



Austin-San Antonio Intermunicipal Commuter Rail District

Board Meeting

Friday, February 3, 2006

10:00 a.m.

AACOG Conference Room

8700 Tesoro

San Antonio, Texas

1. Call to Order

Notice was duly posted and a meeting of the Austin-San Antonio Intermunicipal Commuter Rail District was held on Friday, February 3, 2006. Chairman Covington called the meeting to order at approximately 10:07 a.m.

Participants:

Sid Covington, Chairman

Tommy Adkisson

Lisa Birkman

Mariano Camarillo

Patty Eason

Fred Harless

Dave Marsh

Al Notzon

Carroll Schubert

John Thomaides

Jeff Wentworth

Gonzalo Barrientos, Gerald Daugherty, Betty Dunkerley, Richard Perez, Tim Tuggey, and Tullos Wells were unable to attend. Other participants included Ross Milloy, Bill Bingham, Clif Davis, Tom Shelton and Alison Schulze.

2. Chairman and Member Comments

Chairman Covington thanked the Board and the audience for attending, noting that this meeting was the third anniversary of the Rail District—the first Board meeting was held in February 2003. He welcomed new Board members Patty Eason, Councilmember from the City of Georgetown, and John Thomaides, Councilmember from the City of San Marcos.

Mr. Covington distributed a list of proposed Committee assignments and noted that Committee assignments would stand unless he heard otherwise from individual Board members. Committees

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are appointed by the Board Chair except for the Executive Committee. Mr. Covington recommended the Executive Committee be comprised of Board Chair Covington and Board Vice-Chair Wells as well as Mariano Camarillo and Betty Dunkerley representing the north end of the corridor, and Al Notzon and Richard Perez representing the south end of the corridor. The proposed Executive Committee will be presented for Board approval at the next Board meeting.

3. Consider Approval of December 2nd Board Meeting Minutes

Upon a motion by Fred Harless and second by Tommy Adkisson, the members unanimously approved the December 2, 2005 meeting minutes.

4. Report on Status of Appointments to the Board and Administration of Oath of Office to Newly Appointed Board Members

Bill Bingham reported that all new Board Members had taken and signed the Oath of Office.

10. Report on Status of Consultant Contracts and Approval by Board

Sid Covington stated he would take agenda items out of order, and asked Bill Bingham to report on consultant contracts (agenda item 10) to set the stage for Board action in items 5 and 6. Mr. Bingham reported that the contract with PBS&J for Program Management has been suspended. He also reported that the contract amendments to Carter-Burgess' Planning and Preliminary Engineering (P&PE) contract have been executed and include: assignment of AECOM from the Program Management Team to the P&PE Team, ridership analyses and forecasts based on transit-oriented development (TOD) principles, financial planning and analysis related to local government participation, station location analysis at the Seaholm site in Austin; and additional project management and technical services.

Mr. Bingham also reported on outstanding contract issues—website and printing services, document management services—and the need for the services to be continued but separated from the Program Management contract. Another outstanding contract issue is legal services for negotiation of TIF agreements and TOD ordinances with local governments. It is not yet decided whether the legal services will be funded with federal or local resources. Mr. Bingham reported the Rail District has about \$3.7 million in federal funds remaining.

5. Committee Reports

A. PMO Committee Meeting January 4, 2006

Mariano Camarillo, Program Management Oversight Committee Chair, reported that on January 4 the Committee approved a recommendation for Board consideration that the target date for the New Starts submittal be extended from March 31 to June 30, 2006. Mr. Camarillo asked Clif Davis, Project Director for the P&PE Team, to describe the reasons for the extension. Mr. Davis briefly explained that the new June 30 submittal date would allow the District to include results from the Phase 2 and TOD-based modeling efforts

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currently underway, comply with new FTA regulations on submittal of ridership methodology, and also include data from the financial analysis on local participation. Mr. Davis distributed a revised project schedule.

Senator Jeff Wentworth moved that the target date for submission of an FTA New Starts application be extended to June 30, 2006, as noted under agenda item 6. Mariano Camarillo seconded the motion, which was approved unanimously by the Board.

Senator Jeff Wentworth then moved that the end date for the P&PE contract also be extended from March 31 to June 30, 2006, as noted under agenda item 6. Al Notzon seconded the motion, which was approved unanimously.

B. PMO Committee Meeting February 1, 2006

Mariano Camarillo reported that at the Committee meeting on February 1, Carter-Burgess presented a proposal to analyze the east-side rail corridor in San Antonio. Tom Shelton, Project Manager of the P&PE Team, summarized the proposal for the Board and stated that the 9-month study would evaluate the east-side rail corridor from New Braunfels to south San Antonio and cost about \$500,000. The new corridor would be evaluated at the same level of detail as the west-side corridor. The eastern alignment would use the old Missouri-Kansas-Texas rail line, which diverges from the Union Pacific track south of New Braunfels, and would serve Ft. Sam Houston, Sunset Station, the downtown area east of IH 37, and end at Brooks Air Force Base.

