



Minutes of the Gulf Coast Rail District Board Meeting—July 11, 2023

A meeting of the Gulf Coast Rail District Board of Directors was held on Tuesday, July 11, 2023 at Houston TranStar and via video conference. In attendance at the meeting were Directors Angelique Bartholomew, Ronald A. Beeson, Stephen Gilbreath, Veronica Chapa Gorczynski, Kendric Jones, Jon Keeney, Carol Abel Lewis, Robert Maldonado, Jr., Bruce Mann, Jean Mann, Allen Owen, Tina Arias Peterman, and Jeff E. Ross. Absent were Directors Robert A. Fry, Jr. and Christopher Lane. Written notices of the meeting including the date, hour, place and agenda for the meeting were posted with Harris County, with the Secretary of State, and at the Gulf Coast Rail District office located at Houston TranStar in accordance with the Texas Open Meetings Act. The inaudible portions of the recording were removed from these minutes.

Chairperson Carol Lewis: Okay, good people. It is two o'clock. We have from my sort of visual... we're in good shape to get started here, so we will. Good afternoon, everyone. I'm Dr. Carol Lewis, presiding officer of Gulf Coast Rail District. I'm calling the meeting to order at two o'clock on July 11th, 2023. Today's meeting is being conducted with options to participate in person or by video conference. The public meeting location is Houston TranStar, 6922 Katy Road, Houston, Texas. We are in conference room 120A. The video conference is conducted through Microsoft Teams, and that link can be found in the meeting invitations, the agenda, and the public postings. The meeting is open to the public. The public will have the opportunity to address the board during the public comments section with a limit of three minutes per speaker. If you wish to address the board, just approach the podium and/or raise your hand online during the public comments period. Board members may participate by video conference in accordance with the provisions of section 551.127 of the Texas Government Code applicable to governing bodies that extend into three or more counties. Based on the Open Meetings Act requirements, the Gulf Coast Rail District board members participating in Microsoft Teams will need to be seen and heard throughout the meeting for attendance and to record votes. Therefore, members calling in via telephone unfortunately you cannot count towards the quorum, nor will that individual get to vote. As required, I'm physically present for the board meeting and ask that the secretary, Director Keeney, please conduct the roll call. We would you like to be audible when your name is called.

Director Jon Keeney: Thank you, Madam Chair. Ronald Beeson.
Director Ronald Beeson: I'm on.

Director Jon Keeney: Thank you. Robert Maldonado.
Director Robert Maldonado: Present.

Director Jon Keeney: Thank you. Veronica Chapa Gorczynski.
Director Veronica Chapa Gorczynski: Present.

Director Jon Keeney: Thank you. Stephen Gilbreath.
Director Stephen Gilbreath: Present.

Director Jon Keeney: Jeff Ross?
Director Jeff Ross: On the screen.

Director Jon Keeney: Thank you. Tina Arias Peterman?
Director Tina Arias Peterman: Here.

Director Jon Keeney: Thank you. And Carol Lewis I know is here.
Chairperson Carol Lewis: Here.

Director Jon Keeney: Mayor Keeney is here. Bruce Mann?
Bruce Mann: Good afternoon. I'm present. Thank you.

Director Jon Keeney: Thank you, sir. Angelique Bartholomew (arrived after name called)? Allen Owen?
Director Allen Owen: Here. Thank you.

Director Jon Keeney: Thank you, sir. Kendric Jones?
Director Kendric Jones: Here.

Director Jon Keeney: Thank you. Christopher Lane? Jean Mann?
Director Jean Mann: Here.

Director Jon Keeney: Good to hear you. Robert Fry? Madam Chair, we do in fact have a quorum.

Chairperson Carol Lewis: Wonderful, thank you. We're on to confirm that the meeting was posted publicly according to our Texas laws. Ms. Patke?

Lisa: Yes, it was.

Chairperson Carol Lewis: Yes, indeed. Alright, so we're on to discussion of possible action of the minutes for June 13th, 2023. I was not here, so Director Beeson, I would love for you to conduct this session along with Director Keeney please.

Director Ronald Beeson: Okay. Are there any corrections? If not, I would entertain a motion to approve the minutes.

Director Bruce Mann: So moved, Bruce Mann.

Director Stephen Gilbreath: So moved, Gilbreath.

Director Jon Keeney: Thank you.

Director Ronald Beeson: All in favor?

Board: Aye.

Director Ronald Beeson: Alright, approved unanimously.

Director Jon Keeney: Excellent.

Chairperson Carol Lewis: Alright, thank you. Thanks to both of you.

Chairperson Carol Lewis: We're on to item five, report from the treasurer. Director Owen please?

Director Allen Owen: Madam Chairman, I would ask that David Banos to give that report for us. I think he's there today.

Chairperson Carol Lewis: Yes.

Mr. David Banos: Yes, good afternoon. You should have received a bookkeeper's report. It should be in front of you. Past the cover page, bookkeeping report dated for today, July 11th, 2023. We start off with the checking account for your operating fund. You have receipts of \$1462.50. That's for interest earned in the CD. Two checks for your approval—2670 and 2671. Total disbursement is \$836.10. It leaves you an ending balance of \$127,767.66. Following that, we have account balances of the District. The total for the District is \$1,480,628.41. Pages four and five are actuals versus budget comparison. This is for the month of June 2023, and it's including contributions and general-purpose expenses, your grants of professional contract services, and your in-kind pro bono items. The balance of that report is just your grant status report. Your total remaining grant dollars was \$3,934,105.63. And that's my half of the report. Let me know if you have any questions.

Director Allen Owen: Any questions for David? If not, I'll entertain a motion to approve a Resolution 23-15 ratifying our payments. Is there a motion?

Director Jon Keeney: So moved.

Director Allen Owen: Is there a second?

Director Tina Arias Peterman: Second.

Director Allen Owen: All in favor? Aye.

Board: Aye.

Director Allen Owen: Thank you, Madam Chairman.

Chairperson Carol Lewis: I believe the second was Ms. Peterman, correct?

Ms. Lisa Patke: Yes, thank you.

Chairperson Carol Lewis: You're welcome. Alright, thank you, everyone.

Chairperson Carol Lewis: We're on to item number seven, discussion of possible action on Resolution 23-16, adopting a Gulf Coast Rail District fee structure policy for existing and new member entities. Myself and Director Peterman are listed. Director Peterman is going to do the majority of our conversation. But just as a backdrop, I just would like to mention to everyone just so that we all have it in memory that when we did our research about our fees, there was nothing in our background documentation that provided a backdrop for our fee structure. I did remember to ask long, long ago Ms. Crocker about the fee schedule, and she said it just sort of immersed. There was no real deep thought put to it, and so it's been the same for the last for, wherever we are now, 15-16 years. So, that's, again, the backdrop/backstory, the foundation to beginning this process. So, with that, Ms. Peterman, I would hand the baton off to you please.

