



Minutes of the Gulf Coast Rail District Board Meeting – February 14, 2023

A meeting of the Gulf Coast Rail District Board of Directors was held on Tuesday, February 14, 2023 at Houston TranStar and via video conference. In attendance at the meeting were Directors Ronald A. Beeson, Robert A. Fry, Jr., Veronica Chapa Gorczynski, Kendrick Jones, Jon Keeney, Carol Abel Lewis, Bruce Mann, Allen Owen, and Tina Arias Peterman. Absent were Directors Christopher Lane, Jean Mann, and Jeff E. Ross. 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 Lewis: I think we've got everybody on now (2:00 p.m.). Thank you so much. I will call the meeting to order. I'm Dr. Carol Lewis, presiding officer of the Gulf Coast Rail District. We are at TranStar, 6922 Katy Road, Houston, Texas. It's February 14th, 2023. There are options to participate in person or virtually by video conference. We are conducted through Microsoft Teams. The link can be found in the meeting invitees' agenda and public postings. The meeting is open to the public. The public will have the opportunity to address the board with a limit of three minutes per speaker. When addressing the board, please approach the podium.

Alright. So, let me know if I'm getting feedback. We've got a microphone to me now in the room, so if I'm getting feedback, you all virtually... Okay, great. I've got a headshake no. Alright. We are required when addressing the board, those of you who are online, make sure that you raise your hand, and we will get you acknowledged. Board members may participate in accordance with the provisions of section 551.127 of the Texas Government Code applicable to a governmental body that extends into three or more counties. Based on the Open Meetings Act requirements, 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 voting. Therefore, if anyone were calling in by telephone, we would not be able to count you, but there's no one on the phone today. As required, I'm physically present for the board meeting, and ask that the secretary please conduct the roll call. Because that position is at this moment open, I could do it, or I could ask Mayor Keeney, who will shortly be voted in as secretary to go ahead and do it for us. Mayor, if you don't mind?

Director Keeney: I don't mind, don't mind at all. I'll just simply go down the list. Ronald Beeson?

Director Beeson: I am on.

Director Keeney: Veronica Chapa?

Director Chapa Gorczynski: Present.

Director Keeney: Thank you. Jeff Ross? Tina Peterman (joined after roll call)? Carol Lewis is obviously here.

Chairperson Lewis: Yes.

Director Keeney: Mayor Keeney's here. Bruce Mann?

Director Mann: Yes, Mayor, I'm here. Thank you.

Director Keeney: Allen Owen?

Director Owen: I'm here. Thank you.

Director Keeney: Kendric Jones?

Director Jones: Here.

Director Keeney: Christopher Lane? Jean Mann? Robert Fry (joined after roll call)? Madam Chairman, we do have a quorum.

Chairperson Lewis: Thank you so much. For the record noting, we can't count Commissioner Jones until after he's voted in a few moments with the resolution. But for the next meeting, we're going to look forward to having him right there. He will be voted in in time enough for the majority of the votes, I believe. Alright, so that takes us through that particular agenda item. That takes us on to what we'd like to do, which is to acknowledge our board of directors folks who will be vacating their positions. And so I'm going to get up from here, acknowledge each of them, and thank them for their service. I am going to hold this so that I can be heard.

First of all, I'm going to acknowledge Director Michael Dyll. Thank you so much for your time on Gulf Coast Rail District. Each of you has in your packet the acknowledgement that we're giving to Director Dyll thanking him so much for his participation, Roadway/Railway, and giving us insight as we talk mostly about those things that affect us with the railroads and our freight movement. So, really appreciate your time here, can't thank you enough, and as I kind of said to him earlier, don't forget us.

Director Michael Dyll: I won't. I wanted to thank you and the board. Thank you, Dr., for your leadership. It's come a long way since I've been on it. It's time for me to step back, let some new voices, new blood get on. You all have outgrown my expertise, so I wish you the best. I'm sure you'll keep doing great things. Thanks, you all.

