



Austin-San Antonio Intermunicipal Commuter Rail District

Board Meeting

Friday, December 7, 2007

10:00 a.m.

Alamo Area Council of Governments (AACOG)

8700 Tesoro

San Antonio, Texas

1. Call to Order

Notice was duly posted and a meeting of the Austin-San Antonio Commuter Rail District was held on Friday, December 7, 2007. Chairman Covington called the meeting to order at approximately 10:06 a.m.

Participants:

Sid Covington, Chair

Tullos Wells, Vice Chair

Tommy Adkisson

Gloria Arriaga

Hal Baldwin

Jeff Barton

Lisa Birkman

Mariano Camarillo

John Clamp

Will Conley

Gerald Daugherty

Patty Eason

Debbie Ingalsbe

Jennifer Kim

Carroll Schubert

John Thomaides

Jeff Wentworth

Pat Wiggins

Other participants included Ross Milloy, Bill Bingham, and Alison Schulze.

2. Chairman and Member Comments

Chairman Covington introduced and welcomed the newest Board members: Hays County Commissioner Debbie Ingalsbe representing CARTS, Manor Council Member Jamie Allen representing Capital Metro, Commissioner Will Conley representing Hays County, Council Member John Clamp representing the City of San Antonio, and Mayor Hal Baldwin representing the City of Schertz. Mr. Covington noted the Board now includes 20 members representing 17 entities.

Chairman Covington reported that an orientation workshop for new Board members was conducted on November 26 for the six recently appointed members, and commended staff for their work organizing the workshop. There were no comments from other Board members.

3. Consider Approval of September 7 Board Meeting Minutes

Upon a motion by John Clamp and second by Tullos Wells, the September 7, 2007 meeting minutes were unanimously approved.

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4. Consider and Take Appropriate Action on Status of Appointments to Board and Administration of Oath of Office to Newly Appointed Board Members, and Decision on Board Member Terms

Bill Bingham explained that the original statute creating the Rail District provided for two-year terms for Board members with all terms ending on the same date. The statute was amended in 2005 to allow the Board to determine the lengths of members' terms so that one-half of the terms would expire each year. The amended statute allows the Board to achieve staggered terms either by agreement or by drawing lots.

The Board had previously agreed that the five jurisdictions—San Antonio, Austin, Travis County, Bexar County, TxDOT—that appoint two Board members would be better served by having one member's term expire each year. Appointees of each of the five entities agreed to terms. The remaining ten Board members determined terms by drawing lots. A one-year term expires February 1, 2008, a two-year term expires February 1, 2009; thereafter, all terms are two-year terms. When his/her term expires, a Board member may be reappointed; there are no term limits.

By agreement and by drawing, the following Board members' terms will expire February 1, 2008:

| | | |
|----------------|-----------------|----------------|
| Jamie Allen | John Clamp | Jennifer Kim |
| Gloria Arriaga | Will Conley | John Thomaides |
| Hal Baldwin | Debbie Ingalsbe | Tullos Wells |
| Lisa Birkman | | |

By agreement and by drawing, the following Board members' terms will expire February 1, 2009:

| | | |
|-------------------|------------------|------------------|
| Tommy Adkisson | Sid Covington | Carroll Schubert |
| Jeff Barton | Gerald Daugherty | Jeff Wentworth |
| Mary Briseño | Patty Eason | Pat Wiggins |
| Mariano Camarillo | | |

Mr. Bingham noted that all members have taken the oath of office and are fully qualified as members. Mr. Bingham read the final order and, upon a motion by Tommy Adkisson and second by Gloria Arriaga, Board terms were unanimously approved. Each jurisdiction will be notified of the terms.

5. Consider Committee Assignments

Chairman Covington directed the Board's attention to the list of committee assignments in the agenda packet. Mr. Covington noted that, as Board Chair, he appoints members to the five standing committees: Program Management Oversight, Public Information, Rules and Procedures, Finance, and Freight Rail Relations. He emphasized the importance of the work done at the committee level and noted that committee assignments are effective December 7.

