



Austin-San Antonio Rail District
Board Meeting
Friday, September 11, 2009
10:00 a.m.
City of San Marcos Conference Center
Embassy Suites
1001 E. McCarty Lane
San Marcos, Texas

1. **Call to Order**

Notice was duly posted and a meeting of the Austin-San Antonio Rail District was held on Friday, September 11, 2009. Board Chairman Sid Covington called the meeting to order at 10:20 a.m.

Participants:

Sid Covington, Chair
Gloria Arriaga
Hal Baldwin
Jeff Barton
Mary Briseño

Mariano Camarillo
John Clamp
Will Conley
John Cowman
Patty Eason

Karen Huber
Debbie Ingalsbe
Carroll Schubert
John Thomaides
Mike Ybarra

Other participants included Ross Milloy, Bill Bingham, Alison Schulze, and John Kulpa, Mike Marler, and Don Karban.

2. **Chairman and Member Comments**

Chairman Covington introduced and welcomed new Board Member Mike Ybarra, Councilmember representing the City of New Braunfels. Mr. Covington assigned Councilmember Ybarra to the Program Management Oversight, Public Information, and Finance committees.

Chairman Covington noted the day, September 11, and the importance of remembering the day's events and honoring those lost. The President declared September 11 as a national day of service, and Chairman Covington thanked Board members for their service to their communities and to the Rail District.

There were no other comments.

3. **Consider Approval of June 5, 2009 Board Meeting Minutes**

Upon a motion by Board Member Gloria Arriaga and second by Commissioner Debbie Ingalsbe, the Board unanimously approved the June 5 meeting summary.

4. **Committee Reports**

A. Public Information Committee Meeting July 31, 2009

Public Information Committee Chair Mary Briseño reported the branding team presented a status report on trademarking the Rail District's new name, logo, and tagline. The Committee also reviewed the draft designs for the brand deliverables—brochure, website, and project map. Finally, the Committee recommended approval of A3 Design's contract amendment to implement the new website design and information architecture, and to extend the current contract one year to September 2010; the recommendation was forwarded to the PMO Committee for action in August. Committee Chair Briseño directed the Board's attention to the meeting summary in the agenda packet for additional details on the meeting.

B. Finance Committee Meeting August 24, 2009

Finance Committee Chair John Clamp reported that the Committee unanimously approved keeping the current reimbursement policy between the Austin-San Antonio Rail District and the Austin-San Antonio Corridor Council as is for FY10, and the policy is reflected in the FY10 budget. Councilmember Clamp noted that the Committee also recommended approval of the FY10 budget and Board action would follow under agenda item 5. Although action on the reimbursement policy wasn't required, the Board unanimously endorsed the Committee's approval.

Ross Milloy briefed the Board on the Local Financing Implementation Plan that was presented to the Finance Committee. The financing plan, to be developed by a team lead by Knudson Services, could be added to the Jacobs scope of work for the upcoming environmental clearance and engineering on the passenger rail line. The plan would examine the impacts of proposed local circulators in Austin and San Antonio, and address the issue of how future riders would reach their final destination from the rail stations. Bill Bingham noted that the plan would focus on Austin and San Antonio initially, but would also develop financing implementation plans for each of the cities and counties with rail stations.

C. Program Management Oversight Committee Meeting August 26, 2009

Program Management Oversight Committee Chair Mariano Camarillo directed the Board's attention to the meeting summary in the agenda packet, and summarized the Committee's action items. On a recommendation by the Public Information Committee, the PMO Committee unanimously approved a contract amendment for A3 Design to implement the new website design, and authorized the Interim Executive Director to execute the contract. The Committee considered two items on the Jacobs Carter Burgess contract: 1) the Committee unanimously recommended the Board approve amendments to the Jacobs Carter Burgess' Planning & Preliminary Engineering (P&PE)-Phase 1 contract, which the Board would consider under agenda item 9; and 2) the Committee unanimously recommended the Board authorize staff to negotiate a contract with Jacobs for P&PE-Phase 2—environmental clearance and engineering studies on the passenger rail project, which the Board would consider under agenda item 10. The PMO Committee also unanimously authorized the Interim Executive Director to contract with Lonnie Blaydes Consulting (LBC), for a cost not to exceed \$15,000, for LBC's assistance in evaluating and negotiating the Jacobs contract for P&PE-Phase 2.

