



Minutes of the Gulf Coast Rail District Board Special Meeting – February 2, 2021

A special meeting of the Gulf Coast Rail District Board of Directors was held on Tuesday, February 2, 2021 via the BlueJeans web-based platform due to the disruption of normal business during the COVID-19 pandemic. In attendance at the special meeting were Directors Ronald A. Beeson, Michael Dyll, Pablo Escamilla, Abigail M. Gonzalez, Carol Abel Lewis, Bruce Mann, Richard L. Muller, Jr., Allen Owen, Jim Robinson, Jeff E. Ross, and Dennis Winkler. Absent were Directors Trey Duhon. Written notices of the special 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.

Chairperson Lewis: I'm just looking at the names. I can see that we have a quorum, but we can go ahead and get started. I'm going to call us to order. it is 2:02 p.m., Gulf Coast Rail District. We have a special meeting today. Director Winkler, would you help us by certifying our quorum, please?

Director Winkler: Okay. Do you want me to get a sound off on who's on?

Chairperson Lewis: Yes, just to be...

Director Winkler: Okay, let's start. I see, obviously, the Chair is on—Carol Lewis, Ron Beeson, Allen Owen, Jeff Ross, I heard Bruce Mann. Who else is on?

Director Escamilla: Pablo Escamilla.

Director Winkler: Pablo.

Director Gonzalez: Abby here.

Director Winkler: Abby. Did I hear... So, that gives us seven, is that correct?

Chairperson Lewis: It gives us more than seven. Yes, that's our number.

Director Winkler: Okay, so we have our quorum, thank you.

Chairperson Lewis: Perfect. Thank you so much. So, we are here... Yes?

Director Ross: Richard Muller.

Director Muller: I'm joining late, sorry about that.

Chairperson Lewis: Yes, no problem. Glad to know you're here. Alright, so we have our quorum. We'll move on. We have one item today. And I would like to remind everyone... I have to start the recording, so give me just a second.

Automated voice: Recording has started.

Chairperson Lewis: Perfect. Alright, so we missed our roll call, but I don't think Lisa will have any problem getting that back in for us. So, I want to confirm our meeting posting compliance with Open Meeting Act. That was done. Katherine, I'll ask you to confirm for us, please?

Ms. Katherine Parker: Yes, everything was done timely.

Chairperson Lewis: Okay. Perfect, thank you. Alright, so moving on to our next item. I would ask if you make a motion, if you would remember to please say your name first before you make a motion and/or second, so that we can ensure that Ms. Patke has that for the record. Also, we ask if you're not speaking, if you wouldn't mind muting your mic, I think it would help with everybody's audio if you are able to do that. Alright, so item number four, possible action Resolution 21-03, authorizing the executive director to negotiate a contract for a legislative consultant. I'm going to ask Ms. Parker if she will go ahead and guide us through that, please.

Ms. Katherine Parker: Thank you. Well, good afternoon, directors. Last year, the board began discussions for items for the Rail District for the 2021 legislative sessions. On November 10th, 2020, the board approved two areas to advance for legislative consideration. That was shared use of utility right-of-way and advanced transportation technologies. Board consensus was to hire a consultant to assist us going forward. The scope of work and proposals were developed and reviewed by the Gulf Coast Rail District's Legislative and Funding Committee. An email was sent to four firms requesting proposals. As a result of our efforts, there were four submittals on January 28th, 2020, to the GCRD for the legislative consultant. And after review, the recommended firm is Rick Miller. Upon the board's approval, I will begin negotiation with Mr. Miller concerning our request. I'd like to thank each of you for your input and your help during this whole process. And that's our resolution that Lisa has up on the screen.

Director Ross: You're muted.

Chairperson Lewis: I realize that, thank you. Each director did receive this in advance, so I think you've had an opportunity to look over it. If not, feel free to do that now, and then let us know what your pleasure is.

Director Owen: This is Director Owen. I recommend that we approve the resolution and move forward.

Director Gonzalez: Director Gonzalez, I second that.

Chairperson Lewis: Thank you. We have a motion and a second. Any discussion?

Director Owen: The only discussion that I would have is that in the body where it says "not to exceed \$30,000" in the order ranked. When we negotiate this with Miller, I know that his contract was \$30,000 plus expenses. We need to hold our amount to \$30,000 including expenses.

Chairperson Lewis: Yes, thank you.