Chairman Covington stated that, in accordance with the bylaws, the Board appoints the Executive Committee. He asked Board members to review his recommended slate for the Executive Committee, which will be considered at the next Board meeting.

Lisa Birkman asked if the Executive Committee is set at six members. Chairman Covington noted that the bylaws establish the number of members: "The Executive Committee shall consist of the

Chairman of the Board, Vice Chairman of the Board, and four other Board members appointed by the Board.” Additionally, the bylaws require diverse geographic representation—at least two members from the north part of the Rail District and two from the south. The Board could revise the bylaws regarding the Executive Committee and Mr. Covington suggested the Rules and Procedures Committee meet and recommend changes if that’s the will of the Committee.

6. Discuss Various Rail Service Alternatives

Bill Bingham briefed the Board on recent discussions between Amtrak, TxDOT and the Rail District. To date Rail District plans have been based on the premise that Union Pacific’s through freight would be relocated from the existing mainline to a new rail line thereby freeing capacity for passenger rail service; however, freight rail relocation remains unfunded. Union Pacific (UP) has been reluctant to share its freight traffic data, which the Rail District needs to determine capacity constraints on UP’s existing line. Amtrak recently expressed interest in studying the improvements that would be necessary to allow additional passenger rail service on the UP mainline—e.g., double tracking, passing sidings, signal systems, grade crossings. TxDOT initiated a meeting on November 19 between the Rail District, Amtrak, and TxDOT executive-level representatives to discuss the possibility of providing passenger service. The result of the meeting was that TxDOT, Amtrak and the Rail District agreed to execute a memorandum of understanding (MOU) to study the improvements required to provide passenger service. TxDOT is preparing the MOU.

Mr. Bingham noted that Amtrak is a federally created corporation with unique powers regarding passenger service: Amtrak can offer passenger service on any Class 1 railroad and it has the power to indemnify railroads from liability involved with passenger train operations. Amtrak recently received additional authority to increase its intercity passenger rail service. Amtrak would be good partner because they have the equipment, crews, and ability to operate passenger service.

The MOU and subsequent studies do not commit the Rail District to a course of action. Mr. Bingham noted that this rail service alternative is different than previous strategies discussed by the Board, which relied on relocating UP’s through freight. The Rail District could partner with Amtrak to improve the existing rail line and provide interim service as UP’s through freight is relocated.

Ross Milloy emphasized Amtrak would probably only provide interim service and the new approach would not diminish efforts to relocate UP’s through freight. Mr. Milloy also noted the Railroad Rehabilitation & Improvement Financing (RRIF) Program—a \$3 billion federal loan program for the rehabilitation of railroads—granted its first loan two weeks ago to a commuter service similar to the Austin-San Antonio system.

Chairman Covington noted that Amtrak could operate the service or simply provide equipment and infrastructure. Those details would be determined in the bidding process. Board discussion ensued on TxDOT’s level of interest and involvement; the scope of the studies that would identify improvements needed to provide capacity for passenger service; and the timelines for relocating UP’s through freight and for providing passenger operations.

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Chairman Covington noted the Amtrak approach provides an opportunity to operate passenger service before UP's through freight is relocated, which is still the long-term goal. Additional discussion ensued on the timeline for starting passenger service, limited federal funding and recent recisions, Amtrak's grant funds, and coordinating the Rail District's federal lobbying effort with the lobbying efforts of the individual jurisdictions in the Austin-San Antonio corridor.

Bill Bingham concluded the discussion by noting the next step for the Rail District is to identify a specific funding request, which is the purpose of the studies with Amtrak and TxDOT.

