

City Council Discussion – City Council and Capital Metro Board Joint Discussion Transcript – 06/17/2014

Title: ATXN2

Channel: 6 - ATXN

Recorded On: 6/17/2014 6:00:00 AM

Original Air Date: 6/17/2014

Transcript Generated by SnapStream Enterprise TV Server

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>> Good morning, I'm austin mayor lee leffingwell, I'm going to call to order this city council discussion meeting on tuesday, june 17th, 2014, THE TIME IS 10:05 a.M. We're meeting in the austin convention center, 500 east cesar chavez, room 6 ab, with that I'm going to turn it over to board chairman, martinez, to call his meeting to order. >> Good morning, I'm austin city council member mike martinez, chairman of the capital metro two. I will call to order this session of the capital metropolitan board of directionors, 10:08 a.M., JUNE 17th ... >> Mayor Leffingwell: Before we get started, I want to mention that this will be a briefing only and a discussion by the members here at the dais, there will not be public comment today. I'll make a few rehabworks and then I'll turn it over to chairman martinez to make a few remarks and then we'll are have a briefing from our staff folks. So this is a very exciting time in the city of austin. This new proposal gives capital metro and the city of austin a special opportunity to build on our strengths and develop a solution that addresses the gridlock. Last year austin drivers spent an average of 40 [indiscernible] stuck in traffic. We are the fastest growing area in -- in america and if we don't do something different, we're going to seriously impact our economy, and our quality of life. We need to take cars off the road, it's really that simple. We're a great city but our traffic situation reflects poorly on the city of austin. Last summer I gathered a group of citizens to advise me on what should be the

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next high capacity transit investment in austin. The citizens advisory committee include members from the city council, the cap metro board of directors and lone star rail. We had business and non-profit leaders such as tom stacy, martha smiley, tim taylor and greg hartman. We had community leaders like dave sullivan and boone blocker and julie montgomery. We had representatives from the university of texas and the state of texas. We had representatives from the asian, hispanic and the african-american community to help our technical team determine the project that would have the best chance of attracting federal matching funding. They spend many friday afternoons and sat through many data digs after hours to provide us with their expertise. We brought on a team of experts that has over 140 years of cumulative experience. They have conducted 95 transit studies all over the country, led -- leading about \$20 billion in transit investments. They have worked in cities like dallas, los angeles, new york,

houston, san jose, sacramento, phoenix, salt lake city and atlanta and others. Last friday, the central carter advisory group approved the project team's proposed locally preferred alternative. I believe we have made the right decision for austin. This is a nine and a half mile high frequency rail service with multiple stops, about 16 is the current plan, running in lanes separated from traffic, it runs from grove boulevard and riverside drive across lady bird lake through downtown by the convention center and then north through the capitol complex, new medical school and teaching hospital complex and the u.T. Campus, then on to airport boulevard and 2222 at the a.C.C. Flagship

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location at highland mall. This joint meeting provides us with the opportunity to ask whatever questions we may have remaining regarding the proposal. I know we've had many briefings on this subject. It will allow us the opportunity to talk about how we use our combined strengths to address one of our most troubling problems, traffic congestion and growth just the first line of urban rail will take 10,000 cars off the road each week day. Regardless of who rides the rail, everyone will benefit. We owe it to ourselves to invest in and create a great transportation system that gets more people out of our cars. So we have to start somewhere. With that I'm going to turn it over to chairman martinez to talk about capital metro's work. >> Thank you, mayor. I just want to start out by thanking the capital metro staff who has been a part of this leading up to today, president c.E.O. Linda watson, you and your team have done incredible work, javier, many others on you are team through the community outreach component of this process and all of the staff's help in answering questions of the community, of our board, obviously this is a -- huge step for austin, texas. But even more so for capital metro having come from the place we were just four short years ago. And I would be remiss to not also acknowledge and thank my fellow board members at capital metro for the hard work over these last four years to put us in this position, to be able to truly set forth a proposal to our community that one austin is needing, but, two, is ready for and capital metro is capable of accepting should the citizens grant us that authority. I want to thank the mayor for his leadership and the leaders that he mentioned leading up to this point as well. Look forward to the discussion today. >> [Indiscernible]. >> Mayor Leffingwell: Thank you, chairman, now I'll turn it over to our staff to take us through the briefing. >> Thank you, mayor.