Director Owen: And I think we just tell—Director Owen just says it—that I think we just need to tell Rick that we authorize no more than \$30,000 to be spent on this project, period. And I think

it'll be less than that because the expenses he's talking about is travel expenses, and he can handle that between here and Austin.

Chairperson Lewis: Alright, thank you. Others? I think I heard someone else.

Director Ross: Yes, this is Director Ross. On the item about the shared use of utility right-of-way, it appears to me that the first conversation needs to be with CenterPoint based on the email from Kevin Meals of their Right-of-Way Department. Because if CenterPoint is going to be against this thing, there's really no way we're going to overturn that in the legislature on short notice. So, I want to be sure that when we negotiate with Rick that that fee is identifiable so if that one drops out, we have lowered our financial exposure. I do have a question. What was the differentiator on why Rick—and I don't even know who the other parties are necessarily—but what was it about Rick that stood out?

Director Owen: Well, this is Director Owen, and again, I got three of the four. I will tell you that two of them wanted \$75,000 each, another one wanted like 50 grand. I guess, Jeff, the reason that I think that Rick is the right person is—Rich and I visited with Rick before he submitted his deal to us—with his previous experience on the Hike and Bike Trail, his experience in dealing with CenterPoint, and his experience in dealing with Joan Huffman and other legislators to get them onboard for this bill, and we would be his only client—that's another important thing. These other lobbyists are all great, but in my mind, by now, they've got their plate full of a lot of different clients that they're working on. We need somebody to concentrate directly for us and do it as quickly as possible. And his is a month-to-month thing, Jeff, so if it takes him two months and we find out that we're down the road on no end, then we end it with him and we're out the two months.

The other thing that I think is important, and Jeff and I got an email from the right-of-way guy at CenterPoint, who obviously did not know that we had really abandoned the idea of commuter rail being in the right-of-way, and we're looking at the RBTs. And obviously, they would object to us adamantly if we were talking about rail, so I think as Rick goes in and talks to CenterPoint this go round, he needs to clarify the fact that this isn't rail anymore. That we're talking about RBTs that use pavement rather than rail. Their concern was is that in an event of a storm, if a lot of their towers were torn down, for them to access those towers across rail would be very important to know. We've got somebody on here from Union Pacific. But tearing up rail to get to that is another issue. RBTs can just be rerouted to a street without a problem.

Their other issue that we will have to deal with at some point in time is the fact that they are very concerned about what happens when they need more of that right-of-way to expand their infrastructure. I talked to, I guess, Rick about that when we first started talking about it, and also discussed this with CenterPoint, is that we know that whether the bill passes or not, we still are going to have to go to CenterPoint for permission. That Bill 931 was passed in 2017, they just signed off on it this year in CenterPoint to allow Hike and Bike Trails.

So, in talking to Representative Murphy's office, I stressed that to her, that we weren't talking about rail anymore, that we were talking about the RBTs which is a totally different issue.

Because I think when Representative Murphy even had his early conversations with CenterPoint, they brought up that concern about expansion and about getting into their right-of-way to work on the lines. As I told her, I think we're going to move forward in trying to get the bill passed. If we get the bill passed and we go to CenterPoint and they say, "Absolutely no," then we're no. But if we get the bill passed and we can sit down with CenterPoint and work out what their issues and concerns are, at least the bill will be in place, and then we can move forward with trying to negotiate with them. It's going to be on their, like Jeff said, it's going to be CenterPoint's ball.

Chairperson Lewis: Right. And I think the point there is that getting these bills passed does not take us anywhere near this finish line. It just gets us out of the starting block. So, I think that's the way we look at it. I think I saw Director Muller.

Director Muller: Yes, I was just going to elaborate on the question that Director Ross asked about, "Why Rick?" So, the thing that was important to me was he kind of walked us through the path he had to go through to get the Hike and Bike bill passed. And so, he's already familiar with the pitfalls along the way—where you're going to get pressure, where you're going to get objection, and how do you avoid it. And so just him having done that already, of just the exact bill effectively already was important to me. I would also echo Director Owen's comment about at this point we would be his only client, and he'd be able to focus on our issue. And so those were kind of the deciding factors for me, was just he knew where the potential traps were on getting it passed. And then lastly, just to echo Director Owen's point about the conversation with CenterPoint—all the bill really does is give them a liability shield; it doesn't require them to do anything. But if they don't have the liability shield, they're not even going to have a conversation. Right? If their liability for an accident in their corridor is unlimited, if I were representing them, I'd say it's a non-starter. So, I don't even think you get to have a meaningful conversation with CenterPoint until the bill is passed.