7. Discuss San Antonio Region Freight Study

Bill Bingham briefed the Board on TxDOT's freight rail study in the San Antonio region. The study, which is being conducted in three phases, was expanded to include the Austin region. Phase 1 of the freight study was released in October 2007 and includes a detailed inventory of existing rail lines and rail traffic in the area. Phase 2 of the study is underway and will identify potential track upgrades, alternative rail alignments, and freight flows. The results of Phase 2 are under review by Union Pacific and should be complete by February 2008. Phase 3 of the study has not yet been started and will determine the feasibility of using existing freight rail lines for passenger rail service. The freight study will complement the Amtrak-Rail District studies discussed under the previous agenda item. Mr. Bingham noted in conclusion that the study does not provide a timeline or funding source for implementing passenger rail service. However, the information compiled in the study will help the Rail District refine its cost estimates and schedule, and is a significant step toward achieving the Rail District's goal of providing passenger service.

Board discussion ensued. Jennifer Moczygemba, Director of TxDOT's Multimodal Section, gave a brief overview of the status of Phases 2 and 3 of the study. Phase 2 will be complete once the public and private benefits of freight relocation have been quantified. Phase 3 has been postponed temporarily because of budget issues.

8. Financial Report

Ross Milloy directed the Board's attention to two financial reports in the agenda packet: the fourth quarter statement and the reconciliation report. Mr. Milloy noted the Rail District's finances remain on budget with the exception of an overage on legislative services, which was for a study approved by the Board earlier in the year.

9. Legislative Update

Bill Bingham noted that he had touched on Amtrak's additional authority and funding in agenda item 6. Ross Milloy stated there is a \$100 million federal appropriation for intercity rail that is in conference committee. Additionally, a Congressional study group looking at transportation financing and needs over the next 50 years recommended a \$350 billion investment in intercity rail.

10. Other Business

Ross Milloy briefed the board on recent meetings with transportation leaders in Houston and Dallas on building a statewide coalition in support of the Rail Relocation Fund. In a meeting with Michael

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Morris, Director of Transportation for the North Central Texas COG, on December 3, Mr. Morris suggested joining forces on several common issues including funding for rail relocation and local option sales tax funding for transit and economic development.

Ross Milloy thanked Senator Jeff Wentworth for his help during the recent legislative session to make funds in the Texas Emissions Reduction Program (TERP) available for rail. Mr. Milloy noted Carter & Burgess is developing a scope and fee to conduct a study to quantify rail's emission reductions and to prepare an application for TERP funds. The proposed study will be presented to the Program Management Oversight Committee and ultimately to the Board for action.

Alison Schulze briefed the Board on the Rail District's application to the Capital Area MPO for Surface Transportation Program-Metropolitan Mobility (STP-MM) funds, which are discretionary funds awarded by the MPOs. In January 2007, the San Antonio-Bexar County MPO committed \$10 million to the Rail District in Fiscal Year 2011 and \$10 million in FY 12. An application for STP-MM funds was submitted to the Capital Area MPO in October that requested \$5 million in FY 09 and \$5 million in FY 10. CAMPO will award the funds in April 2008. At the appropriate time, the Rail District will request \$5 million in FY 11 and \$5 million in FY 12 from CAMPO, so that by Fiscal Year 2012 each MPO will have contributed \$20 million to the project.

Carroll Schubert welcomed all the new Board members.

Patty Eason thanked Alison Schulze and Carter-Burgess staff Clif Davis, Tom Shelton, and Allan Zreet for their assistance in developing Georgetown's Transit Oriented Development regulations.

11. Public Comment

There was no public comment.

12. Adjourn

Chairman Covington announced that the January 2008 Board meeting will be cancelled. The next Board meeting will be Friday, February 1, at the Activity Center in San Marcos. Chairman Covington noted the Board may only need to meet quarterly in 2008 and suggested that the Rules and Procedures Committee consider the issue of quarterly meetings. Mr. Covington thanked Board members and the audience for their attendance and participation. There being no further items, the meeting adjourned at 11:23 a.m.