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I'm kyle [indiscernible] and I'm the project lead for this effort. I'm happy to be here this morning. I'm joined by javier from capital metro, scott gross from the city of austin. The three of us have been the primary leaders of this effort but we are supported by a significant number of people from the city and capital metro staff as well as our consultants. It's been a real honor for me to work with you over the last year plus. This is a really unique partnership. Typically is one or the other bodies that is advancing this project as we'll talk about this is a real unique partnership moving this forward together. So I appreciate your time and interest. As we move into the conversation today, I want to let you know that this is the shortest presentation that we'll make. [Laughter] we will spend a little time with you to recap where we have been. Let me see if I can advance that. There we go. I do want to recap where we've been over the last year. And so that there's proper context for the decision making that we have taken

to you and this effort to recap the recommended locally preferred alternative is -- is anticipation of your potential action next week to -- to approve the locally preferred alternative in advance -- and advance this project for potential funding alternatives. So I -- but the primary point, as the mayor said, is to be able to -- if there are any questions that you have regarding the recommendation at this point in time. I want to make sure that you have the opportunity to ask that -- those questions of us. And we want to make sure that we respond to you today and if we need to respond to you prior to next week, we will do so as well. So a little history, our process review going back to the transit working group that was formed by the mayor and other regional leaders, about three years ago. They identified five major challenges that we have within the region.

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How do we connect and reinforce our center's concept. It's the basis of our imagine austin comprehensive plan, how do we connect them. How do we reinforce the economic engine of the community in our core. How do we respond to the constraints that we have to address, physical, social, economic. And as we've commented, you know, significantly over the last year, how do we respond to the growth that is coming, not planned to come, but they are coming to the tune of 110 people a day, how do we respond to that and the associated congestion that has not had a solution at this point in time. So those are the five challenges that were presented to us. They were very, very important as we'll highlight through our presentation this morning. An outgrowth of the transit working group is the project connect vision map that you see illustrated on this slide here. You've seen it many, many times in many forums. This represents a prior missing link between the regional plan that we had at campo and the one-on-one off type of proposals that have been initiated over the years. This represents the vision for transit moving forward in the future. And it's a very important aspect for all of our planning efforts for any project moving forward in the future. Out of that effort there were nine project quarters were identified. Five of them you see had high priority, two of which had the highest priority, the north korea door and the central corridor. North corridor capital metro has completed it's north corridor study. They are now advancing to the funding stage. We have a step behind them on the central corridor as you now have a draft or a proposed locally preferred alternative but we are moving forward in this area, you will see additional movement on the east, southwest and/or northeast corridor moving forward. We want to continue our

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focus on planning. For the central corridor, we structured or plan around two major decisions. I was asked when I first sat down, "how do we move this project forward?" I said "well, you have to make some decisions." So the key thing with phase 1 which we concluded in december, where are we going to next place our investment? Where do we go next? We have red line, metro rapid, where are we going next with our investment. Phase 2 is how do we get there? W alignment, what station stops, what technology. Let me summarize both of these phases in just a few slides with you. You will recall in phase 1 we set up 10 subcorridors around the core. The core represents that economic engine in the community and it consists of the downtown area, the cap complex and the university of texas. The 10

subcorridors you see identified is what we compared and contrasted in terms of data. No single factor allowed us to come up with an answer. It wasn't just rider ship. It wasn't just congestion, it wasn't just economic development. It's a matter of how do all of those factors contribute to your decision making. One thing that I have said to you all before, fta looks at 12 different criteria. They look at not just one factor, they look at multiple factors. So we are structuring our analysis very similar to how fta will examine and rate our project moving forward. You will remember the detail that we went into with you. We showed our march madness bracket, if you will. This is how we took 55 different measures, remember I said it's not about one factor telling the whole story. We looked at 55 factors organized around 12 criteria and the five problems that we identified core, congestion, centers, growth and congestion. So those are how we identified and structured our analysis. You will recall t we