Chairperson Lewis: Thank you so much. So, now we'll recognize Judge Duhon. Judge Duhon, we so appreciate your time on the board. We'll totally miss you and as I said, I hope that you'll miss us. But he's not going quite as far, he's taken a position as the head of H-GAC's overall 13-county committee, so I told him, really, I want you to think about us because we are under that umbrella through the Transportation Policy Council. And so really appreciate your time here, all the things that you've done. You've served as an officer, you've served on committees for us, and we really appreciate your service. Thank you so much.

Judge Trey Duhon: Well, Dr. Lewis, thank you. I want to thank all the other board members and staff, everyone for my time here. I've really enjoyed my time serving on this board. We have come a long way. I think it's been eight years since I first joined the board. I'm looking forward to moving on, obviously, and serving some roles and unfortunately, I've gotten to the point where there's only so many hours in a day. But I really do appreciate everybody and all my time

working on Gulf Coast Rail District, and we really have made some major headway and I know there's some great things ahead and I want to wish everybody all the best. And I do believe I'm leaving you in good hands with Commissioner Jones. He is one of the brightest and best coming out of Waller County right now. I've known him since he was a student body president at Prairie View A&M. And you're not going to find somebody with more energy, so make use of it.

Chairperson Lewis: No worries.

Judge Trey Duhon: But I do appreciate everybody, and I wish everybody all the best. Now I'm not too far down the road, so if you need me just let me know.

Chairperson Lewis: Perfect. Thank you so much. Alright, the next acknowledgment we want to do is for Director Abigail Gonzalez. She goes by Abby around here, Director Abby Gonzalez. We thank you so much for your time. She's been doing a lot to help where you haven't seen it. When you go to our website, you'll notice that we've updated our website. It's a lot more friendly, looks a little different. Director Gonzalez had a large part in that, so we thank you for that. So, same thing, you've got the certificate, the letter in your packet. We want to thank you so much for your time on Gulf Coast Rail District and look forward to what you still might decide you want to do to help us because we will take help from folks who are not on the board. But thank you so much. Would you like to say anything?

Director Abigail Gonzalez: Yes. I just want to say thank you to you, Dr. Lewis, and to the entire board for everything that you're doing. I know that you'll continue doing great things. I wish you all the best and I'm always happy to help even though I won't be on the board anymore so feel free to reach out to me. I'm always happy to see that the website got off the ground, so thank you all again. And again, best of luck with everything.

Chairperson Lewis: Wonderful. Thank you. Alright, so that takes us through items four, five, and six. Before we move on, does anyone on the board want to have any comments before we move on to number seven? We'd like to offer that opportunity. Alright. Well, thank you very much. On to number seven, discussion and possible action on Resolution 23-03 nominating and approving officers for the Gulf Coast Rail District Board of Directors. So, in your packet, because we are having changes in our composition, there is an item naming a couple of positions on the board, and the first one I think is where we're moving Mayor Keeney to the position of secretary.

Chairperson Lewis: Can you all look at that and tell me if there's a motion?

Director Owen: Board Member Owen makes a motion.

Director Mann: Second, Bruce Mann.

Chairperson Lewis: So, the motion is Bruce Mann and the second... Did I say it right?

Director Owen: Allen Owen.

Chairperson Lewis: Right, but did I say it right? Motion Mann and second Allen?

Director Mann: The opposite.

Chairperson Lewis: The opposite, that's what I was thinking. So, motion Owen, second Mann, right?

Director Owen: Yes.

Chairperson Lewis: Alright, perfect. Thank you. Any conversation? All in favor?

Board: Aye.

Chairperson Lewis: Any opposed? Okay, thank you. That motion passes.

Chairperson Lewis: The next item we have is item eight, discussion and possible action on Resolution 23-04 recognizing the Waller County Commissioners Court appointee, Kendric Jones, to position number 12 of Gulf Coast Rail District Board of Directors—the next item in your packet.

Chairperson Lewis: Is there a motion?

Director Keeney: Move to accept.

Director Chapa Gorczynski: Second, Chapa Gorczynski.

