

Meeting Minutes
Board of Directors
Central Texas Regional Mobility Authority

Wednesday, March 26, 2003

The meeting was called to order at approximately 9:00 a.m. by CTRMA Board Chairman Bob Tesch, who stated that notice of the meeting was posted with the Secretary of State's office on March 18, 2003.

Members present: Bob Tesch (Chair), Bob Bennett, Henry Gilmore, Lowell Lebermann, Jim Mills, Mike Robinson and Johanna Zmud.

I. Welcome and Opening Remarks.

Chairman Tesch opened the meeting by requesting a moment of silence in recognition of the war in Iraq and to contemplate the safe return of the American troops. He then welcomed the public officials who were present, noting the presence of Austin Mayor Gus Garcia, Travis County Commissioner Gerald Daugherty, and City of Jarrell Mayor Wayne Cavalier.

Chairman Tesch announced that a Work Session would follow the board meeting, and that a reception hosted by the City of Cedar Park would occur later in the afternoon.

II. Approval of Minutes of February 26, 2003 Meeting.

The Board considered the Minutes of the February 26, 2003 CTRMA Board Meeting. Chairman Tesch moved to approve the minutes as written, and Ms. Zmud seconded. The motion carried unanimously and the minutes were approved.

III. Presentation of the Honorable Gus Garcia, Mayor, City of Austin.

Chairman Tesch introduced Mayor Gus Garcia and thanked him for taking the time to address the board. Mayor Garcia stated that he had three brief items to bring to the Board's attention:

- In working with the City of Austin (COA), coordination would be best through the COA Transportation Director, Mr. Austan Librach, whose direct phone number is: 974-2357.
- The COA's interest in HB 1445. This deals with the regulation of development in a city's ETJ, and the coordination of that regulation between cities and counties. The Mayor reported that an agreement had been signed with Williamson County and that the City was in the process of completing one with Travis and Bastrop Counties.

- That the COA has its own transportation plan that is different than the CAMPO plan. He said the public perception is that no road can be built over the Aquifer, which is not true. Circle C has a road. The city has cooperated with Travis County in its planning activities. Mayor Garcia also asked that the Austin Transportation Plan be considered by the RMA in its planning process.

The Mayor concluded by stating that the COA is going to cooperate with the CTRMA and work with the Board. There will be a new mayor on June 15th. He said he appreciated the opportunity to speak with the Board, that he needed to leave in order to attend a COA work session. He offered for anyone to reach him directly at his office number 974-1950 and said his home phone number is listed as well.

The Chairman asked Mr. Lebermann, as a former COA city council member, if he had any comments. Mr. Lebermann said his only comments were to applaud Mayor Garcia for being such an outstanding mayor and citizen. The Chairman closed this item by saying that Mayor Garcia and his successors are welcome back anytime.

IV. Discussion and possible action on compliance with NEPA and developing policies and procedures for environmental review of CTRMA projects.

In introducing this item, the Chairman stated that we are truly fortunate to live in a place with such natural beauty. At the same time, we have to meet the challenges of preserving quality of life, which can be negatively impacted by traffic congestion. This makes it necessary to consider the environmental impacts of CTRMA projects. The Chairman invited Ms. Zmud to comment on this issue from the Planning Committee perspective.

Ms. Zmud, the Chair of the Planning Committee, noted that there were voids in certain aspects of the environmental review policies and procedures. She stated that the CTRMA must comply with the National Environmental Policy Act (NEPA) standards, and recommended that this requirement be included in the pending RMA legislation. She said the CTRMA needed to develop its own policies and procedures regarding environmental compliance and offered a resolution to authorize the Planning Committee to work on this. The Chair asked if there were any questions. Mr. Gilmore asked Mr. Cassidy if there was a public input component to the NEPA process.

