located approximately 2.5 miles east of COTA on property owned by COTA;
  - b. This location was used to park support vehicles not in use, some event volunteers, some event staff and guest overflow;
  - c. A COTA-owned shuttle circulated between this site and COTA's main campus at designated times;
  - d. A few MotoGP guests bicycled to COTA and
  - e. Most MotoGP guests parked on-site, and others came by tour bus or parked in one of the many neighborhood entrepreneurial sites near COTA.

No exceptions were found as a result of the foregoing procedures.

45. With reference to sections 1.B.4 and 2.B.4 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City a September 1, 2016, e-mail from COTA. We inspected the e-mail and confirmed that it described shuttle bus operations for the 2016 F1 USGP from the convention center in downtown Austin and from the Toney Burger Center at 3200 Jones Road in Austin. No exceptions were found as a result of the foregoing procedures.

## City of Austin

### Summary of Procedures and Results

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46. With reference to sections 1.B.5 and 2.B.5 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City COTA's February 10, 2017, report entitled Limit Parking Capacity. We inspected the report and confirmed that according to the report:
- a. The maximum "as designed" parking capacity at COTA is 22,219 spaces; however, the typical on-site parking capacity is usually between 15,000 and 18,000 spaces because portions of the site that are designated as parking areas on engineering drawings are used instead to support operational needs including:
    1. Lot N (Area 3) is typically used for camping or for storage of empty trailers and materials;
    2. Portions of Lot T (Area 2) are used for helipad activities;
    3. Lot K (Area 6) is used to stage the race marshals;
    4. Lot J (Area 7) supports food and beverage contractor operations;
    5. The Taxi area (Area 17) is used for taxicab queuing, not for parking and
    6. Portions of Lot C (Area 16) support resource recovery efforts (compactors).
  - b. There were no events in 2016 where the parking capacity at COTA exceeded 25,000 cars and
  - c. COTA's efforts to increase transit share in 2016 included downtown shuttles during F1 USGP, bike parking for cyclists and partnership with Uber to increase ridesharing.

No exceptions were found as a result of the foregoing procedures.

47. With reference to sections 1.B.6 and 2.B.6 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City COTA's January 23, 2017, report dated entitled Parking Sales Coordination. We inspected the report and confirmed that according to the report, all ticket and event-specific parking sales are managed by COTA and other organizations, such as Ticketmaster, may be contracted by COTA to support the sales portal. No exceptions were found as a result of the foregoing procedures.

48. With reference to sections 1.B.7 and 2.B.7 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City COTA's report entitled Parking Management dated January 14, 2017. We inspected the report and confirmed that according to the report:

- a. The majority of event-specific parking is pre-sold in conjunction with the ticket sales process and
- b. In order to ease traffic flow, parking passes include a map to the parking location and directions regarding which major roadways should be used to access the designated parking lot. The roadway designations were also posted online during F1 USGP.

No exceptions were found as a result of the foregoing procedures.

## City of Austin

### Summary of Procedures and Results

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49. With reference to sections 1.B.7 and 2.B.7 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, we obtained from the City:

- a. An unspecified parking pass, including driving instructions to the parking lot at COTA and
- b. On-Site Parking—Driving Directions with directions to the various parking lots at COTA.

We inspected the items noted above and confirmed each included directions to the parking lots at COTA.

No exceptions were found as a result of the foregoing procedures.

50. With reference to section 2.B.10 of Exhibit A, as amended, to the Agreement between the City and COTA, we obtained from the City COTA's report dated May 26, 2017, entitled Dedicated Traffic Lanes. We inspected the report and confirmed that according to the report:

- a. COTA, in coordination with governmental entities, developed and utilized dedicated traffic lanes for buses and contra-flow lanes for the F1 USGP;
- b. 2016 MotoGP, X Games Austin and F1 USGP events made use of dedicated ingress and egress lanes on FM 812 and
- c. Concerts at A360 Amphitheater utilized dedicated lanes, including temporary use of the FM 812 shoulder for egress.

No exceptions were found as a result of the foregoing procedures.

51. With reference to section 2.B.11 of Exhibit A, as amended, to the Agreement between the City and COTA, we obtained from the City COTA's July 20, 2017, report entitled Cycling Access. We inspected the report and confirmed that according to the report:

- a. Access for cyclists was provided for all public COTA events in 2016;
- b. Cycling access to the 2016 (and 2015) F1 USGP was unlike that in previous years in that:
  1. Cyclists were directed to COTA rather than to Richard Moya Park and
  2. Bike parking was provided on the pedestrian bridge over COTA Boulevard, and dedicated showers were located at the permanent RV park.

No exceptions were found as a result of the foregoing procedures.