Director Robinson: I would agree with that and for the reasons that Mayor Owen stated, I really think that Rick Miller would be the best choice.

Chairperson Lewis: Okay. Any further discussion?

Director Ross: Yes, this is Director Ross again. I'm fine with Rick Miller and I appreciate the background on how that decision was made. I would be talking to CenterPoint and saying, "We want to take the first three steps of the marathon," but if we can't take these three steps we don't even get into the marathon. So, they'll have full approval of whatever it is that's determined from a transportation standpoint would fit in that corridor, and it would be shaped by what's acceptable to them as much as anything else. But there's a lot of study to be done and I don't know if I could commit right now to say it's bus rapid transit, it's commuter rail, it's just a guided trails, self-driving cars. I don't know what the technology's going to be, but the point is before CenterPoint agreed to the final use of that right-of-way, they would know what it was going to be, and that could be several years down the road. And I wouldn't cut ourselves off necessarily too much unless it became absolutely necessary to say, "No commuter rail at all." But I don't know what the demand is out there over the next 40 years, and I don't know what really serves it.

Chairperson Lewis: So, I think what that says is that, again, this is just to get us started and have conversation. And so, I think as we move forward, it makes sense for Legislative and Passenger Rail to continue communication as we go forward. So, we're not going to baton hand to Mr. Miller and back off. We'll continue the dialogue and make sure all the way through that our board and all of you, all of our directors, have an opportunity to express thoughts and guidance as we move forward.

Director Muller: And I'll say that I've got a relationship with Kevin Meals from land development stuff, so if there's a conversation that needs to be had with him, I'm happy to volunteer or go with somebody. So, just if somebody will let me know I need to do that, I'm happy to do that.

Chairperson Lewis: We most appreciate that and want to make sure we get... Well, look, we've got the minutes, but I was going to actually write it down to make sure we know. So, we will be calling on each of you as your strengths and relationships come to light as we move forward.

Director Ross: Right, but I would expect Rick Miller—this is Director Ross—I'd expect Rick Miller to develop that strategy of visiting with CenterPoint and knowing he has resources amongst us to do that.

Director Muller: I concur with that.

Director Owen: And Jeff, I will tell you—this is Director Owen—he has already started visiting with them before he even took this on. He wasn't going to take on something that was going to be a failure to him either, so he's already begun those conversations, I understand, with CenterPoint.

Chairperson Lewis: That's a great reminder. Everybody wants to be associated with something that they're going to be able to follow through on and carry on to the point that they can sort of raise the flag and say, "Yay!" at the end.

Director Owen: Exactly.

Chairperson Lewis: Alright. Any other comments? Alright. If not, I will call the vote. All in favor? Please say, "Aye."

Board: Aye.

Chairperson Lewis: Perfect. Is there any opposition?

Director Mann: This is Bruce Mann for the Port; I'm going to abstain.

Chairperson Lewis: Okay. So, we will count the directors, Ms. Patke, and we'll have the number of voters voting, "Yea," and Bruce Mann voting abstention. (Yea: Directors Beeson, Dyll, Escamilla, Gonzalez, Lewis, Muller, Owen, Robinson, Ross, and Winkler. Abstaining: Director Mann.) Alright. So, the motion does carry, thank you.

Chairperson Lewis: Alright. Item number five, I don't know if anyone in our public would like to have any comments today. We open the floor for you to speak to us if there is such a desire. Okay, not seeing or hearing any desired comments.

Announcements from me. Excited about today. I've been on the board for probably eight years and I would say that this day marks a really big day for us in advancing our mission and so I'm very happy about it. I look forward to having the same kind of momentum as we talk about freight, because those are our two items—doing passenger transport and aiding and improving freight mobility in the region. So, looking forward to being able to do both of those things.

We meet next Tuesday, and so Director Owen and Katherine, we know they'll be there bright and early first thing. [Inaudible 00:17:23] because we did want to just handle this item and then allow everyone to go on with their business. So, we will see you back here on next Tuesday and thank you so much. Good day, y'all. (Adjourned at 2:18 p.m.)

ATTEST:

DocuSigned by:

Dennis Winkler

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Dennis Winkler, Secretary
Trey Duhon, Vice Secretary
Gulf Coast Rail District

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The disruption of normal business due to the COVID-19 prompted the use of electronic signatures.