Mr. Cassidy commented that the NEPA process is designed to have public input. He further explained that projects that do not receive federal funding are not subject to the NEPA standards. Currently, RMA projects which are not federally funded are not expressly subject to NEPA. However, the Texas Transportation Code contains provisions which would apply to RMA projects and which prescribe environmental review procedures for projects that receive no federal funds which are similar to NEPA. But while there is a process to follow, it might be better for the RMA to have its own policies and procedures, consistent with NEPA, for non-NEPA projects.

The Chairman said it is important to include adherence to NEPA in any RMA legislation and suggested recommending this to Rep. Krusee as well as in the board resolution. The resolution, as Ms. Zmud suggested, would propose that the CTRMA establish its own

policies and procedures that adhere to NEPA for projects which are not directly subject to NEPA policies and procedures.

A motion was made to pass the resolution, was seconded and unanimously approved.

V. Presentation by Parsons Brinckerhoff regarding unsolicited proposal for public-private partnership for services related to development of US 183-A.

Chairman Tesch introduced the next item by recognizing that there is a great deal of interest in US 183-A from the private sector. He noted that this unsolicited proposal would carry the project to the point of financing and would not include any construction. He asked Mr. Cassidy to review with the Board any pertinent confidentiality information.

Mr. Cassidy explained that there was a proprietary and competitive aspect to any proposal submitted to the Board and that some questions may need to be answered privately so as not to publicly disclose information which would harm the proposer in the procurement process. Mr. Cassidy noted that during the presentation by the proposer's representatives they may decline to answer questions that might disclose proprietary aspects of their proposal. He urged the Board to be cautious in the types of questions they might ask.

Chairman Tesch then invited representatives of Parsons Brinckerhoff (PB) to make a presentation. Mr. Kent Olsen began by saying that PB is committed to getting this project funded and construction begun. He noted that their proposal has been submitted to the Board for review, and that PB has had three similar projects in which they've been involved: 1) SR 125 in San Diego, California, 2) E 470 in Denver, Colorado and 3) Northwest Parkway Project near Denver. He added that there are many hurdles to overcome with any new toll road project and that PB's experience would help the CTRMA in addressing those. Mr. Olsen described the SR 125 project, and Ms. Pamela Bailey-Campbell described the E470 and Northwest Parkway Projects.

Mr. Olsen concluded the presentation by mentioning that there were several other projects (of the CTRMA) that could benefit from the start of operations of US 183-A. Therefore, it would be beneficial for US 183-A to be built as soon as possible. Mr. Olsen expressed that PB was anxious to work with the RMA and can start immediately. He also noted that they were confident enough to share any risk with the RMA.

Chairman Tesch thanked Mr. Olsen and Ms. Campbell for their presentation and proposal and said that it creates exciting possibilities for the CTRMA.

VI. Discussion and possible action on Parsons Brinckerhoff unsolicited proposal for public-private partnership for services related to development of US 183-A.

Chairman Tesch noted that the next step in the process is for the board to consider requesting competing proposals. He asked staff and counsel if they wished to address this. Mr. Cassidy pointed out that the process is contained in the CTRMA Procurement Policies. To summarize, he said that if the board desired to take the next step and seek

competing proposals, it would require publication of a notice in the *Texas Register*. From the date of publication there will be a 45-day period in which to submit competing proposals. All the proposals would then be ranked by the Board or a committee of the Board. The publication of notice does not obligate the CTRMA in any way to either select a competing proposal or enter into a contract with the initial proposer.

The Chairman reaffirmed that the CTRMA has received one proposal and are now complying with the law by asking for competing proposals. Mr. Gilmore asked whether or not competing proposals are limited to tracking the original proposal or can they go “outside the box”? Mr. Cassidy said the general description in the notice is intended to provide a description of what has been submitted, but that firms could submit additional ideas or scopes of work, which may ultimately be considered as either a competing proposal or a new unsolicited proposal.

A motion was made to approve the resolution authorizing the publication of notice of receipt of the proposal and to request competing proposals. The motion was seconded and passed unanimously.