There was a lengthy discussion on the pros and cons of the east-side corridor versus the west-side corridor, the timing of the study, and funding for the study. Senator Wentworth stated the rail line needs to serve the San Antonio airport and Kelly USA, there's no job growth in the Sunset Station area, and it would be a mistake to do the east-side corridor. Commissioner Adkisson stated the federal government is investing in Ft. Sam Houston, two major hospitals will be at Ft. Sam Houston, and the Toyota plant is on the east side. Carroll Schubert stated the east side should be studied, and it would be nice to serve Ft. Sam Houston, although the area south of Ft. Sam is doubtful; but serving the airport and KellyUSA is very important.

Mr. Camarillo reported that the PMO Committee approved a recommendation on February 1, as follows: That the Rail District conduct an analysis of the east-side alignment on the following conditions: (1) that the analysis be conducted by Carter-Burgess as an extension of their existing planning and preliminary engineering contract pursuant to the proposal dated January 29, 2006; (2) that the analysis will not delay the filing of the New Starts application should the Board decide to file such an application; and (3) funding of the analysis and a date for commencement of the analysis shall be determined by the Board at a future date based on a recommendation of the Executive Director. Tommy Adkisson moved that the Board approve the PMO Committee's recommendation, as noted under agenda item 6. Al Notzon seconded the motion, which was approved unanimously by the Board.

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Mariano Camarillo reported that on February 1, the PMO Committee also discussed the District's document management system, and asked Alison Schulze to present the issues. Ms. Schulze stated that the purpose of the document control system is to establish and maintain a centralized, permanent archive of all pertinent information captured during phases of the project. The internet-based system—which is accessible to Board members, staff and consultants—handles program documents, contracts, Board agenda packets, and correspondence, and also serves as a library. On February 1, the PMO Committee directed staff to work with ATSER to develop options for continuing the document management system. As noted under agenda item 8, no Board action is required at this time.

Mr. Camarillo reported that on February 1, the PMO Committee also discussed the vacant position on the Board. The Committee concluded that the Board should wait until all eligible members have joined before taking action on the vacant slot and no Board action is needed at this time.

Mr. Camarillo reported that the final item discussed by the PMO Committee on February 1 was the District's legislative consultants in Washington DC, and asked Ross Milloy to present the issues. Mr. Milloy reported the Committee recommended that staff issue a Request for Qualifications seeking one or more legislative consultants. He asked that the Board authorize staff to issue the RFQ, and noted that the consultants will be funded with local funds. John Thomaidis reported that the City of San Marcos passed a resolution to make commuter rail one of the main issues the City will take to the Texas congressional delegation in March, and asked other cities to pass similar resolutions. Fred Harless moved that the Board authorize Ross Milloy to issue an RFQ for legislative consultants, as noted under agenda item 9. John Thomaidis seconded the motion, which was approved unanimously.

7. Report on Economic Impact Analyses of Potential Station Locations

Tom Shelton, Project Manager of the P&PE Team, presented the Draft Executive Summary of the Economic Impact Analyses of the 15 preliminary station locations. He reported that the total revenue potential from property tax increment would be \$170 million, but noted that the increment varies widely among the 15 stations. Ross Milloy asked why the Kelly station shows almost no economic development potential. Mr. Shelton responded that the KellyUSA station is located within the Union Pacific right-of-way in an area that lacks visibility and has little available land for redevelopment, and that moving the station could substantially improve its potential for value enhancement. In the next phase of planning and preliminary engineering, the District will have an opportunity to adjust station locations as necessary to increase development potential.

The Board discussed the District's authority to create transportation infrastructure zones (TIZs), which would allow the District to capture 30% of the increase in tax revenue that results from development around the stations. Chairman Covington suggested that the District ask the legislature to remove the 30% limit and negotiate the cap on a case-by-case basis with each local government. Ross Milloy recommended that Bill Bingham investigate removing the cap.

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Alison Schulze noted that the P&PE Team is ready to finalize the 15 EIAs as well as the Executive Summary and requested Board comments, if any, by February 8, 2006.

11. Financial Report

Ross Milloy provided two financial reports for the Board's information:

- 2005 Fourth Quarter Statement of Billable Expenses
- Reconciliation Detail: Checking Account, Period Ending 1/20/06

12. Legislative Update

There were no legislative items presented. Lisa Birkman asked which committee in the State legislature would consider the District's proposal to raise the 30% cap on increased tax revenue in transportation infrastructure zones (TIZs). Graham Keever, legislative aide to Senator Gonzalo Barrientos, stated it would go through the State Affairs Committee. Commissioner Birkman stated she wants to inform Representative Krusee.

13. Other Business

There was no other business brought before the Board.

14. Public Comment

Wilda Won, TxDOT, clarified that the non-federal match for the \$2 million FY06 federal appropriation would be \$500,000, not \$400,000 as stated in agenda item 10. She reported that TxDOT is revising its rules on the use of toll credits as a match—the final rules will be issued in June or July. Ms. Won also stated that TxDOT needs to know if the District plans to become an FTA grantee. Chairman Covington replied that the District would like to avoid becoming a grantee at this time but would consider it in the future.

15. Adjourn

Chairman Covington thanked the members and the audience for their attendance and participation. There being no further items, the meeting adjourned at 11:25 a.m.