The Committee also discussed the process to engage a private partner, as recommended by the Federal Railroad Administration in its preliminary guidelines for the high-speed intercity passenger

rail funding program. The revised guidelines no longer require a private partner at this time, but staff will continue to identify potential partners and take a recommendation to the Committee and the Board at the appropriate time. Finally, the Committee unanimously authorized the Interim Executive Director to 1) issue a finding of emergency that necessitates an agreement with McGinnis Lochridge & Kilgore to continue freight rail negotiations for a cost not to exceed \$15,000, and 2) issue a Request for Qualifications for freight rail negotiation services.

5. Consider and Take Appropriate Action on FY10 Budget

Ross Milloy directed the Board's attention to the budget document in the agenda packet, and briefed the Board on the largest FY10 budget line items: staff expenses, legal services and legislative consultants. Upon a motion of the Finance Committee and second by Mayor Baldwin, the Board unanimously approved the FY10 budget.

6. Consider and Take Appropriate Action on Renaming the Rail District

Bill Bingham noted that Senator Wentworth sponsored a bill that gave the Rail District the legal authority to change its name, and directed the Board's attention to a resolution in the agenda packet that formally changes the name of the Rail District to Lone Star Rail District. Although staff is recommending the name change become effective October 1, the Rail District will continue to use Austin-San Antonio Rail District and Austin-San Antonio Intermunicipal Commuter Rail District in federal documents and funding applications as necessary during the transition period.

Board discussion followed. The Rail District will launch the new name in conjunction with the upcoming environmental clearance and public outreach process. In the next few weeks the Public Information Committee will review and approve the final designs for the new brochure, website and project map so the Rail District's communications tools will reflect the new brand. The PI Committee will also develop a media plan for rolling out and publicizing the new brand. Upon a motion by Councilmember Clamp and second by Board Member Gloria Arriaga, the Board unanimously approved the resolution to formally change the name of the Austin-San Antonio Rail District to Lone Star Rail District effective October 1, 2009.

7. Consider Report on Application to FRA for High-Speed Intercity Passenger Rail Funding

Bill Bingham briefed the Board on the Rail District's applications for federal HSIPR funding. While the passenger rail project is located in a federally designated high-speed rail corridor, the Rail District is not proposing a 200-mph bullet train. The federal definition of high-speed rail includes the type of intercity passenger rail service planned by the Rail District. TxDOT submitted all rail applications statewide to FRA, including the application on behalf of the Rail District.

The Rail District's August application included three projects: environmental clearance on passenger rail from Georgetown to San Antonio, preliminary engineering on the passenger rail project, and preliminary engineering on the freight rail bypass. The Rail District applied for \$17.85 million in federal funds which would cover half of the total cost of the three projects. A second application is due in October.

Board discussion followed. John Kulpa explained the importance of through-freight relocation to the passenger rail project, and noted the FRA is expected to make its decision on the applications in the

next few months. Chairman Covington thanked TxDOT's Multimodal Division and Jennifer Moczygemba in particular for their leadership and assistance throughout the application process.

8. Consider and Take Appropriate Action on Union Pacific Agreement for Initial Feasibility Study Services

Bill Bingham briefed the Board on the agreement with Union Pacific, which is the initial agreement to begin feasibility studies on the bypass route. The agreement is significant in that Union Pacific recognizes the importance of the project and is willing to devote time and resources in partnership with the Rail District. It is critical for UP to know where its through freight will operate in order to allow passenger rail service on its mainline. Chairman Covington noted the agreement is an important milestone for the Rail District and a significant step forward.

9. Consider and Take Appropriate Action on Amendments to Jacobs Carter Burgess Master Contract and Work Authorization for P&PE-Phase 1 to Extend Program Management and Technical Services through September 2010

Alison Schulze directed the Board's attention to two contract amendments included in the agenda packet. The Rail District has two contracts with Jacobs Engineering (formerly Carter Burgess) for Planning and Preliminary Engineering-Phase 1, and both contracts expire in September 2009. The amendment to the Master Contract extends the end date one year to September 2010. There is no fee increase associated with the amendment to the Master Contract—the fee cap of \$2.5 million remains in place. The amendment to the Work Authorization extends the end date one year to September 2010, carries over unspent funds (\$13,670) to FY10, and authorizes the remaining unallocated funds (\$101,880) under the fee cap for Jacobs to provide a wide range of technical services for the Rail District. On August 26, the PMO Committee unanimously recommended the Board approve both contract amendments.