Director Tina Arias Peterman: Great. Thank you, Dr. Lewis. Hi. Good afternoon, everyone. So, I'm referencing page 28 of the packet, PDF page 28 of the packet. The Legislative and Funding Committee met a couple of times to discuss a framework for assessing fee and providing a fee structure. As Dr. Lewis mentioned, we hadn't really changed or made any changes to our fee structure since conception in 2007. As we all know, things have gotten only more expensive in the last ten or so years. And so we felt like, one, it was time to revisit. The timing was good to revisit with onboarding new members. And then also more importantly, again, putting a framework in place that would require the board to revisit this topic at least every five years. And really the thinking there was we're not going to be on this board forever, and so trying to build

some institutionality into our framework and our bylaws. So, with that, you have here a schedule of the current annual contribution amounts, and then we have a proposed contribution amounts broken out by county based on population. And then for our non-county participants, we had multiple conversations with both the Port and METRO and came up with these proposed amounts based on an annual revenue structure. I guess I'll ask if there are any questions from any of the board members.

Director Jeff Ross: Tina, this is Director Jeff Ross. On the METRO number, it shows annual revenue of 49 billion dollars. I'm thinking that's a typo.

Director Tina Arias Peterman: That's probably a typo.

Director Jeff Ross: Yes, all they have is sales tax and fares.

Director Tina Arias Peterman: Yes.

Director Jeff Ross: And federal money.

Director Tina Arias Peterman: We'll make that change.

Director Jeff Ross: And it looks to me like the end result of... If everybody is participating under the old and the new, we're coming up with pretty much the same amount of dollars total with a slight increase now, which is the right correction considering the old format was 15 years old.

Chairperson Carol Lewis: I would say that observation is probably correct.

Director Jeff Ross: Okay, and then one other thing. On the proposed change paragraph, the last sentence says, "This policy shall be reviewed every five years." And Tina, you indicated at least every five years. The way it's written, you don't have the option to do it sooner. So, we need to change that language if that's what you meant.

Director Tina Arias Peterman: Well, I think it would be open. I mean I always believe that building in flexibility is probably better, so as long as everybody is fine with at least every five years, I think that would be a prudent change.

Director Jeff Ross: Okay, great.

Chairperson Carol Lewis: If there's no other discussion, is there a motion?

Chairperson Carol Lewis: Yes.

Director Jean Mann: As far as Montgomery County is concerned, if you will send me an invoice, we're good. We just...

Director Allen Owen: And, Madam Chairman, by the way, Jean and I visited this week, and we've got some projects that we need to work on for Montgomery County if we intend for them to increase their contribution down the road. As Jean indicated, they're agreeable to do that, and we just need to look at some things with HART and have areas that we can help them with their

grade separation where they had a disastrous train derailment and where she's been trying to get arms at that intersection for... How long now, Jean?

Director Jean Mann: Well, just since it happened. And I been over to TxDOT. They said it's going to be two or three years at the Mid Lane crossing in Splendora. And I sent them the traffic studies. I sent them everything that they asked for, but they still said it's going to be... And I think with that particular intersection, we wouldn't necessarily be going grade separations because it does go into a dead end. But we need the arms because people always think they can beat the train. And this isn't the first time people have died at that intersection, but this was one... It was pretty bad. So, I just want arms at that one now. And then we can work on the other grade separation stuff.

Chairperson Carol Lewis: So, I appreciate that comment. And towards the end of the meeting as we talk about the next month's meeting, I want us to talk about all of our committees meeting. And we've already got... circulated the draft of the strategic plan. To my mind, that draft is also accompanied by a map with expectations. So, I think that's the opportunity for each of the counties, as well as all of our entities to make sure that that strategic plan reflects where we want to and need to go as an agency in the future. So, we'll look forward to responding to that, Director Mann. Not only for Montgomery but for all of our constituents. Anyone else?

Director Tina Arias Peterman: I'm just curious, what do arms crossings cost? I have no idea.

Director Allen Owen: I have no idea either. Obviously, it's more than just the arms.

Director Tina Arias Peterman: Sure. Sure.

Director Allen Owen: You have to vary the activation lines. The railroad has to put the lights up. It's more than just a set of arms. You've got lights, and they have to activate it. They have to be activated down the line as the train is approaching. They have to deactivate after they move. And I agree with you. I had an intersection in Missouri City at 90A and Texas Parkway, and I can't tell you how many deaths have occurred there. And we even had the railroad put up a sign, which they did warning people that it was a dangerous crossing. And they paid for it, but I don't know what the arms cost. It's obviously a lot cheaper than a grade separation.

Chairperson Carol Lewis: Right. Yes.

Director Allen Owen: But we asked them to look at that and see again, and Director Mann and I talked about it. For Montgomery County or for anybody else to participate our program, we have to show them what they're getting for their money.

Chairperson Carol Lewis: I think Ms. Parker...

Director Allen Owen: Especially if we got an increase.

Director Bruce Mann: Depending on what infrastructure you need to put in place and if it's signaled or not, you're talking about 100,000 to maybe more than 400,000.

Chairperson Carol Lewis: Right. Yes, I just wanted to give Ms. Parker a chance to respond.

Ms. Katherine Parker: Yes, it depends on the circuitry, whether they're doing constant warning or not, which allows them to be able to time the gate arms with the speed of the train. And so all of that would be taken into account. You would actually get an estimate from in this case UP will tell you the cost of the gate arms and any other upgrades that would happen there at the crossing. So, not cheap but definitely is something that at active crossing, we encourage that you have crossing gates.

Director Jean Mann: I'm sorry, guys. They're replacing the carpet in our offices. So, they started banging. I've got my door shut, so I'm sorry if you can hear that.

Chairperson Carol Lewis: It's alright. Not a problem. Alright. Are there any other hands online? Any other comments in the room? Alright.

Director Jon Keeney: I'll be glad to move to accept this resolution with the words "at least" added...

Chairperson Carol Lewis: A motion.

Director Jon Keeney: ...to it.

Chairperson Carol Lewis: Motion, Director Keeney.

Director Tina Arias Peterman: Again, Director Peterman.

Chairperson Carol Lewis: Okay, Director Peterman seconds. All in favor?

Board: Aye.

Chairperson Carol Lewis: Okay. Any opposition? Alright. Motion carries.

Director Bruce Mann: Just for the record, I'm going to abstain just because we haven't talked about it yet—the amount yet at the Port. So, I'm going to abstain for now. Thank you.

Chairperson Carol Lewis: Okay, motion carries on abstention.

Director Tina Arias Peterman: Sorry, Dr. Lewis, I didn't have my thoughts fully collected. We also felt like the time for approving a formal fee structure... That the time is now, given HART and the Funding and Legislative Committee had a fair amount of discussion around making certain that we are providing value and making certain that we're showing people what they're getting for their entities for their money. So, I'm excited about this. I think we've got some great momentum behind us, and we're hoping that... I think ultimately, we're hoping that we can garner support and participation membership from other entities.

Chairperson Carol Lewis: Wonderful. One hundred percent concur with that. So, thank you very much.

Director Jean Mann: What other entities would you want to participate? Different, more counties?

Director Tina Arias Peterman: Well, I think transportation is a geographic... It's a regional issue, and so I don't think we've had specific conversations around other counties or cities, but I think that's the thinking ultimately. But we have to show people that we're adding value before we can go make that pitch.

Chairperson Carol Lewis: So, just as another sort of thought as we talk about the HART and look at the region that H-GAC covers. With that in mind, the county that we're missing is Liberty. And I understand years ago... I was not involved in this. There was conversation about Liberty being a part of GCRD. And so, again, whether or not they might be interested, that would be the

one county that I think that we would be thinking about because they are in the H-GAC geographic area, and we have actually committed under the HART to cover them and have invited them to participate as a member of HART. So, just reminding the board that you can be on a subcommittee even if you're not an entity within the formal structure of the GCRD board. So, that in mind, we did invite Liberty County. So, that would be the one sort of thought that we would have just sort of out of the gate.