Chairperson Lewis: Okay, good. We've got Keeney and Chapa Gorczynski on that. Any discussion? All in favor?

Board: Aye.

Chairperson Lewis: Any opposition? Thank you.

Chairperson Lewis: That takes us on to number nine, discussion and possible action on Resolution 23-05 recognizing Montgomery County Commissioners Court appointment of Jean Mann to position 14 on Gulf Coast Rail District Board of Directors.

Chairperson Lewis: Is there a motion?

Director Keeney: So moved.

Chairperson Lewis: Okay, Keeney.

Director Beeson: Director Beeson will second.

Chairperson Lewis: And Beeson. Any discussion? All in favor?

Board: Aye.

Chairperson Lewis: Any opposed? Okay, thank you.

Chairperson Lewis: Moving on to item 10, discussion and possible action on Resolution 23-06 ratifying committees of Gulf Coast Rail District. In your packet, you've got the Resolution 23-06. It adds Commissioner Kendric Jones to Bylaws and also adds him to Passenger Transit. When we make the motion, I'd like you to add Jean Mann to Railroad and Roadways. When I did it, I said, you know, that's a tongue-twister? I need to name it something else, but I couldn't think of anything else.

Allen Owen: R&R. R&R.

Chairperson Lewis: R&R. R&R Committee, right.

Director Owen: Director Owen makes a motion.

Director Keeney: Second.

Chairperson Lewis: Alright. So, Director Owen motion, Keeney second, and that adds Jean Mann to that RR Committee. All in favor?

Board: Aye.

Chairperson Lewis: Any opposed? Great. Thank you so much.

Chairperson Lewis: The next item, discussion and possible action on minutes for the January 17 meeting. I'm listed for that but since we have asked Mayor Keeney and he has accepted, Mayor Keeney, would you want to walk us through that item 11 with the minutes?

Director Keeney: Yes. I'm assuming everyone has looked through those minutes. Are there any corrections or additions? Hearing none, then I need a motion to accept the minutes as is.

Director Beeson: Director Beeson will move to accept the minutes.

Director Keeney: A second?

Director Mann: Bruce Mann.

Chairperson Lewis: Yes, Bruce Mann.

Director Keeney: Motion and second, Madam Chair.

Chairperson Lewis: Okay. We've got a motion and second. Any discussion? All in favor?

Board: Aye.

Chairperson Lewis: Any opposed?

Chairperson Lewis: Alright, on to item 12, report from the treasurer. Director Owen, please.

Director Owen: Madam Chair, I assume that Chris Palis is in the office. He's at the table, I hope he is.

Chairperson Lewis: He is.

Director Owen: Yes. He can give us our investment report.

Chairperson Lewis: Alright.

Mr. Chris Palis: Good afternoon, everybody. In front of you, you should have your Gulf Coast Rail District bookkeeper's report as of February 14th, 2023. Page two is a cash flow report showing a beginning balance of \$74,268. You can see the receipt of about \$80,000 in annual dues here from Harris County and Waller County, and total disbursements totaling \$5,718, leaving a balance of \$148,549. Page number three is a listing of the account balances of the District. Several CDs here, the money market, and Texas Class, and then the checking account, Central Bank, leaving a grand total of \$1,482,180. Pages four and five are your actual verse budget for the month of January. You can see total revenues here in the budget totaling \$83,716. And then total expenses for the month, \$744, leaving a net contribution of \$82,973. Then the following pages, so that's six, seven, eight, and nine, are the grant activity which no changes since the last meeting on this. Also, there should be the fourth quarter, the quarterly investment report for the period ending December 31st, 2022. And if you go to page two you can see totaled the monthly interest earned for the quarter of \$8,891. And then page three at the bottom you'll see the total interest earned, the complete accrued interest then totaling \$11,637.97 for the fourth quarter. That concludes the bookkeeper's report and the quarterly investment report.

Director Owen: Very good. If there are no other questions, Madam Chair, I would ask that Resolution 23-07 ratifying payments be approved.