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weighted our findings on different factors. We looked at the project's team weighting. The ccag developed their own weighting. We looked at equal weighting, serving criteria as much as future conditions, shaping criteria. What we found was there was a separation between these 10 subcorridors, but more importantly we found a great consistency at the top. We found that the east riverside corridor scored at the top of every one of those weighting scenarios that we evaluated. We also found that the highland corridor ended up second on all but one of the weighting perspectives that we examined. So with those -- that consistency in particular, we advanced the east riverside and the highland corridor as our team's recommendation to you to advance this project into phase 2. Remember what this does. This allows us to focus our energies on identifying a project in the east riverside and highland corridor. We concluded that the additional subcorridors certainly had merit for additional consideration for high capacity transit. But the east riverside and highland subcorridor, that is where we find the opportunity for us to be successful in receiving federal dollars in the new starts arena. Last recap on phase 1, you will remember that the ccag advisory group took their action on december 6th prior to coming to the COUNCIL ON DECEMBER 12th. That was endorsed and then capital metro on january 29th and lone star in early february. You will see the three actions that were taken at that point in time. The first one was to endorse, advancing east riverside and highland into phase 2. You also identified the idea of continuing that system planning. So the idea is that we have

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already started to examine some scope and fee -- sources for -- for funding that additional system planning will be reporting back to the council by early august. But also with recognition about how the lamar subcorridor interest was very strong. We continue cultivating that relationship with fta and capital met continued to have its meeting with fta in advancement of the cap metro project. Those were in phase 1. Phase 2 we began rate on the heels of the actions taken in december was to identify a project by this point in time. In june. We are on the cusp of completing phase 2. Recall that this is not just about the project definition. That is important. To be able to identify the legitimate, the technology, station locations, the service that we would actually put into place. But there were two other elements that were critical. Number one was to identify a funding approach for capital funding as well as o and m

funding and also the governance. How are we going to structure an organization to lead this effort moving forward. So those three elements have been our primary objectives. We also discovered a fourth objective through our process. This is what we have called programs and policies. In order for us to be successful, in competing for federal dollars, we need to make sure that we have appropriate policies in place in the housing, in the jobs area, so that we can be successful. Affordable housing and transit dependent rider ship are important criteria double counted, we want to make sure that we have our local policies in place to help those effort. So we are now working jointly, staff is working to identify those programs and enhance our opportunities in those areas.

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Our phase 2 evaluation process started with a wide range of preliminary alternatives. We had a screening process bringing results back to you in march. And at that point in time, that identified our final alternatives. Those final alternatives were subjected to a much more detailed screening and evaluation process. And what we rolled out in early may was the project team's recommendation as a result of that process. And we'll get to that in just a minute. We identified modes, we identified alignments, we identified station locations for each of these areas. Our final alternatives that we examined were essentially two modes, urban rail and bus rapid transit, those two modes were compared against in essence the same alignment and the same station locations, so that we could be able to understand from an apple and apple comparison the costs and the benefits associated with those two modes. We had two major areas of focus in the alignment. One was how do we cross lady bird lake, you will recall that we had a bridge, a short tunnel and a long tunnel option. And then how do we get under the red line near the hancock center. And you'll see that we identified what we called a west tunnel and an east tunnel option. I'll get to our recommendations in just a moment and how we address those three issues the mode and the two areas. If we do that, I want to make sure that we have an opportunity to present to you our robust public involve. When we sat down and started this project, we committed to do several things. One was to be open, transparent and data driven. Sometimes we were a little anxious about that because it meant had we had to put information out right as soon as it became available. The quality control process was right on the heels of the generation of the information. Gave us a little bit of