52. With reference to section 2.E.2 of Exhibit A, as amended, to the Agreement between the City and COTA, we obtained from the City COTA's report dated January 15, 2017, entitled Green Technology Narrative. We inspected the report and confirmed that according to the report, COTA's partnership with the Pike Powers Lab provided for track access to companies in order to conduct product development testing for the following technology applications:

- a. Electric vehicle charging;
- b. Vehicle to building and integrated solar-electric vehicle building energy routing;
- c. Advanced batteries;
- d. Smart meters and meter components;
- e. Solar panels and solar inverters;



## City of Austin

### Summary of Procedures and Results

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- f. Fuel cells;
- g. Energy management;
- h. Building control and appliance control systems;
- i. Disaggregation algorithms;
- j. Customer Home Area Network (HAN) devices;
- k. Software applications using Green Button and customer HAN device data;
- l. Demand response;
- m. HVAC;
- n. Thermal storage;
- o. Ancillary devices and
- p. Lighting.

No exceptions were found as a result of the foregoing procedures.

53. With reference to section 2.E.2 of Exhibit A, as amended, to the Agreement between the City and COTA, we obtained COTA's October 27, 2017, report entitled Pike Powers Lab—Contact Info. We inspected the report and confirmed that according to the report:

- a. The effective date of COTA's agreement with the Pike Powers Lab was May 1, 2013, and after the initial 24-month period, the agreement has been renewed every May 1 since 2015 and
- b. COTA's contact person at Pecan Street is Scott Hinson, Director of Engineering.

No exceptions were found as a result of the foregoing procedures.

54. With reference to section 2.E.2 of Exhibit A, as amended, to the Agreement between the City and COTA, we obtained COTA's October 27, 2017, report entitled Track Access for EV/Low Carbon Vehicles. We inspected the report and confirmed that according to the report:

- a. Joest Audi selected COTA as the venue to test the performance, on a course with elevation changes and a combination of esses and long straights, of their hybrid LeMans prototype in September 2016 and
- b. Video of the car testing at COTA is posted at <https://youtu.be/uDDJzwFik94>.

No exceptions were found as a result of the foregoing procedures.

55. With reference to section 2.F.3 of Exhibit A, as amended, to the Agreement between the City and COTA, we obtained COTA's April 4, 2017 report entitled Green Racing and Events. We inspected the report and confirmed that according to the report:

- a. In early 2016, COTA pursued a business partnership with local electric car company KLD to procure electric vehicles for use at COTA, but the negotiations did not result in the procurement of vehicles;

## City of Austin

### Summary of Procedures and Results

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- b. The most significant pursuit of an EV-related business partnership remains the December 4, 2015, meeting in which COTA Chairman Bobby Epstein and Sustainability Director Edgar Farrera participated, along with Travis County, City of Austin, University of Texas, Texas State University, Rocky Mountain Institute (RMI) and Google officials, in a meeting arranged by Travis County Commissioner Brigid Shea to discuss mobility innovation issues including the following:
  - 1. Collaborating on upcoming DOE and other federal grants;
  - 2. Collaborating on Austin's partnership with RMI on mobility innovation;
  - 3. Working with automobile manufacturers on research/testing in Austin;
  - 4. Electric vehicle (EV) innovations and potential EV partnerships and
  - 5. Collaboration with area colleges and universities on potential projects, such as:
    - a) Low carbon technology incubators,
    - b) Track access for EVs, and
    - c) Efforts to see DOE funding or funding from other interested parties to fund mobility R&D.

No exceptions were found as a result of the foregoing procedures.

- 56. With reference to section 2.D.2 of Exhibit A, as amended, to the Agreements between the City and COTA, we obtained COTA's January 10, 2017, report entitled Sustainability Collaboration. We inspected the report and confirmed that according to the report, it noted COTA's designated point-of-contact for sustainability efforts was Edgar Farrera. No exceptions were found as a result of the foregoing procedures.

- 57. With reference to section 2.G.2 of Exhibit A, as amended, to the Agreement between the City and COTA, we obtained COTA's May 24, 2017, report entitled Local Recruiting. We inspected the report and confirmed that according to the report:

- a. COTA is committed to recruiting local hires and is committed to utilizing job fairs and local media outreach to do so;
- b. In 2016, COTA utilized the Applicant Pool website service to manage the recruitment and application process with focus on the local Austin market, targeted via electronic job boards such as the COTA careers page and Craigslist Austin and
- c. COTA's food and beverage partner RS3 continued its local recruiting efforts by the following:
  - 1. Use of websites such as Monster and Craigslist to post jobs in the Greater Austin area;
  - 2. Use of local temporary staffing agencies in the Austin area to fill jobs at COTA and
  - 3. Work with Austin area nonprofit organizations, which allows the nonprofits to raise funds and provides COTA with staff resources.

No exceptions were found as a result of the foregoing procedures.

## **City of Austin**

### **Summary of Procedures and Results**

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58. With reference to section 2.G.1 of Exhibit A, as amended, to the Agreements between the City and CELOC and between the City and COTA, and section 12 of the Agreement between the City and COTA, we obtained from the City a memo issued by the Small and Minority Business Resources Department on February 10, 2017. We inspected the memo and confirmed that according to the memo, COTA complied with its MBE/WBE obligations during 2016. No exceptions were found as a result of the foregoing procedures.