Chairperson Lewis: Can we get a second please?

Director Keeney: Second.

Chairperson Lewis: Okay. Second, Keeney. All in favor?

Board: Aye.

Chairperson Lewis: Any opposed? Okay, thank you. That passes.

Chairperson Lewis: Item 14, public comments. We have Dominic with us today. Would you like to address the board, please?

Mr. Dominic Mazoch: Sure. Can you hear me?

Chairperson Lewis: Yes.

Mr. Dominic Mazoch: Okay, thank you. My name is Dominic Mazoch. I represent myself and I'm in the conference room at TranStar. Now starts the clock. I think everybody who's interested in transportation needs to read the Environmental Impact Statement that has come out and its final EIS for the proposed merger between Canadian Pacific and Kansas City Southern. I know this group cannot as a body rail district cannot comment on that but I think that it would be wise to have that base of information when you go back to various government groups. There are footnotes in that EIS concerning the increase of possible traffic for the Houston Terminal, and I think it'd be wise for people to look at that. Also, too that will affect the... I think there's a thing tomorrow at the Transportation Advisory Council concerning the Houston Area Rail Improvement Group and that's going to be very interesting.

And the other thing is now I had a discussion with somebody the other day and I think we need to start thinking about. There was a bad wreck up on Union Pacific... on what they call the old Southern Pacific branch they used in Houston East Texas line off I-69. I think one thing is within the rail community, ... Operation Lifesaver. And on Operation Lifesaver and a subset within Vision Zero, the traffic, it's the disregard of traffic laws for everything. Rail crossings, pedestrians, the whole nine yards, it's bad and it needs to be worked on and specifically enforcement of all aspects of traffic laws and transportation methods of the Operation Lifesaver side. With that, end of comments. I'm sending it back to you, Dr. Thank you.

Chairperson Lewis: Alright. Thank you so much, appreciate your comment. Let me have the record reflect we've been joined by Director Peterman, and Director Fry has come in the room, so thank you to both of you.

The next item that we have on our agenda is announcements, so we're about to be ready to wind down. The first item listed is the HART or Houston Area Rail Transformation Group. I think we mentioned last time we've been meeting every two weeks. We're on the verge of approving a logo. We also are working to set up our structure and our decision-making processes, so that's in the early stages. So, I'd like everyone to recognize that when you have a body, an entity that's emerging, that everything doesn't necessarily end up written with the Ts crossed and the Is dotted at the beginning, we work through, so our working group is still determining a lot of the particulars. Some of the things that we have ratified, of course, at our last board meeting, we listed the stakeholder invitees, so those letters will go out to all of those entities that will be invited to join the formal committee that we have here at GCRD. I have talked to many of them and know that they are very excited and will be naming their individuals who will be a part of that committee.

The other thing I would mention is that we're starting with the top 10 grade separation locations. Those are solicited from the TxDOT Houston-Beaumont Rail Study, so the member entities are sending in at this time their suggested priorities. And so the group will go through in some kind of process, probably Delphi-ish, and identify the top 10 that TxDOT will go into additional detailed study for. The companion to that is that Craig Raborn at H-GAC sent an email inviting TPC members to go through that TxDOT Beaumont Study and identify any grade separations in their jurisdictions that they felt should come forth for consideration, this 10-project shortlist. So, that's happening.

The other thing that will follow that is that we will take that list, those compiled lists, and that will become our longer list from which we'll continue to work over the next – drop in anything you want in the timeframe – six months, year, but then that will be the second-tier list for that. So, let me pause with that and ask if there are any questions or thoughts about this Houston Area Rail Transformation group that we've started. Alright. Alright, great.

Director Chapa Gorczynski: Dr. Lewis?

Chairperson Lewis: Yes.

Director Chapa Gorczynski: I'm going to interrupt and have a question.

Chairperson Lewis: Yes.

Director Chapa Gorczynski: Are we able to fund this with our current dues, all of this work? Are our partners in the organization in-kind this?