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willies sometimes before we put that out. But we were committed to having, in addition to that, a robust public involvement program. We have had dozens and dozens and dozens of meetings throughout the community over the last year and a half. Advancing this project moving forward. We've been in board rooms, classrooms, garages, pavements. There actually are basements here in austin. So we've had the opportunity, though, to present information to the public and to receive input back from the public about our process, both in phase 1 and phase 2. The pen map that you see here, identifies the locations of many of our meetings that we've had. We've also asked, as I said, important questions about the input from the public about our process, how is the process informing the public, you'll see here, here's one question that we had in phase 1 that asked was the process used to evaluate our

subcorridor's appropriately. You will see that the majority of the people that were participants agreed with us in that regard. But there were some other things that were terribly important to us as -- as -- that we heard from the public. Number 1, what's our problem that we're trying to solve here? You'll see the purpose statements, the public provided input to us about what problems they felt were most significant and you'll see at the top of that list is congestion. That informed the project team that we needed to find an alternative that was an alternative to congestion. You also see that system was important there, too. Building a system was terribly important as well to the public. So we've taken those two factors into very strong consideration as we designed a project moving forward. As we moved into project definition and defining that project, there were two factors that emerged here on the service characteristics. Reliability and frequency. Those are two elements that the public said they wanted

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to see. If the vehicle is supposed to be there at 6:05, they wanted to see the vehicle there at 6:05. That informed us that we needed to define a project, therefore, that had strong reliability and had good frequency. And that was important information for us. Now, I had real second thoughts about showing this slide. Because it is probably the ugliest slide that we've shown you. It's hard to read. But it is in your packet. But when I looked at it, I said wow this is what we've done in the last month. This is what I want to really emphasize to you that we have not been sitting back waiting for -- for the information to roll-out. We've been out presenting this information to the public over the last month, you'll see the latest one was -- the earliest one was MAY 17th. So I wanted you to have an appreciation, the same appreciation that I have for our public involvement team that they've been out there, they've been presenting information, gathering information, and presenting that, bringing that back to the project team so that we're kept informed of issues and concerns that the public has raised. We have a number of open houses, they continue have this information about our recommendation of the locally preferred alternative, already the subject of several open houses, markets, briefings that we've had. We continue to have those, I wanted you also in your packet you will see some of the upcoming activities over the next month and a half. That are already on our schedule. And so we'll continue with our efforts to make sure that the public is fully informed and aware of the process and the project moving forward. Transparent, data driven, robust public involvement, were critical mantras for us as we move the project forward. Let me take a few moments, though, and introduce to you our recommended locally preferred alternative. Before throughout the --

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throughout the old ligament and the mode, the important thing is to add what is the service, what kind of service are we going to actually put out there. So you will see the four factors that we have addressed in periodic presentations to you of reliability, frequency, stop spacing and speed. The green bars along those scales represent our targets that we had in terms of reliability and frequency, this is where we were -- we began our project definition area. The red triangles that I'm showing you is where we ended up at the end of the day. A couple of moments on each one. In terms of reliability, from project team

and the definition standpoint, that said we wanted as much dedicated guide way as possible, free of traffic, so that we could maintain strong schedule adherence. Frequency, we are looking at 10-minute frequency in the peak periods, 15 minutes in the off peak periods. So again we're responding as strongly as we feel that we can to those two key factors that the public said were important to them. On the topics of stop spacing, we have a 9 and a half mile project with 16 stations, so we're just around a half mile station stop spacing. We'll be a little closer than that in the downtown area, a little further in that as we get into the outer edges. The associated stop spacing has an impact on speed. So we're at about 22 miles an hour per -- that's including your stop times for passengers to get on and off. So it's very, very good speed on that. That's a little lower because we have more station stops. If we had fewer station stops, we would see a greater average speed. So the recommended locally referred alternative, you will recall again, that we examine bus rapid transit as well as urban rail technology, our recommendation is for urban rail technology to serve the

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9.5-mile route. Electrified similar to any light rail system that you would see in houston or dallas. Our recommendation for crossing lady bird lake is to do that on a bridge with a signature structure that would be crossing lady bird lake. In terms of hancock center, that was that second area where we had examined how do you get under the red line. We looked at what we called the east tunnel of moving forward with that. In the project area, there are 16 stations, four of those would have park and rides. Southern part would be grove and pleasant valley the northern would be hancock and highland. We estimate our ridership at approximately 18,000 riders per average weekday by 2030. We anticipate that about 10,000 of those riders are going to be new transit riders to the system. And that's important because we're making improvements, not just to a project, but it's how that project relates to the system. So, for example, the red line becomes very attractive, we provide an opportunity for transfer at hancock. That actually may encourage people to ride the red line. Our bus network is actually being restructured in some of these park and ride areas where hubs are actually created and therefore bus service is improved. We are also seeing that about -- of the project, 18,000 riders, 6500 of those are new transit riders on that project. So we will attract choice riders to this project as well as existing riders. You will see some travel times identified here. These are travel times regardless of whether it's peak period or off peak period given the dedicated guide way that we are looking at. From grove to the -- to where we are today at the convention center would be 11 minutes. And from a.C.C. Highland to this location would be about 17 minutes. Two big numbers at the end. Total capital costs that we'll go into slightly more detail in just a minute, \$1.38 billion for a fully loaded cost estimate to move

