

LONE STAR RAIL DISTRICT

Board Summary Friday, December 3, 2010

10:00 a.m.

San Marcos Activity
501 E. Hopkins
San Marcos, Texas

1. Call to Order

Notice was duly posted for a meeting of the Lone Star Rail District Board to be held on Friday, December 3, 2010. Board Chairman Covington called the meeting to order at 10:26 a.m. Chairman Covington determined a quorum was not in attendance—three members changed their minds about attending—so the Board would not be able to have a meeting and take action. Members of the Board present, staff members and interested individuals were invited to hear the reports and information items on the agenda.

Participants:

Sid Covington, Chairman
Jeff Barton
Mary Briseño

Mariano Camarillo
Sheryl Cole
Will Conley

Patty Eason
Karen Huber
Carroll Schubert
Mike Ybarra

Other participants included Ross Milloy, Joe Black and Alison Schulze (Rail District), Bill Bingham (Rail District General Counsel), Jennifer Moczygemba (TxDOT), and John Kulpa and Darwin Desen (Jacobs Engineering).

2. Chairman and Member Comments

Board Chairman Covington introduced and welcomed Joe Black, the Rail District's new Rail Operations Manager. Chairman Covington also reported the Rail District and North Central Texas Council of Governments are developing a memorandum of understanding to coordinate planning on passenger rail between Dallas/Fort Worth and Austin/San Antonio; execution of the MOU is anticipated in January. There were no other comments.

3. Items for Consent

Chairman Covington stated there could be no action on the consent agenda since there was not a quorum of the Board. There was no other discussion.

4. Committee Reports:

A. Program Management Oversight Committee Meeting September 17, 2010

Committee Chair Mariano Camarillo directed the Board members' attention to the meeting summary included in the agenda packet. The purpose of the Committee meeting was to move forward on the initial freight relocation study. On September 10, the Board authorized the PMO Committee to take action on the procurement method for the freight relocation study and to award a contract not to exceed \$1.9 million. On September 17 the PMO

Committee voted unanimously to issue a Request for Proposals (RFP). The Committee reviewed a draft RFP and provided feedback on the scope of services, contract deliverables, and schedule for the procurement process. The PMO Committee approved the RFP for Alternatives Alignment Analysis for Freight Railroad Relocation as amended by the Committee.

B. Program Management Oversight Committee Meeting November 3, 2010

Committee Chair Mariano Camarillo directed the Board's attention to the summary of the November committee meeting included in the agenda packet. The PMO Committee met via teleconference call. The purpose of the November meeting was to select a consultant for the Alternatives Alignment Analysis for Freight Railroad Relocation.

Staff issued an RFP on September 29, and received four proposals on October 25. Board Chairman Covington appointed a Proposal Evaluation & Selection Committee comprised of Chairman Covington, Vice Chairman Wells, and Board Member Schubert. The Evaluation Committee reviewed and ranked the proposals individually and met on November 1 to discuss the merits of each proposal and rank the proposals as a group. The selection process was difficult as all four proposals were very strong. In the end the Proposal Evaluation Committee recommended the PMO Committee select Jacobs Engineering to conduct the analysis. The PMO Committee discussed the factors that separated Jacobs from the other consultants, and the need to move the project forward quickly. The PMO Committee voted unanimously to 1) select Jacobs to conduct the Alternatives Alignment Analysis for Freight Rail Relocation, and 2) authorize staff to negotiate and execute a contract with Jacobs not to exceed \$1.9 million.

C. Executive Committee Meeting November 5, 2010

Chairman Covington briefed the Board on the Executive Committee meeting and directed their attention the meeting summary in the agenda packet. The Executive Committee received a status report from Bill Bingham on the recent freight agreements and freight bypass studies; Mr. Bingham will provide an updated status report to the Board under Agenda Item 7. Chairman Covington briefed the Committee on the consultant selection process for the initial freight relocation analysis, as described by PMO Committee Chairman Camarillo in his reports under Agenda Items 4A and 4B.

The Executive Committee received a status report from Jacobs Engineering on the environmental and engineering studies on the passenger rail project; Jacobs will update the Board under Agenda Item 8. Bill Glavin, Director of TxDOT's Rail Division, updated the Committee on the status of the State Rail Plan and the \$5.6 million federal grant awarded to study high-speed passenger rail in the Oklahoma City-Laredo (I-35) corridor. Jennifer Moczygemba will brief the Board under Agenda Item 11. Finally, Bill Bingham reported on the status of the Rail Relocation Fund and potential Rail District issues in the upcoming legislative session. Mr. Bingham will brief the Board under Agenda Item 12.

5. Report by Rob Spillar, Director, Transportation Department, on City of Austin Rail Initiatives

Mr. Spillar reported on the City of Austin's urban rail program, which is part of the City's *Strategic Mobility Plan*. The proposed urban rail program would complement Lone Star's regional rail system and Capital Metro's MetroRail by providing connectivity to downtown Austin, the Capitol Complex, the University of Texas, Mueller redevelopment, and the Austin airport. The system plan envisions 10-minute service frequency on 15 route miles using either light rail or streetcars that would mix with

auto traffic. The next steps in the City's process are to conduct an environmental impact analysis and develop funding and operations plans. Additional information may be found on the City's website. Discussion followed on coordination among regional partners, funding, and the importance of the final-mile connection for riders.