Chairperson Lewis: So, the answer to that question is sort of twofold. H-GAC will continue to act as the planning agency for most of the processing, and then the individual entities will continue to do their own design and engineering for their own projects. So, HART is mostly a conduit for leveraging the federal monies. So, the thing that we had heard from Federal Railroad Administration and others at USDOT is that our region is best postured when we have a united participatory group from which our projects that are going up for the federal ask, that we fare far better if that's coming from a single entity. So, we're basically the facilitator conduit for those projects. So, any entity that would have done its engineering and its design work will continue to do that, and then the projects will be funneled through for sort of the priority ranking and then the ask. The formal process... I think some of that, again, we'll still volley through how that will happen, but what has happened before is that the individual entities submitted their own request. Now, though, they might come through HART as a formalized request.

Director Chapa Gorczynski: Thank you.

Chairperson Lewis: Absolutely. Anyone else? Alright. If not, on to the B element, the rail relocation funding. So, I think I mentioned last month that there's this Texas Rail Relocation Fund. I think we sent to each of the board members the one-pager that we had prepared about the history of that fund. It was started in 2005 by the Texas Legislature but it was never funded. This cycle, the Legislature has already put \$200 million into the fund. We want a lot more. So, Katherine is there today. I know she's talked to some folks. She's there with the Texas Rail Advocates, and I think they are asking for the amount to be increased a bit. The Transportation Advocacy Group, TAG, is going next Thursday. I will be in that group that goes, and we will also be asking. In their language, they ask for substantial funding in the rail relocation piece. So, TAG has about a five-item legislative agenda. Just FYI, the first item on the TAG list is to start collecting a fund for electric and alternative vehicles, and I think it's looking good. We'll probably end up with something in Texas for alternatively fueled vehicles. I don't know how they're going to end up categorizing it, but we will end up with some kind of fee for those vehicles that are alternatively fueled.

And then the second item on the TAG agenda is this one, for the railroad relocation funding. BAYTRAN has also added this item to their legislative agenda, so we know that that's

happening. So, we are hopeful that we can get a little bit more than 200 million. The good thing about that is that it will allow us to use that as local funding to compete for all the money that's been set aside in the infrastructure package, IJA are the initials, that was passed under the Biden Administration last November. So, there's a lot of money for railroad projects in that package. That really is a first. That money had not been there before. A total area for grade separations and some other things that we might want to think about that will enhance the integration of our railroads and our local traffic and everything that we're trying to do here. So, that's it on the rail relocation piece.

If you have friends in the Legislature, since we're a public entity we probably can't advocate either, but it certainly doesn't hurt for you to talk to them about all the things that we know. So, we know that we've got the study from TxDOT that talks about the... we've several studies from TxDOT, quite frankly, they've done at least three. They did the Houston-Beaumont one that documents all of our railroad crossings and interferences here in sort of an 11-county area. The State of Texas also did a study. The Texas Beaumont one, they did an aggregation that showed if we were to be able to do all those grade separations, it would be \$889 million, if we were to be able to do all the ones in the 11-county area. TxDOT did a statewide study. They did not try to calculate how much it would cost but they did in that document note that the railroad industry adds \$1.2 billion to the Texas economy. And then at the January meeting of the Commission, another study was shown, a TxDOT Rail Plan. So, it should be fairly easy to say that TxDOT is doing study after study that shows that this is an important area for us to get funded, and an important area for TxDOT to have dollars in as local match. So, that's kind of the element B. Does anyone have any comments about that?

Director Owen: Madam Chair, this is Director Owen.

Chairperson Lewis: Yes.

Director Owen: Could you send us some bullet points that we could be talking to our legislators about? Simple bullet points that we can do that? It'd be simpler to do that than to have a lengthy discussion with them.

Chairperson Lewis: Okay. We will absolutely get that to you.

Director Owen: Because we have some contacts.

Chairperson Lewis: Awesome.

Director Keeney: I'm going to push BAYTRAN to also support this funding with additional... for additional funds. So, the more information I have, the better off we are.