VII. Discussion and possible action on operational and financial issues.

A. Financial

1. Toll Equity Application - Mr. Weaver stated that TxDOT has received the toll equity application and that the Texas Transportation Commission would be considering it tomorrow, March 27th. He then walked through the application - \$13.7 million total: \$12.7 million for US 183-A and \$1 million for studies of additional projects. The US 183-A money would pay for additional work necessary to get the project to the point of selling bonds. Chairman Tesch said that securing funding has been rather frustrating, but that it is not unusual for a new process like this. He was looking forward to a successful outcome.

Mr. Lebermann asked about SH 45 Southeast. Mr. Weaver said that the environmental process is ongoing, and that the project will be built, but by whom is the question. Mr. Lebermann then said that this brings up very important and interesting issues of scope and timing. Mr. Weaver agreed and said they should consider what things the CTRMA should be focusing on. The Planning Committee is a good place to look at this in more detail.

2. Status of Local Funding - See item VII.A.3. below.
3. Interlocal Agreement for Transfer of Travis County Funds – Mr. Weaver addressed items 2. and 3. together. He reported that the RMA had \$147,859.31 in the bank and had received the balance of the Williamson County funds. The Chairman asked for Mr. Weaver’s prediction of when the Travis County funds might be received. Mr. Weaver said he was not sure, but perhaps within 30 days.

B. Operational

1. Report on Status of Responses to Requests for Qualifications for Financial Advisory and Accounting Services – Mr. Cassidy reported that the submittal period for both RFQs closed on March 21st. With respect to an accountant, no responses were received. Notices were posted with the *Texas Register*, the Texas Secretary of State’s electronic bulletin board and in an ad in the *Austin American-Statesman*. There was no specific outreach beyond that.

Mr. Robinson suggested they secure services on a temporary basis. The Chairman asked if they could hire a firm now as long as it is on an interim basis, to which Mr. Cassidy said yes. Mr. Cassidy then reported that 2 responses to the RFQ for financial advisory services had been received. There was a brief discussion about the next step in the process. The Chairman recommended that the Executive Committee conduct the interviews and make a recommendation to the board at the next meeting. The board concurred.

2. Office Space/Supporting Offices Resources – Chairman Tesch said the RMA could not now afford office space but that when they will need it, they will need it very quickly. After they receive a financial commitment from TxDOT, it will be another matter but, for now, they need to live within their means. Mr. Gilmore said that maybe this is something the Planning Committee should look into at the right time. The Chairman said these should be Executive Committee decisions. Mr. Robinson observed that once a proposal for development of a project has been accepted, it may have offices associated with it.
3. Director Liability Insurance – Chairman Tesch asked Mr. Cassidy if he would address this issue. Mr. Cassidy said the bylaws provide for the purchase of such insurance, and as a political subdivision the RMA and its directors benefit from sovereign immunity protection as well. He asked if this was something the Board would like to address at the next meeting and the Chairman answered that they would. Mr. Lebermann added that we live in a litigious society, and when working with public/private partnerships, it makes sense to have some protection. Mr. Mills said he would feel more comfortable if they had something in place. The Chairman requested that staff have something to report to the Board at the next meeting.
4. Board Retreat – Chairman Tesch said there were many complex issues that have been surfacing very rapidly. Mr. Weaver agreed, saying that policy issues need to be discussed, and that a Board retreat might be a good way to do so. One option is a 1 ½ day retreat beginning on a Friday afternoon with dinner and a detailed discussion of issues on Saturday. They could call upon outside resources, and perhaps have a facilitator. It could be held at the LCRA, Lakeway, Horseshoe Bay or other similar

location. Mr. Weaver recommended they hold a Board Retreat after the legislative session in June. The Chairman asked if June was too early? Mr. Weaver didn't think so. He said they could use the LCRA facility for little or no cost. Chairman Tesch requested they secure a place close by and to keep costs to a minimum. He said the Executive Committee would work with the staff on this.