Chairperson Lewis: Alright. If that covers us on item number seven, we'll move on to item number eight, public comments. I don't have anyone assigned to speak. Is there anyone who's joined us virtually from the public who would like to comment at this point? Please raise your hand, and we will acknowledge you. Alright, not seeing anyone. Thank you.

Chairperson Lewis: We'll go on to item number nine. We're delighted to have with us today Mr. Brett Sebastian from GoRail, and he's going to make a presentation to us. I see the title is, "State and Federal Safety and Rail Crossing Update." So, welcome. Glad to have you and look forward to your comments today.

Mr. Brett Sebastian: I appreciate it. Thank you all for having me this afternoon. Just a little up front, GoRail has actually been working with the Gulf Coast Rail District now for probably about a year. Although I think, Dr. Lewis, our first conversation was before COVID shut everything down, so it's been a few years I've been working with you all. Delighted to be here this afternoon and talk a little bit about some of the work that we're doing in conjunction with the industry. But also in conjunction with the Texas Railroad Association. I think a lot of what we're working on right now pertaining to grade crossings, infrastructure grants, these types of aspects really coincide with the work that the Rail District is doing and a lot of the discussions that have been happening around the greater Houston area.

So, just to kind of begin a little bit... First slide please. What is GoRail and kind of what is the purpose of our organization. We are a national freight rail advocacy organization. We work really closely with the Class I's—Union Pacific, BNSF, CPKC here in the state of Texas as well as the short line industry and a lot of the rail supply and manufacturing folks. Kind of the goal of our organization is to provide education to a large-scale coalition of elected officials, economic developers, MPOs, people that kind of have some skin in the game when it comes to their transportation network and interest when it comes to the rail system. Whether that be the connections from a transportation standpoint or the economic development aspects of things. And also increasingly first response and emergency preparedness aspects of rail operating through certain areas.

If you can go to the next slide, please. This kind of touches on a little bit about what our coalition looks like. I'd venture to say here in the state of Texas, our coalition is anywhere between 400 and 500 individuals. I would venture to say it's probably the largest coalition that we have amongst all the different states. Personally, I cover nine different states for our organization. Primarily across the central United States, mainly from Texas up to the Dakotas and then Missouri down to Louisiana, as well as the state of Arizona. Our work really... Ever since COVID, there's been really no shortage of different rail issues that have been in the public's eye. That includes everything from supply chain bottlenecks... That was certainly a major issue last year in conjunction with COVID. Infrastructure grants. We worked very heavily on the bipartisan infrastructure legislation in 2021, both in the House and in the Senate. Ever since the passage of that legislation, we've had hundreds of meetings with mayors, county officials, folks

all across the country on the different rail related grants that are out there, as well as how to apply the best ways to form coalition in support of projects even just identifying things in conjunction with state DOTs, other stakeholders, folks that can apply. And we're increasingly trying to increase our cooperation with the federal railroad administration as a conduit to the public through the coalitions that we've been built across all the different states.

You can go to the next one please. How does all this tie in with the Texas Railroad Association? So, the Texas Railroad Association is a little bit more of a traditional trade association, whereas GoRail is a nationwide advocacy group. TRA is actually the oldest trade association in the state of Texas, founded sometime in the 1890's. I can't even tell you what the membership was at that time; probably some... Denver, Rio Grande, Southern Pacific, a bunch of railroads that no longer exist anymore. Primarily the membership these days is comprised of the Class I's—UP, BNSF, CPKC, formerly Kansas City Southern, as well as the Texas Short Line Railroad Association and a large number of rail manufacturers and suppliers. The point and purpose of the Texas Railroad Association is mainly to try and augment things here at the state level in conjunction with the state legislature, but we have done a lot of work over the last year trying to revamp the association to be a little bit more of a traditional trade association.

Things like communications, things like dedicated comms to members, policy agenda, things that are a little bit more open and ways we can try to educate not just our members and folks in the rail stakeholder group here in the state of Texas but also working more closely with state legislators, working more closely with communities across the state. We really want to emphasize the education side of things and kind of move away from this thought process that kind of existed five, ten, so long years ago where the railroads were really operating in the background, and that's kind of how everyone liked it. That no longer works anymore. I think ever since COVID, ever since everything we've seen over the last few years, it's critical, and I think a lot of the rail representatives and folks in TRA and nationwide would agree with me—it's critical that the railroads be out front working with communities a lot closer, providing that education and providing the resources necessary not just when it comes to what the railroads are doing, what is good policy, what does that look like, but also what resources exist for things like emergency preparedness, so on and so forth. I hope we didn't just lose everybody.

Ms. Lisa Patke: Just the projector timed out.

Mr. Brett Sebastian: But we're still online?

Ms. Lisa Patke: Yes.

Mr. Brett Sebastian: Okay. While we work on that... That's no big deal. I think probably... I forget where I was going to be on the slide, but that is no worries at all.

Chairperson Carol Lewis: Would you like to take this one?

Mr. Brett Sebastian: If you don't mind, that'd be fantastic. Thank you very much. Okay, perfect. You can go to the next slide actually now that we're back up. There we go. Something that we're trying to kind of work in conjunction between GoRail and Texas Railroad Association that all of our coalition is really trying to promote different grant opportunities that are out there. We feel that one of the best ways that we can try to press for a safe rail network but also rail network that meets the needs of the future and is engaging with communities is to take advantage of the many

different rail related grant programs that are out there. So, back in 2021, GoRail was very active when it came to the IJA and the bipartisan infrastructure legislation.

Just kind of an example on the House side, we were very active trying to oppose policy writers that we thought had no business being in this type of bill and would hamper rail operations. One of the ones I was very active with was a prohibition on bringing trains into the United States from Mexico. Currently the existing regulations as I understand allows the train to go about five to ten miles inland, stop at a proper railyard, conduct its inspections, its crew swaps, everything there in a more proper, contained environment. Whereas before that, it was stopping on the bridges of the Rio Grande which caused a large number of issues. Mostly pertaining to safety, and God forbid one of the bridges had ever fallen into the Rio Grande with whatever on it. That change was in the House version of the bill. Ultimately, we were able to remove that, along with a few others.

And here on the Senate side... And I say we. In conjunction with many, many other organizations that were very active on this piece of legislation, we were able to secure on the Senate side the chart that you see here, primarily providing funding for a wide variety of different rail related grants, some pertaining kind of to general purpose infrastructure and economic development. A very significant chunk relating to passenger rail—the Corridor Identification Grant, for example, should be available sometime this fall as I understand it. But also things like public safety aspects like the Grade Crossing Elimination Program which just made its announcement this last month in which we're anticipating that one to open up some time this fall. I've heard September. That tends to change. So, I wouldn't be shocked if that ended up being closer to October.