Upon a motion by Councilmember Clamp and second by Board Member Gloria Arriaga, the Board unanimously approved the amendment to the Master Contract. Upon a motion by Councilmember Thomaidis and second by Commissioner Ingalsbe, the Board unanimously approved the amendment to the Work Authorization.

10. Consider and Take Appropriate Action on Jacobs Carter Burgess Master Contract and Work Authorization for P&PE-Phase 2, Engineering and Environmental Clearance on Passenger Rail Line

Alison Schulze directed the Board's attention to a staff memo to the Board and a letter from Bexar County Judge Nelson Wolff included in the agenda packet. Ms. Schulze explained that Phase 1 of the Planning and Preliminary Engineering contract is winding down and the Rail District is ready to launch Phase 2. Jacobs' proposed scope of work for Phase 2 includes environmental clearance and supporting engineering on the 120-mile passenger rail corridor as well as a robust public outreach program. Environmental clearance is expected to take two years to complete, and the proposed budget is \$7.7 million. The proposed study area is Georgetown to City South in San Antonio, in response to Judge Wolff's request to include the 5-mile segment from Port San Antonio to City South in the upcoming studies. On August 26, the PMO Committee unanimously recommended the Board authorize staff to negotiate a contract with Jacobs that includes studying the feasibility of the extension to City South, and includes an enhanced but streamlined public outreach effort to compress the schedule.

Chairman Covington noted that the proposed budget is less than the \$8 million awarded by the Capital Area MPO for the studies. As reported under agenda item 4, staff identified development of a Local Financing Implementation Plan as a key element in implementing the project. Chairman Covington recommended the local financing plan be added to the Jacobs scope for P&PE-Phase 2. Bill Bingham recommended that the financing team lead by Knudson Services be added as subconsultants to the Jacobs Phase 2 contract for a cost not to exceed \$300,000.

Board discussion followed on studying the extension to City South, on supporting Judge Wolff's request, on the environmental clearance process, on the scope and deliverables of the Local Financing Implementation Plan, on the level of public outreach and involvement for both the general public and local elected officials, and on the need for flexibility in the scope of work for the public outreach process. Ross Milloy noted that due to the size of the contract, staff recommended, and the PMO Committee approved, that the Rail District retain an outside consultant to assist staff with contract negotiations—in particular, the reasonableness of the tasks and fees; TxDOT will also assist. Upon a motion of the Program Management Oversight Finance Committee, the Board unanimously approved authorizing staff to negotiate a contract with Jacobs for P&PE-Phase 2 that includes studying the feasibility of the extension to City South, includes an enhanced but streamlined public outreach effort, and adds the Local Financing Implementation Plan to the scope of work.

11. Financial Report

Ross Milloy directed the Board's attention to the 3rd quarter financial statement included in the agenda packet. Although the statement shows an overage in the quarter relative to legislative services, the Rail District is on schedule and on budget for the year.

12. Legislative Update

Ross Milloy briefed the Board on recent discussions with State officials on certification of the State Rail Relocation Fund, which has not yet been certified by the Comptroller. Staff expects to resolve the issues in the next 30 to 60 days.

Regarding the applications for federal high-speed rail funding, staff and the Rail District's consultants are gathering letters of support for the applications.

Mr. Milloy also directed the Board's attention to a job description for a rail operations manager to oversee the environmental clearance processes for both passenger rail and the freight bypass. Staff will advertise for the position and bring a recommendation to the Board at the December Board meeting.

13. Concluding Board Member Comments (no action taken)

Chairman Covington directed the Board's attention to an article in the agenda packet on the success of the New Mexico Rail Runner.

Mayor Baldwin expressed disappointment with the lack of publicity on the Rail District's new name, Lone Star Rail, and suggested the Rail District needs more press and public exposure. Public Information Committee Chair Mary Briseño noted the Rail District approved the new name effective

October 1, and at their next meeting the PI Committee would address the issue of a media plan to roll out the new name.

14. **Public Comment**

Charlotte Kahl addressed the Board on the issue of studying the rail line located on the east side of San Antonio. Ms. Kahl identified several destinations on the east side.

Robert Hageman requested information on when passenger service would start, and noted that station locations will be critical to the success and attractiveness of the system.

15. **Adjourn**

There being no further items, Chairman Covington adjourned the meeting at 12:05 p.m.