5. Update on Discussions with Capital Metro – Chairman Tesch asked Mr. Weaver for a follow-up to Representative Krusee's letter and any discussions with Lee Walker. Mr. Weaver said they had several discussions with the Capitol Metro staff and consultants. The questions, he said, focused on whether there is a way to work together, what type of steps need to be taken. The CTRMA has limited financial resources right now, and limited powers under its legislation. There is a lot of willingness to work together, but it may take some time. Chairman Tesch said that items such as this are all a part of the CTRMA's process. He said he didn't want the Board to lose focus on getting our first project off the ground.

Mr. Weaver went back to the issue of office space and said that, as Mr. Cassidy had noted with respect to the hiring of an accounting firm, everything is interim. He said the Board would need to review things like letterhead, business cards, temporary logo on the letterhead. The staff could make any changes and print them inexpensively. The Chairman said the Executive Committee would work with Mr. Weaver on these.

Mr. Weaver added that he and Mr. Cassidy have produced speaking points regarding who the CTRMA is and what we're trying to do. The next step is to develop a website. Mr. Weaver had secured several domain names so they couldn't be used by others.

VIII. Legislative Briefing.

Mr. Weaver said there were four bills of particular interest:

1. HB 2459, which creates a separate chapter in the Transportation Code for RMAs.
2. HB 2311, which would give an RMA exclusive development authority powers.
3. HJR 80, a companion to HB 2459, which addresses problems of counties working with an RMA. Counties may not be able to sell bonds to back the debt of an RMA if a project extends into another county. This amendment would allow voters to approve such bonds.
4. HB 2312 The "LOT" Bill, a local option tax bill. This would permit an election in the respective jurisdiction of an RMA to levy a tax on transportation products or to raise the tax on gasoline. There would be an opportunity, if passed, to provide additional funds to RMAs for toll roads.

Mr. Cassidy noted HB 2459 would broaden *types* of projects RMAs could do. It would also significantly expand types of projects which could be done on a *system-wide* basis.

The Chairman asked if there were any other matters of legislative interest. Mr. Lebermann asked about a bill filed by Sen. Ogden. Mr. Weaver indicated that Sen. Ogden's proposal would allow the state to issue up to \$5 billion in bonds. He also mentioned Senator Lucio's GARVEE bond bill, and a series of bills having to do with TxDOT participation in rail projects. There are financing bills that would affect the CTRMA in the Senate. This is unusual because they usually start in the House.

The Chairman asked the Board if the members could all be available on very short notice if needed for testimony on RMA-related bills. Mr. Lebermann asked if any board members had testified. Mr. Bennett said that Mr. Weaver and Mr. Cassidy did at one hearing, and that Chairman Tesch, Mr. Weaver, and Mr. Cassidy testified on HB 2459, and Mr. Mills and Mr. Gilmore attended part of the hearings and submitted cards in support.

The Chairman commended Mr. Weaver and Mr. Cassidy for all the work they've done, particularly with the legislature in session. Mr. Weaver added that they tried to identify bills that were important to the RMA that the Board should focus on. He offered to provide the Board with a "top ten" if they so desired. The Chairman said he appreciated the "rifle approach" of providing the Board "just the meat". Mr. Gilmore thanked Mr. Cassidy and Mr. Weaver and said he had been receiving emails on transportation issues that have been very helpful. The Chairman asked if there were further comments. There being none, he moved on to the next item.

IX. Executive Session Pursuant to Government Code, Chapter 551.

Chairman Tesch noted that there were no items to consider in an executive session.

VIII. Open Comment – No speakers appeared to address the board during the open comment period.

IX. Adjourn General Meeting.

Chairman Tesch entertained a motion to adjourn the meeting. It was moved and seconded, and the board voted unanimously to adjourn the meeting.