So, you can go to the next one please. And this ties well with what we're working with with the Texas Rail Association because one of the key goals that we were working on going into this big session was trying to place an emphasis on multimodal transportation and what we call modal equity. The concept of multimodal equity is very simple. You want to have... Texas is in a position where we cannot pave our way into more growth. This is an organization for folks that are around the Houston area. I don't have to tell you all what traffic looks like. Traffic also impacts our semi-trucks. It impacts freight deliver. In order to facilitate the demands of Texas' growth into the future... I think we're projected to have freight demand increase about 50% by 2050 or something like that. In order to meet those demands, we're going to need to have our ports, our railroads, our surface transportation opportunities, our freight, everything operating at a very good clip to be able to work through all the different challenges that we're going to be facing here and over the coming decades.

So, in order to pursue multimodal equity, we're trying to kind of work with TxDOT and our officials to identify investment opportunities on the rail network but also try to marry those with the emphasis that has already been placed in the rail plan and freight plan by TxDOT. And this is an example of some of the... This is... very common across a lot of different state DOTs as well as at the national level. That includes things like trying to fix problematic junctures, problematic grade crossings, identifying places in the network where we can increase rate capacity on tracks so we can move heavier loads, raising tunnels. That's not as big of an issue here in Texas, but I do see that in other states so that they can have that double stack go through.

I want to say a year or two ago, the Port of Baltimore completed a very significant project where it elevated the tunnels so double stacked containers can go through it and increasing the amount

of intermodal freight that could go in and out of the port. Examples like that are the things that we're trying to work with TxDOT, with the rail association, and stakeholders to identify for grant opportunities, for investment opportunities, and ways that we can try to mobilize the public to understand that the real industry isn't just operating in the background but is trying to make an active effort to expand its presence in the state but also make things safer.

We can go to the next one please, which leads me to grade crossings. For all the different grant opportunities that GoRail is working on, I would venture to say this is the one that we are most active on because we feel that this is a program where we can provide the most public benefit, and it certainly helps our coalition. Which like I said, is comprised mostly of municipal and county officials, and folks that also have that vested interest in public safety. So, what we did not just with GoRail in terms of all those meetings to discuss and raise awareness to support the grant program, the ins, the outs, its details those kinds of details, we wanted to make sure that when it came to Texas' applications before the federal government that we were in as good of a position as any other states. If you look at prior grant applications and their success rate, the state of Texas is actually generally under prescribed. That is changing, and thankfully it is changing.

We have seen a very active reorientation of TxDOT's Rail Division. A lot of the folks that are there are very dynamic. They've got a great plan. We had an entire presentation at a conference a few months ago where they were discussing the way to pursue with lidar technology, identifying the different high-profile crossings that are out there. I see this a lot in west Texas where you have the railroad is kind of up here, but the roadway itself is down here. Passenger vehicles can get over that high profile very easily. Semitrucks cannot, so they'll get caught. Both wheels can't hit the ground. Congratulations you've just created a very dangerous situation for the railroad and the truck driver. So, they're trying to identify all those problematic high-profile crossings with lidar and then implement a plan to fix them up. That's exactly the kind of projects that both GoRail and the Texas Railroad Association are very interested in trying to collaborate on to the best of our ability. Because if we don't have semitrucks on the rail network, that's going to be a win for everybody.

And what we were trying to do when it came to the state legislative session in terms of the grade crossing separation grant and a lot of the momentum that's been out there for grade crossing separation is work with our state legislatures to give TxDOT both the resources in terms of monetary allocation but also the necessary authority, because TxDOT spending is very tightly controlled... Give them both of those things so that they can help local communities with those type of grade crossing programs. We kind of... I venture to say probably somewhere around March is when this pivoted into its own separate fund. Because when we went into the session, the idea was we could use something called the Rail Relocation Fund to accomplish this. Once we had attorneys and legal counsel look more closely at what that Rail Relocation Fund's fine print looked like, which was a fund created I think back in 2002 or 2004, something like that, never had an allocation until... It itself was very tightly controlled. It could only be used in terms of actually relocating a line of rail. It could not be used in conjunction for larger more broad rail projects as I understand it for TxDOT to help with a grade separation, installing safety equipment, having the flexibility necessarily because no two crossings are alike. So, about March, once we learned this from legal counsel, we pivoted to asking the legislature for some type of new fund. And I think what ended up happening is there was a lot of bipartisan support. Gulf Coast Rail District, a lot of the folks that are on this call, joined us. GoRail led a state letter. Ended up having about 80 signers on it to the state legislature requesting assistance and support for grade crossing separation projects. Very well received. We had tons of bipartisan support.

Went deep into the legislature, just didn't make it into the final budget. I think the sticking point was the details of how that funding looks. Would it be something that municipal governments could draw from TxDOT to help with a federal grade crossing grant the state and local match? How would that look if the grade crossing elimination program expires, but the federal government creates some kind of new program along those lines? It would be subsection 130 funding, which is very similar.

How would this actually look in terms of TxDOT's allocation of that resource? Would there be a dichotomy between rural and urban locations? Would there be a grant application process? Ultimately, I think a lot of those questions were left unanswered, but there does seem to be a lot of momentum and support towards trying to get something done in the course of the 2025 state legislative session. So, where we are with the Texas Railroad Association is we want to take the rest of this year, the interim in '24, keep the momentum going on the work that we did in this rail and figure out what that detail looks like, work in conjunction with TxDOT, and have everything ready to go so that we can make this request and make it a successful request in 2025. Because I can guarantee you based on the conversations that I've had around the state and based on the interest and the amount of signatures that we got on our letter, there is support from El Paso to Belmont and the Panhandle down to the Valley on trying to get some kind of state assistance for this. So, there is a ton of interest in these types of projects. Before I kind of wrap up on the infrastructure side of things and start pivoting more into the safety side of things, I would be remiss if I did not mention where GoRail is operating in terms of all of the different grants. So, if you go to our website, gorail.org, you will find we have a dedicated grant hub. I think it's just in the top right-hand corner. And that has all of the fine print that you could ever want on what's put into the federal register relating to the different rail related grant programs that are out there. That includes the things that can touch on rail but are also available for general purpose infrastructure—RAISE, INFRA, those types of programs. We have a grant survey. So, if you have a project in mind, you can hop on this, answer some questions. It'll direct you to the right location. And I believe we're also keeping on top of the notice of funding opportunities. So, for example, I know grade crossings awards were just announced last month. There is a trifecta that's available. I want to say Mega raised one other. Do not hold me to the specifics, but it just opened up last week. And we're expecting a lot more to open up in the fall. So, we are very much in the middle of these grants just kind of circulating in and out over the course of the VIL's lifespan.