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this project forward and then on the annual o and m costs, that's 20 -- 2022 the first year of full operation is anticipated to be 22 million per year. A little more information on the costs, just to make sure that we capture that, because the 1.38 we recognize as a very large number. I also want to make sure that you have an appreciation, this is a fully loaded confident cost that we have that can be with move forward with this project. About 1.38 billion, about half of that, is the actual cost of construction.

Vehicle costs, initial vehicles are 40 million, right-of-way, also -- most of this right-of-way is within public right-of-way and street running, we do have 40 million-dollar in right-of-way costs. Professional services for project management, for staff time allocation, for consultant support during nepa and final design, that's about 240 million. One key thing here is we're very early in the planning process, as such we have a contingency of almost 30%, 330 million. One of the things that I have seen happen before, someone will do a back of the napkin and leave out contingencies. The point that I would like to make here, we have structured our cost estimating what fta will expect. They will expect a significant contingency fund or budget at this point in time and as you go through additional design work, you can refine or reduce those contingencies. But that's our level of confidence at this point in time. We have given you some comparative factors as well on the site of this slide that I think are really important. Just to give you a little bit of reference about how does this compare to other projects. You will see our proposed project is about 119 million per mile on the entire project. There's 21 projects currently under construction

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right now and the average cost of those projects is over that. It's 236 million a mile. 16 of those projects are similar to ours. Meaning at grade or mostly at grade. And the average cost of those per mile is 123. So still a little bit more than what we're estimating. You will see that six of those 16 are actually more expensive per mile. Than our project and five have total costs that are above ours. I'm not trying to say that we're going to come in above or below 1.38 billion. But I want at least to give you a little bit of confidence that the numbers that we are providing with you are comparable to other projects that the fta is seeing today in terms of construction. I'm going to tee up just a very brief animation that will just allow us to show you how we go through -- what the alignment for the locally preferred alternative is. You'll see that the project begins on the southern side at grove and riverside. We have two possible areas for a vehicle maintenance facility. One down near grove -- [♪♪ music playing ♪♪♪♪] -- >> we have one more. Yeah. As I was saying two possible options for a maintenance facility one down near grove and riverside, the other one up off of airport boulevard toward highland. So we will be examining that as parts of the project. Still not that one. Just a little bit of a flyover with park and ride at grove as well as at pleasant valley, we would be median running in riverside, we would cross i-35 station

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at travis heights and then the signature bridge across lady bird lake, tying into the fourth street station, convention center station. We would be along trinity, transition to san jacinto through the campus and then up red river to the hancock center and then we would be under the red line and then we would have a park and ride also at the a.C.C. Highland area. So that's a very general effort. The one thing that the dashed lines and the arrows indicate is that additional system planning that we anticipate doing as -- after we move into the project definition. This is moving those secondary projects forward such as lamar, mueller, south congress, east and west austin. As parts of that system planning effort. So we will continue to move those efforts forward. Thank you very much for teeing that up. Some of the project benefits that we've looked at, we've talked about the costs, talked briefly about the benefits. As the mayor indicated, we have approximately 10,000 cars that will be taken off the road daily. That's

associated with those 18,000 ridership levels. We're able to calculate that's about 10,000 roads or cars that would be taken off the trip as well. Two issues, we have done demographic information very important to us. We have talked about ridership, an important benefit for this project, of course, in providing an alternative to congestion. We have about 46,000 residents within a half mile of our station, we anticipate another 8400 residents by 2030. Those residents are very important to transit ridership. As important as they are, jobs are even more important. You will see that the number of employees within a half mile of this alignment is 97,000, we anticipate almost