6. Report by Todd Hemingson, Vice President of Strategic Planning and Development, on Capital Metropolitan Transportation Authority Rail Initiatives

Mr. Hemingson briefed the Board on Capital Metro's Red Line, which started service in March 2010. The Red Line is 32 miles of urban commuter rail service between downtown Austin and the city of Leander northwest of Austin, has 9 stations, and runs on existing freight rail tracks owned by Capital Metro. MetroRail currently provides peak-period service on weekdays at 35-minute frequencies, using six diesel-multiple-unit (DMU) rail vehicles. The number of DMUs dictates the level of service that can be provided.

Mr. Hemingson noted the importance of safety training, especially around schools; and the high number of riders with bicycles, which solves the final-mile issue, but presents a new set of safety issues. Daily ridership has been lower than expected, due in part to the economy and delayed transit-oriented development planned around the stations. Recent initiatives to increase ridership include schedule and fare adjustments, improved bus/van connections, and enhanced business outreach. Long-term initiatives include adding passing sidings and double-tracking to increase the level of service. Mr. Hemingson concluded by reiterating that all three rail systems—Capital MetroRail, the City of Austin's urban rail, and Lone Star's intercity rail—must be integrated for a successful, seamless regional network.

7. Report on Status of Freight Rail Agreements and Freight Rail Relocation Study

Bill Bingham reported the Rail District and Union Pacific executed a memorandum of understanding (MOU) and are actively engaged in the planning process for the freight bypass alignment. The MOU provides that UP will cooperate with the Rail District on the freight bypass studies and supply the resources and information necessary to plan the alternative route as well as determine what improvements are necessary to continue running local service on the existing line once passenger service starts. The Rail District met with UP leadership on November 19 and UP is very involved and enthusiastic about proceeding with the planning and engineering efforts. The alternatives analysis should take about nine months to complete. Chairman Covington noted the MOU is a key milestone in the Rail District's partnership with UP.

8. Report on Environmental and Engineering Studies on Passenger Rail Project

John Kulpa and Darwin Desen of Jacobs Engineering reviewed the progress of environmental and engineering work on the passenger rail line. Dr. Kulpa, Project Manager, described the three major tasks on the passenger project: prepare the environmental impact statement (EIS), develop preliminary engineering sufficient to support the EIS, and engage the public. Work is proceeding on financial planning and technical meetings with local jurisdictions on station location issues, but the primary challenge is identification of a lead agency for the project.

Darwin Desen noted all major milestones are on track except for the lead agency, which affects overall guidance on the project and the public outreach process. To stay on track, the lead agency must be identified in January 2011. Mr. Desen distributed a flow chart that showed the relationship between the ongoing activities of the passenger rail EIS, the freight relocation project, and the Texas Rail Plan. Discussion followed.

9. Report on Jacobs Engineering Subconsultants on Passenger Rail Project

In response to a request from Board Vice Chairman Wells, Darwin Desen presented a graphic on the subconsultants involved in the passenger rail project. Jacobs' team includes fifteen subconsultants; eleven are local to the Austin-San Antonio area, and nine are historically underutilized and/or disadvantaged business enterprises. The non-local firms provide specialized niche services. Over \$2.7 million of the contract is allocated to subconsultants.

10. Report on 2011 Appointments to Rail District Board

Alison Schulze reported that Board terms are staggered to ensure continuity on the Board. Consequently, one-half of the members' terms expire each year in February and ten members must be reappointed by February 2011. Ms. Schulze referred the Board to the memo in the agenda packet that lists the members whose terms will expire. Board members are eligible to serve another 2-year term and all Board members remain on the Board until they or another representative is appointed. Staff will notify each jurisdiction of appointments to be made.

11. Status Report by TxDOT Rail Division

Jennifer Moczygemba briefed the Board on the Texas Rail Plan. The Transportation Commission approved the plan on November 18 and TxDOT will deliver a copy of the plan to Federal Railroad Administration on December 8. The final plan is available on TxDOT's website.

TxDOT received a \$5.6 million planning grant to study high-speed passenger rail between Oklahoma City and Dallas/Ft. Worth. The grant application was for Oklahoma City to South Texas, and TxDOT intends to fund the \$14 million study of the full corridor.

TxDOT conducted an Austin-to-Houston rail study which focused on existing rail infrastructure and improvements required to run passenger service in the corridor.

12. Report on 2011 Legislative Session, Legislative Issues, Rail Relocation Fund

Bill Bingham reported the Rail District is still waiting on an opinion from the Attorney General to clarify funding the Rail Relocation Fund. In the upcoming legislative session, the Rail District will seek additional funding for the Rail Relocation Fund and plans to amend the Rail District's governing statute regarding financing. Mr. Bingham will continue to monitor any legislation that may affect the Rail District.

13. Board Member Comments (no action taken)

Chairman Covington announced the next Executive Committee meeting will be February 4, and the next Board meeting will be March 4. Board Member Schubert thanked Rob Spillar and Todd Hemingson for their presentations on rail initiatives in the north end of the corridor. There were no additional concluding comments.

14. Public Comment

There were no public comments.

15. Adjourn

Chairman Covington concluded the briefing at 12:12 p.m.