And I kind of touched on this a little bit, but I think it's also worthwhile to say that there definitely is an intersection between infrastructure integrity and safety statistics. We have seen this pretty significantly over the course of pretty much railroading history. When you go back to even the stuff we learned about in high school, railroads were first starting in the 1830s, 40s, 50s, 60s. Very unsafe network. New technology, boilers exploded. Some of the tracks were wooden, those kinds of things. But as you see more and more revenue going into the rail network and the networks themselves become a little bit more sophisticated, well, that turns into safety improvements and new technology. Wood tracks become iron. Iron becomes steel. The steam technology became stronger in terms of diesel, so on and so forth. Even things as simple as the air brakes system where the brakes are always on. That's the default setting. But you turn it off to allow the train to move. Something as simple as that pays dividends in terms of employee but also passenger and public safety. So, when you take that lesson from history and you apply it to today, you can certainly see that there is a significant aspect when it comes to investment in new technology, investment in the infrastructure, and safety gains. Since 1980 in conjunction with the Staggers Rail Act which allowed the industry to kind of stabilize itself, modernize, reinvest in

itself, the industry has invested something to the tune of about 750 billion dollars nationwide into its network. I want to say here in Texas, the last fact sheet I have is we put about five billion dollars into the network in a given year. Give or take, something along those lines. I'm sure it kind of varies. But you also see how that can certainly translate to things like our grade crossings. We've already had a conversation about the need for arms and equipment at one. And in Texas, I think it's something to the tune of 16,600 different grade crossings, 6,000 of which are private. And if you understand the difference between a public crossing and a private crossing, the vast majority of private crossings do not have any kind of safety equipment. It's pretty much just a cross sign. And Texas leads the nation in terms of the number of crossings we have. It's a very significant portion when you consider that nationwide there's about 200,000 crossings. So, Texas contributes a very significant amount of the national crossings... Most deaths and injuries when it comes to a rail accident do occur at that crossing, and the crossing itself is the second most likely location for derailment. The first most likely location being in the railyard itself. Those are usually minor and corrected within a day.

So, in order to kind of sure up those problematic hinge points, especially those identified already by TxDOT like we mentioned a few slides ago, we need to make sure that we are identifying the most problematic crossings that are out there and working to sure up the technology that guards them or better yet fully separate out those crossings while also making sure that the rail industry in terms of good policy is being governed at the FRA, the federal level, and the state level so that they can operate as smoothly as possible, reinvesting into their systems, and maintain that level of technological improvement that we've seen over 150 years of railroading in order to utilize some of the new aspects that are out there to keep the new system safety. That includes things like ultrasonic sound, looking into the interior steel, drawings inspecting, remote locations of track, even wayside detectors, hotboxes, all these different types of technologies.

So, we can go to the next slide please. And I think this kind of brings me to some of the statistics that I do feel that are worth bringing up at this moment. So, safety is a prime consideration this year for railroading. You would have to be under a rock to forget that that's the big policy issue for the industry this year. And it kind of dates back to Ohio and the incident that happened in east Palestine in February. And rightfully so. There's been a lot of conversation about it. Very shortly after that incident, once we got the preliminaries from the NTSB report... And I want to say that we only have the preliminaries. We don't even have the full NTSB report yet. Once we got the preliminaries back, a lot of the railroads, they came together through the Association of American Railroads, and made a number of voluntary commitments to try to sure up things like first responder training, spacing of wayside detectors, the hotboxes that were on the track that would have detected that wheel bearing going down. Those types of aspects. And do what can be done to try and make sure that that situation does not happen again. While also taking into consideration that the safety statistics themselves are very strong for the individual railroads and a lot of the safety aspects we've seen over the past four years or so. As I mentioned, the industry puts a significant amount of money into its reinvestment in infrastructure.

What does that correlate to in terms of safety? There's been about 80% decrease in the train accident rate since 1980 with a further increase to only 78% since 2000 in terms of HAZMAT safety statistics. Currently right now you can get HAZMAT from point A to point B 99.99% of the time without incident. That doesn't mention anything about the fact that we have things like positive train control which was rolled out in the past few years dating back to an Amtrak crash. I forget when that was. I think it was 2014 or something like that. Which is a wide variety of different remote stopping technologies that if a conductor blows past a signal or something...

human error has occurred in the operation center, they can shut down that train remotely and figuring out what's going on to try to prevent an accident before something occurs.

So, there is a significant amount of redundancy that's built into the system through technology, but we're also working diligently with our coalition, with GoRail, to try and promote the different resources that are out there from the safety aspect as well. That includes things like alerting people to the availability of Cert C training. Cert C is an institute that the Association of American Railroads operates in Pueblo, Colorado where first responders can go and receive HAZMAT incident training in person. I know that there are mobile opportunities all around the area. Houston is a prime example of that, just given all the HAZMAT that operates around the area rails, as well as our work to promote the ASP Rail App.

You can go to the next one actually please. The ASP Rail App itself was developed I want to say in 2014 as well. It's available to first responders to download onto their phones. And if they're responding to some kind of derailment or training incident, they can plug in the numbers they see on the side of the tank car. It'll bring up who owns that tank car, the emergency number for the railroad in question, what the contents are, the hazardous material numbers in question, how to best prevent and fight that fire, just handle that incident. We have been working to try to promote this. I want to say something, about one-third of emergency management organizations across the country have access to this. But it's been about a decade since it's been rolled out, so there's been significant turnover for folks like police chiefs, fire chiefs, emergency management personnel, even elected officials. So, there's a lot of folks that do not that this exists as a free resource, I should say, to communities.

So, we're trying to really kind of redouble our efforts to let folks know that this is something that is out there, all the different resources that the railroads make available. At the end of the day, the railroads want to operate safely in communities. It doesn't do anyone any good if there's public incidents left and right. So, we're going to do everything that we can on our end not just to let our coalition members know what different resources are available but also work closely with our communities, with our coalition members, with our railroads to promote ways we can strengthen up that infrastructure because we feel based on history and what we've seen, anything that provides stronger infrastructure and more investment in the railroads that allows them to continue their operations without issue, that tends to be a really good algorithm and model towards rail safety. So, with that, I will go ahead and pause there. I'm happy to answer any questions. I hope I did that within the 20 minutes.

Chairperson Carol Lewis: Thank you very much. Lots and lots of interesting information there. I'm going to open to our board members to see what questions or thoughts may be had based upon Mr. Sebastian's discussion with us. Go ahead, Director Mann. You're on mute.

Director Bruce Mann: Thanks, Brett. After two years, you'd think you'd figure this out—maybe three years. But thanks for the presentation, Brett. Just to maybe be a little bit more clear about one of the statistics... I think in large part, trespassing, whether it's at a grade crossing or otherwise, is the leading cause of deaths on railroads. So, trespassing at crossings or away from crossings. So, there's a whole publication piece just about that. But certainly having grade separations is a good thing, but getting people not to cross train tracks period is a good thing.

Mr. Brett Sebastian: Yes, definitely.

Director Bruce Mann: So, thanks.

Mr. Brett Sebastian: Definitely. And I know based on Operation Lifesaver, at least the data that I saw, I want to say Texas leads the nation in terms of road rail car collisions. We are number two with those trespassings, yes. California has us beat on that one. So, there's a lot of work to be done. There's part of this that does just have to do with the fact that our network is significantly larger than most other states. But with great network comes great responsibility, so we have a lot of work that needs to be done on our end as well.

Director Jon Keeney: Quick question. The ASP Rail, does it contain the material safety data sheets?

Mr. Brett Sebastian: Yes, that's what I was trying to say. I forget what it's called from high school science, but it's material safety data, yes.

Director Jon Keeney: Okay, good. Thank you. I will comment, too. I recently viewed a video of trains going through Hanoi. And if we were sitting here and she was sitting there, the train would run right between us with virtually no space between people and the train. And of course they do kill people together. But conversely, people live, and work, and whatever goes on in Hanoi right next to a rail line which implies that Americans in a way are spoiled by these things. They just try to beat the train, and yet we have a culture in Vietnam that can tolerate that sort of constant ambiguity in their life of a massive rail system literally feet from where they live, walk, and eat.