Chairperson Lewis: Okay. Sounds great. Thank you for that. So, item C is Other Corridors Report. So, we have from H-GAC the names of folks who will be on the Steering Committee. Director Owen, for 90A. They have not yet released the RFP. I'm holding my breath waiting for it. It should be any day now we hope that that gets released. But the Steering Committee has been identified that will be the body that will review the solicitations as soon as they come in. So, we are getting there, and we are stressing the importance of getting that work done in a timely way because as you could say better than I, we've been waiting for about 12 years to get this horse moving down the track, around the track.

Director Owen: How about 25?

Chairperson Lewis: Alright, 25. Alright, 25. So, hopefully we can get some momentum on it really. Other corridors under the other corridors... I'll also mention as I had mentioned before that we met with Judge George last Monday—Katherine, myself, and it was Fort Bend Toll Road executor director along with Perri D'Armond who heads their Fort Bend Transit. So, we're talking about continuing work with METRO. We'll talk to you about this, Director Fry, about extending METRO's BRT all the way through Fort Bend County. So, conversation is going on. That too is on H-GAC's list. It should go faster than 90A because the right-of-way is there, the mode is determined, so it's really just a matter of continuing the momentum. So, that also is underway and the fact that we do have really heads nodding from every corner of Fort Bend County at this point. So, that's the last item on that. Is there any other comments or notations from any other board members right now?

Director Owen: Happy Valentine.

Chairperson Lewis: Thank you. Happy Valentine to everyone. Chocolate and flowers.

Director Mann: Dr. Lewis, just an announcement in case... I'm pretty sure everybody that's here knows about it, but H-GAC last week, maybe the week before, recently passed a new criteria for the call for projects and investment categories. Included in that for the first time ever is freight movement, regional goods movement. So, if your entities haven't heard about it yet, please go look for it. I think there's probably north of maybe \$100 million potentially for freight projects for our region, so please go take a look at that and make sure. I think the cutoff is the 24th of this month to submit a project interest to H-GAC. Thank you.

Chairperson Lewis: Absolutely. Anything else?

Director Chapa Gorczynski: Yes. This is Director Veronica Chapa Gorczynski. And you, Madam Chairwoman, spoke a little bit about it, but TAG is going to the capital, the Transportation Advisory Group Houston. I know everybody here's probably done a capital trip, but my favorite saying is, "Just get on the bus." They're going to be going for a full day. I think the information is on the TAG Houston website. It's Thursday, February 23rd. You could make a long weekend out of it. If you haven't done any transportation advocacy, that's a good group that's going, and I think it's always an opportunity to learn a lot and hang out with good friends like us.

Chairperson Lewis: Exactly. And there's also a reception that evening that will have folks that you might like rubbing elbows with, including Director Chapa Gorczynski and myself, in case you want to rub elbows.

Director Chapa Gorczynski: We'll just do that for the next GCRD meeting.

Chairperson Lewis: Exactly.

Director Chapa Gorczynski: Milkshakes for everyone.

Chairperson Lewis: That too, that too. Alright, great. Thank you. So, yes, you are invited. The TAG Green Light Houston Day is an open event.

Chairperson Lewis: Alright, if that's it, I would entertain a motion to adjourn.

Director Keeney: So moved.

Director Chapa Gorczynski: Second.

Chairperson Lewis: Oh, that was Keeney and Chapa Gorczynski, right?

Director Chapa Gorczynski: Yes.

Chairperson Lewis: Okay, awesome. Alright. Thanks, everyone. See you next month. The next meeting is March 14th, same time, same places. Alright.

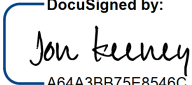
Dominic Mazoch: That's Ides of March.

Chairperson Lewis: Okay.

Dominic Mazoch: Which is the next day.

Chairperson Lewis: The next day. Right, exactly. Alright, thank you all. We'll see you soon (adjourned at 2:35 p.m.).

ATTEST:

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Jon Keeney, Secretary
Gulf Coast Rail District

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