

AGENDA



Thursday, September 25, 2008

**Austin Energy
RECOMMENDATION FOR COUNCIL ACTION****Item No. 7**

Subject: Approve a two-year membership in the Texas Rail Relocation and Improvement Association, a statewide coalition of municipal, county and state elected officials, groups, and others, in support of an economic development initiative to relocate heavy rail traffic lines currently located within metropolitan areas in an amount not to exceed \$50,000 over two years.

Amount and Source of Funding: Funding in the amount of \$25,000 is available in the Fiscal Year 2007-2008 Operating Budget of Austin Energy. Funding for the remaining \$25,000 is contingent upon available funding in future budgets.

Fiscal Note: There is no fiscal impact. A fiscal note is not required.

For More Information: Roger Duncan, General Manager, 322-6157; Jeff Vice, Local Government Relations Director, 322-6087.

Boards and Commission Action: Recommended by the Electric Utility Commission.

The Texas State Legislature passed and the public approved by election in 2006 a constitutional amendment creating the Texas Rail Relocation and Improvement Fund, currently with no associated appropriations. The Texas Rail Relocation and Improvement Association was formed to educate the public on the importance of moving freight rail out of the urban cores and to build support for the State to appropriate and sustain funding for the Fund.

Austin Energy is seeking membership in the Association to support the economic development and environmental benefits associated with rail relocation. Population growth and increased international trade have combined to create both freight movement and passenger vehicle congestion throughout the state of Texas, including the Austin-San Antonio Corridor. The Fund could be used to relieve traffic congestion, improve freight movement mobility, and remove hazardous materials from heavily populated areas, all of which improve the economy and quality of life in Austin and Texas as a whole.

Benefits of relocating rail include:

- Current urban rail lines can open for commuter rail, bike paths or roadways;
 - Train carrying capacity increases by faster track speeds away from congested urban areas;
 - More efficient movement of cars, trucks and trains leads to better protection of the environment;
- and
- Safety enhanced by moving hazardous cargo away from denser populations and eliminating crossings.