Mr. Brett Sebastian: I'm going to do it a disservice, but I was putting together a presentation back in March. I'm going to try to remember this to best of my ability. When it comes to a road rail intersection, there's three aspects of responsibility. The railroad has responsibility for maintaining that intersection in good, working order. The municipality, or the county, or the governing entity has responsibility towards the lead up to that crossing and making sure that the planning makes sense, make sure that the traffic patterns make sense. But also thirdly there is a public responsibility towards how they conduct themselves at the railroad crossing—not trying to weave in and out of the arms, not trying to beat the train. And I think you'd be shocked when it comes down to it—there just is a significant gap of education when it comes to, you're going to lose the battle with the train nine times... Not even... Ten times out of ten. Not nine times out of ten. Ten times out of ten. That's true for semitrucks. That's true for passenger vehicles. That's true for everybody.

Chairperson Carol Lewis: Director Owen. Same thing, microphone.

Director Bruce Mann: You're on mute, Allen.

Director Allen Owen: I had to turn it up. Can we get a copy of the slide presentation?

Chairperson Carol Lewis: It should be in your packet, Director Owen. The packet that Lisa sent out.

Director Allen Owen: Oh, yes, I missed it. And the other thing is I think Director Mann was smiling during this presentation. Are you not, Jean? It's right what we've been talking about.

Director Jean Mann: Yes, very much. And I have to say I don't understand why anybody would want to cross on foot a train track. I ventured out on the train tracks one time years ago to get a photo, and it was the scariest... I was terrified. And I've never touched it since. It's a shame that you even have to have this education.

Director Allen Owen: You never put a penny on the railroad track to see...?

Director Jean Mann: Oh, no, no, no.

Director Allen Owen: We did that many times.

Director Jean Mann: No, because I was always told that it would derail them.

Director Allen Owen: Oh, they're not that big around.

Director Jean Mann: No, I was told it was... I pictured me doing that and the train derailing and me going to jail for the rest of my life when I was a kid. That's what I pictured.

Director Allen Owen: You just have to find it after it runs over it.

Mr. Brett Sebastian: When I was a kid, I got a railroad spike off of the UP line that runs by Highway 3. We were messing around out there. I think we had a wildflower project or something. We had to go pick something and put it in a book in like fifth grade science. My mom said we were just wandering around the railroad track. I've got a spike back home that I picked up from it. Flash forward 20 years later, and I'm like, "What were we thinking?" Now I've got all the statistics, and I've seen everything from Operation Lifesaver, and it's like, "Well, that was a terrible idea."

Director Allen Owen: Yes.

Chairperson Carol Lewis: Director Chapa Gorczynski please.

Director Veronica Chapa Gorczynski: Thank you so much for the presentation. I'm Veronica, and I work primarily in the East End. I'm grateful for the presentation. Just something I was going to ask for the group to consider—specifically when we're looking at the funding breakdown and we think about what's eligible for those costs, one of the challenges that I'm finding is that there's not enough money allocated to set up technology with monitoring, and there's opportunities both on the public side and the private side for that. I feel like when we were asking for more monitoring cameras for the East End specifically, we were asked to collaborate and go out for a CRISI grant, which is a much more holistic approach to finding an answer for an intersection. And so one of the things that... is where especially for areas where we don't need a lot of cameras but monitoring would allow us to look at what's happening with the conditions, what's happening...if the train was stopped, what's happening with vehicles that are potentially crossing or rushing the train unnecessarily. There's not a lot of grant funding to pay or invest in those or to think about how maintenance could be continued by the government bodies. Just something to think because I feel like these aren't expensive solutions, but on the technology side, they can be cost prohibitive. And we're working with some great grant opportunities, but I feel like the rules are just a little old, and they haven't evolved to meet some of those technology needs.

Chairperson Carol Lewis: I think that's an important point. I'll talk a little bit more about it in a minute, Director. Director Jones?

Director Kendric Jones: Good to see you, Brett. Good to see somebody down from Waller County, just like myself. I have a question... As we all know that I guess grade crossings are important. How could either this governing body or local municipalities jump on board to support going after this hundred million dollar request that you guys are trying to get from the state to set up a grant opportunity for municipalities to go after to help with grade crossings?

Mr. Brett Sebastian: Yes, definitely. And good to see you as well. Glad to see Waller County representing so well in this conference here. I would venture to say we're really not sure yet because the session just ended. We're still very much in the preliminary of how this is going to look, structuring it for '25. And on top of things, the session just ended, but it's also still weirdly going on in its own way given all the discussions that are still ongoing. So, I know that Judge Duhon was actually one of the signatories on the 80-person letter. So, Waller was represented at least to some degree. In terms of how that looks like... I'll need to get back to you on that one because we haven't had the in-depth conversation with the Texas Railroad Association yet beyond things that are just conceptual. We have a vague idea of what we want to do. We know we want to pursue it.

We know there's a lot of bipartisan support. We need to work a little bit more with TxDOT to see what the specifics of that ask are going to look like, and we want to make sure we're doing it in a holistic manner that takes into account all the different folks that have expressed support. And we know with Waller that there's a significant difference between Harris County, Waller County is kind of this exurb and also suburban area, but then a more rural location. Or Panhandle versus Valley. So, there's a lot of different... There's just so many different stakeholders across the state of Texas. We want to make sure that whatever program ends up going in as a request sometime in '24 that, A, it's got the legs to actually kind of get from point A to point B in '25.

Because every state session you go in and ask. You can have the best ask in the world, and there's no guarantee it's going to come out. So, we want to make sure we have the best version of something to go in, but we also want to make sure that we have everyone on board across the state. So, I'll definitely make sure to keep you in the loop on that as we have those conversations. That's probably something that we can work a little bit more closely with in terms of those individual state legislators—Representative Kitzman, Senators Kolkhorst and Huffman for our area, but representatives and senators across the state, as well as the executive offices.

Chairperson Carol Lewis: Alright, so I'm going to make some comments. And then, Bruce, I'll circle back to you. Really appreciate your coming and presenting all of this. I've got six bullets, and so my thought was that this trust is the beginning of a regular working relationship. Six bullets is a little too much to address right now, but I'll tell you what they are. One is the whole question of education. Educating the public is difficult. And I think we might want to talk over time about how you actually do that. The second... I'm going to move the second one to last. Let me do this. This is kind of a thing. We in the U.S. don't do any automated trains. We see ADs and CDs on the motorized side, but we're not seeing anything with automated trains. I was talking to another colleague about... Do you know... per chance? Okay. He's a national guy that I know. And he was saying that they automate trains in Australia. They do automated trains. There is an advantage to it both from a safety perspective and a cost perspective. And so just kind of curious as to if there is a reason why... Bruce knows what I'm talking about. We were

wondering can we get any money to try to do an automated train. I was thinking about the train in Port Houston. There's tons of reasons we can't. So, skip that. But it's in my brain as something that we might be wanting to think about. So, don't take a lot of time talking about it right now, just if you have a short sort of impression about that.

Mr. Brett Sebastian: Cruise Lines is something that the railroads have been operating on very significantly over the past two years, and it is something that's included in the Railway Safety Act that we've been working on over the last few months in conjunction with what came out of Ohio. Historically that is an issue that is left to collective bargaining, although there are exemptions in it for short line railroads. A lot of short lines do operate with one person in the cab. Amtrak and a lot of commuter rail and transit rail also operate with one person. I'm not familiar with too many examples of an automated train. Although I do know some examples, as you mentioned, that were outside the United States. In terms of what we can pursue going forward, maybe more limited scales like at port, certain short lines. I know that that technology exists, because as we've seen, it does exist in other countries. It's something that the industry and I guarantee you the Texas Railroad Association would be very interested in working on, trying to see what kind of program that would look like. I do know that there is a grant that's out there. I haven't worked on it too much. We track it, but I haven't had anyone apply to it to my knowledge. I want to say it's the Smart Grant. It is a more technology driven grant, and it is available for railroads for technology like this that may even tie into what was being discussed in terms of those cameras. I just don't know too much about it because I've never had a direct applicant to it, but it is something I might recommend taking a look at. But there are opportunities there, and I think that's something we would certainly be interested in working more closely on.

Chairperson Carol Lewis: Okay, so we're going to marry that... what Director Chapa Gorczynski had talked about with monitoring, so we will monitor that. I want to roll that into your conversation about the Texas Rail Relocation fund. So, as you know, we were advocating for that with the Transportation Act. We did a whole day, going around to offices in Austin about this. I thought we had a really good response, so I really appreciate your talking about that. I guess over time, we will want to work with you and others to really try to help do what we need to do with that. And all the things that you mentioned, I can understand why it would have given people pause. But two things... There's nothing to do about it because we didn't get it, but two things that really sort of bother me about it is that when we get back in 2025, there's not going to be 33 billion dollars sitting there, I doubt, that we can talk about. That's one.

And the second thing is the IJA, all that money is frontloaded. So, the money that's going to be left by the time we get around to getting our match, it's a real loss. But okay, so I verbalized it. There's nothing to do about it. It's just verbalized. But I guess as a roll out, we would want to maybe work with you and do the best that we can to leave all of that flexibility. Whether we're talking about the crossing arms, the automation, the monitoring, whether cities are able to do things, what we need rural, what we need urban. The need is so great, and I guess it gives me pause that part of the legislature's concern was they couldn't kind of narrow it, and so it sort of hurts us a bit. I'm going to... My last question is going to be... This is the next to the last one. I Go back to the slide with the chart you have about the different funding breakdowns. And so talk about just the appropriated... I'm looking at this inner-city passenger one. Is it supposed to be that much larger than everything else? Which it looks like it is.

Mr. Brett Sebastian: It's the light. It's the light, Chair.

Chairperson Carol Lewis: Literally we could stack all the other bars and still not get to that one. So, this is just me. But if this had enough money, we could find a place to stay. So, I want to go to Dallas and Austin personally. So, that's that. And then number one... My last one is we've had conversations with it. So, you talked about it a lot, and I guess I'm kind of curious. So, what's your priority? It's hard to do everything right. So, those are my last two, and then we'll go back to Bruce.

Mr. Brett Sebastian: What's my priority? Oh my goodness. That tends to vary on the given week. Right now we are very interested in trying to make sure that the adverse issues in the Railway Safety Act that are being discussed right now...the things that don't really have a basis in many of the NTSB or FRA studies actually improve safety, we would like to see those removed. So, we've done a lot of work on that I'd venture to say the last maybe two months or so. During the session, we were working on railway safety issues. We were working on the grade crossing here in Texas. I was working on an issue in Kansas. I believe we're looking at something when it comes to truck size of late here in the coming weeks, if not months. And I believe we're also looking at some of the... I think there's something like a dozen different pending economic regulations before the Surface Transportation Board. I've heard there may be some movements on some of those sometime this fall. So, in terms of what the priority is right now, number one, Rail Safety Act. Next week, I'll have to get back to you.

Chairperson Carol Lewis: Okay. Alright. Thanks.

Mr. Brett Sebastian: And then rolling into this passenger aspect... Because you're absolutely right. The lion's share of the allocated money is going towards the passenger rail side of things. I don't know... We're tracking it, and we're encouraging folks that if there is a freight line that hosts an existing Amtrak route to maybe consider this as an option for some kind of capacity increase or if there's kind of a general-purpose project, this could be a vehicle. It's going to be a lot more tied to what Amtrak's plans are than something that's generally available to the country. I'm sure anyone could apply for it. The likelihood of that success is probably going to depend on what Amtrak is talking about in the background. So, I know that you can see the very top, there is a smaller portion called Corridor ID Grant. That is the preliminary one that should be announced this fall, discussing what are the new routes that Amtrak is going to be adding. Some have been discussion for many, many years like the extension of Heartland Flyer from Oklahoma City to KC. I don't know what's going to be on that shortlist, but I would imagine that would be a very strong contender. Then there's other ones that have been in discussion... I think most of the folks in the room have seen that kind of conceptual map of the new Amtrak routes that have been proposed. I don't know where it came from, but it does have the Texas triangle listed as a potential new route. I have to imagine most of these moneys would be going towards those projects. In terms of ways that Gulf Coast Rail District, stakeholders in this room, could utilize that as a vehicle to achieve passenger access, community improvements, grade crossings, capacity, whatever the project may be, it'd be trying to identify once we know the corridors...trying to identify where those routes are going to be—is it going to be the UP route along Highway 6. Is it going to be the BN route going somewhere else? And then figuring out, “Okay, what way can we work with our railroad, with our community to expand that capacity so that freight is not being impacted by the increase in passenger?” And we can hope we come out of that in a win/win scenario. It's not something we've talked about too much, but that's a lot of money to ignore on that chart.

Chairperson Carol Lewis: Thank you. Director Mann?

Director Bruce Mann: Thanks. No, I was just going to suggest that that Rail Relocation Fund, as you guys found out, has some issues. Probably the best path forward might be working with Jeff Davis and TxDOT and just having TxDOT do a legislative appropriation request. And between now and then, I know we could try to work with TxDOT to put together the rules on how that money would be spent.

Chairperson Carol Lewis: I think that makes sense, too. Thank you. Alright. Anybody else?

Director Jon Keeney: Just a very quick comment. Actually, I would like to invite you to a mayor's meeting. We've invited Jeff Davis to come talk to us from the TxDOT viewpoint, and having you there, we could actually have a conversation that would influence the area mayors in the south of Harris County and also Galveston County. And I'll give you the date and all that if you're willing to...

Mr. Brett Sebastian: I'd be happy to. I appreciate it.

Director Jon Keeney: By the way, the reason we're doing that is there is nothing but abject ignorance about the rail system. People just don't know. They don't have a clue.

Chairperson Carol Lewis: I was about to say this sounds like part of the education piece. Right?

Mr. Brett Sebastian: Part of the education piece. But I've been working with GoRail for four years this August, and I'm still learning new things about the rail industry with every different policy that crops up and the new technologies being unveiled. There is so much... I was joking with Ms. Parker. If you gave me the leeway, I could come up here without any papers and talk to you all for an hour about just all the different issues we've been working on since COVID. Just COVID alone, much less things like Staggers and the large scale history of the industry. I guess that comes with the territory when railroading has been around for 150 years, but it does also go to show that there is just a tremendous educational component. Not just in terms of the layman's education towards how to interact safely with the railroad but also policy makers and the different plans that need to go into effect, and funding opportunities, all these different things. There's a lot going on with the industry for sure.

Chairperson Carol Lewis: Oh, Director Bartholomew, your hand is up. Can you come on screen please? We're not voting, but still. So we can see you.

Director Angelique Bartholomew: I was just agreeing with what Director Mann was saying. It really sounds like an opportunity to get with TxDOT to really draw up policies around how it is expended, which would be a great approach. I just wanted to reiterate that. I like that.

Chairperson Carol Lewis: Perfect. Thank you. Alright. If there's no one else, then Mr. Sebastian, thank you. And we know that we will continue to communicate often.

Mr. Brett Sebastian: I appreciate it. Thank you all for having me very much.

Chairperson Carol Lewis: Alright. Number ten, report from Ms. Parker please.

Ms. Katherine Parker: Alright. Good afternoon, all, and thank you all so much for being here. We're a little bit longer than normal, but I think we had great information on today. Just a short

update about our HART committee. Our last meeting, we had presentations from the Federal Rail Administration, Dr. Santiago Cruz Roveda talked about discretionary grant programs. We also had a presentation from Jeff Moller, who is the AVP with the Association of American Railroads. You heard that entity in Mr. Sebastian's presentation as well. And he is also a part of The HART committee. He's done work with creating Austin and New Orleans' gateway infrastructure improvement program.

So, you can go to the next slide. So, we are definitely trying to educate those who are a part of The HART committee and also pull in as many opportunities to help us to further this effort. The last presentation was HNTB which was the latest Houston-Beaumont Freight Rail Study. Basically an update. That study, if you all can remember, it's an update from a 2007 study that included over 2,000 grade crossings that are included in the study. This is the 2021 version. The scope of that study includes not only railroad operation improvements but grade crossing reviews as well and how all of those can parlay into federal grant opportunities.

Next slide. So, Mr. Kyler gave us an update about the railroad operational improvements. And when we say operational, those are improvements within the yard and right outside, how they can improve operations to identify constraints, new concept developments, how they can model efforts related to train movements, and then also next steps—how to refine those concepts and review a grid structure which are some of the issues around Buffalo Bayou/Brays Bayou.

Next slide. Then there's also the grade crossing review, which was separate from operations. So, those 50 plus crossings that we've been talking about were in review, and we pulled out what we call the TxDOT ten studies. He talked about constraints related to location. Of course, any time we talk about making changes to the roadway, right of way is affected. Street access, the adjacent land uses, whether it be, as we say, churches, schools, businesses, state right of way, utilities, all of those are affected and also how we coordinate with whoever the jurisdiction is who is responsible for any upgrades. So, those were a part of the review that HNTB did for each of the crossings that we submitted as part of the TxDOT ten HART study.

Next. All of these aspects that are a part of the study as we talked really today, I think made me think about how all of these pieces will come together hopefully to make a stronger application when we get to that point. But also the opportunity to provide education to these entities who may not understand the importance of all of the rail issues that come as part of... in this whole arena. We know as he stated, in Texas... and as we have talked about many times, Texas has the most rail miles in US. We are affected in our region just by the sheer numbers of Texas. So, we feel this every day. Our residents feel it. And so, these are opportunities not only through THE HART but as we're learning each meeting, many other areas that we can hopefully make a difference that people can feel. Yes, some of them will take a while. People have lived with it for a while. But we're hoping that there will be some positive upgrades not only with just the money influx but as we see technology changes as well, which could possibly happen quicker than a grade separation or even railroad capacity improvements. That's what we have for THE HART update so far.

Chairperson Carol Lewis: Any questions or thoughts for Executive Director Parker? Director Bartholomew, is your hand still up or not lowered from your previous statement? I'm going to think not lowered.

Director Angelique Bartholomew: It should not be up.

Chairperson Carol Lewis: Okay.

Director Angelique Bartholomew: I'm not showing that it is.

Chairperson Carol Lewis: Okay. It's alright. No problem. Alright. If that's it with Executive Director Parker, next item on our agenda is 11, announcements from me. US 90A update, we've talked about that for some time. Ms. Parker is on the decision committee that shortlisted the consultants. Alright, so there are two shortlisted firms—HDR and Huitt Zollars. Listed in that order: HDR and Huitt Zollars. H-GAC will be taking that to the board for approval next month, so we're right in the throws of moving onward with US 90A. Just FYI, folks on the committee were Jamila Owens from H-GAC, Ms. Parker representing us, Vincent Sanders from METRO, Perry D'Armond from Fort Bend County, and Stephan Gage from TxDOT. So, that was the decision team that did the shortlist for us. So, they will go forward with that. And, I don't know, it'll probably take them a month to get the contract, maybe more. But trustfully, we'll be moving very quickly as soon as we get signatures on that contract. Any questions from anybody about that?

The next item we have is that we did do a letter and a contribution in memory of Hugh McCulley. So, you all know last month, I think either Bruce or Tyson mentioned that he passed. And so he was so active in helping us get The HART started. I mean he was at every meeting, voicing support, helping us in so many ways with everything from the logo to the name. Just all those early on meetings, he was there. So, we really will miss his contributions. And they had in the newspaper that there was contributions to UT Law School. So, we did that. It's actually in your budget packets, which you can see we made that contribution to UT Law School in his name. So, just wanted to mention that following up to I know the announcement that you all got last month.

Then, Item C that we have is our next meeting, Tuesday, August 8th. We will be reaching out to you, Ms. Parker and I, because we'd like each of the committees to meet either before that day or you all can think about whether you want to meet that day, that morning, rolling into our meeting at two. Primary focus is going to be what your committee wants to see in the strategic plan and/or what you want on our agenda for the calendar year 2024, which will start in January. So, that sort of will mirror our invoices that will go out for 2024, and then we have the companion piece that will be the wrap up of our strategic plan along with whatever items that you want to have on that calendar and agenda for 2024 and 2025, if you want as well. So, that's going to be our charge. And we'll reach out to everyone to get those things done. Any questions or thoughts about any of that? Okay. Alright.

I also want to thank Director Arias Peterman. I did not mention that I wanted to thank you for your leadership and the rest of the committee. So, I might not... help me. I know Allen Owen was on the committee. Bruce Mann. Who else was on the committee? Director Beeson. Is he on? I think he's on Legislative and Funding as well.

Director Ronald Beeson: Yes.

Chairperson Carol Lewis: So, if I missed a name, let me know. But all of you who are on that committee, thank you very much. And just in case you thought, "Well, our committee works so hard to get this structure out. We don't have anything else to add." I wanted to have you thinking about what we just heard from Mr. Sebastian about how we need to be working with the

legislature to get something out of Texas and TxDOT that we could use for a match. So, food for thought for you all. Alright.

Chairperson Carol Lewis: Anything else for the good of the order? If not, I will entertain a motion to adjourn.

Director Jon Keeney: So moved.

Chairperson Carol Lewis: Director Keeney.

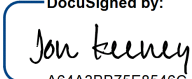
Director Ronald Beeson: I will second.

Chairperson Carol Lewis: And we have a second from...

Director Ronald Beeson: Director Beeson will second.

Chairperson Carol Lewis: Yes, Director Beeson, I think we had a second. So, all in favor. I'm sure we are adjourned.

ATTEST:

DocuSigned by:

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Jon Keeney, Secretary
Gulf Coast Rail District

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