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another 20,000 being added to this area by the year 2030. In addition, we have how many acres is it, mayor, about 24 acres taken out of the waller creek, 28 acres that are going to be taken out of the floodplain along waller creek. Those properties become opportunities for economic development to occur. So we've had professor patterson at the university of texas look at what is the amount of return, the amount of investment that would be made as a result of this project, we're seeing about a 3 to 1 ratio of private development in response to this project is anticipated. That development also brings with it additional sales and property tax dollars to the city to be able to help provide services throughout the entire city, of course, that amounts to about \$23 million per year. This is what I call kind of a shift in population, employment and development. It's not new population and development. But that shift in the region creates higher value development in the downtown area that may be in a more dispersed area of the community. That's an important benefit that this project brings to the community. Remember we talked about the four cs and the g is the first slide. We added during our process the importance of system and the importance of funding to our conversation. But I did want to just for sake of this project and what the project accomplishes, we were -- we were targeted to find an alternative to congestion, how to build a system and how to reinforce the core. Those were the three primary factors that the public rated for us as we moved forward. So as we went back to the project defined as locally preferred alternative, we asked ourselves, are we in fact responding to the established purpose statements that we had identified. And we believe that the project has done that. We believe that it will

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provide a reliable alternative to congestion. It's not going to solve congestion, we'll be part of the shared solution. To be able to provide opportunities for the public. But we believe that it's a reliable alternative. We will also reinforce the success of the core by getting people to and from the core quickly, efficiently and providing economic development opportunity. You will see some of the other factors about being compatible with the physical constraints, the demands of the future, but also having the opportunity to shape the future. But importantly, we also felt that adding that f, the funding, we needed to be competitive for fta funding. We don't have a dedicated source for this funding source for this project. And since the mayor has indicated and others, we need to make sure that we could be attractive to the federal transit administration for this project. So we've shown you right here on this slide the fta new starts rating criteria. You will see that they've organized this around project justification factors, which represents 50% of the scoring, and local financial commitment, which represents the other half of the

scoring. We've looked at the six criteria associated with project justification. Mobility improvements, congestion relief, environmental benefits, cost effectiveness, land use, we've looked at those factors and we believe that this project as we've defined responds very well to these factors. So we think that the fta will rate this project very strongly in terms of its project justification. But that's only half of the funding. Half of the rating funding. The rating process. As we look at the funding, we believe there's three factors that you will see there. Current condition, reliability, capacity, both agencies, the city and capital metro, are strong. Stronger than you've been. You have great credit ratings. You have the ability to be able to pay your debts, to

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be able to move forward in -- and in good, strong financial standing. What we are missing at this point in time is the commitment of funds. So this is where we have an incomplete on the funding criteria. So as we look forward to your questions and everything, this is the missing part of the equation. So until we can answer this question, fta's ability to rate this project will be incomplete. Now, keep in mind that we will not be submitting a project to the fta. For about three years. Once we have completed their project development process, we have completed nepa and we have a finding on the environmental process. But so this gives us essentially our path forward to continue to reinforce all of the project justification factors, like the jobs transit housing action team is doing. But also to identify our source of the local funding match for this project. With respect to our funding approach, now we've pretty much kind of taken you through the project definition part of our three objectives. There were two other elements that we wanted to make sure that we examined for this project. One is how do -- how are we going to approach our funding and how are we going to approach our governance. I only have a few slides on this and then we can turn it over to you for your discussion. The funding -- the capital funding approach is rather straightforward. You can see it represented by this pie chart. We anticipate that this project will be successful in receiving federal transit administration new starts funding, which would represent half of the project cost. The other half would be local funding. The -- we have identified one of the leading candidates for that, general obligation bond that the city may be moving forward with. That is our capital funding approach that we have been moving forward at this point in time.

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The o and m funding approach, you will recall this is that 22 million per year, that we would be examining. We've been working very closely with staff from capital metro as well as staff from the city to identify potential o and m funding sources to support this project. You will see a very significant part of this is sales tax, dollars, that may be available through the capital metro sales tax. And how do they free that up? And so that is -- they have been looking at that through their financial projections at this point in time. As we move a project like this forward, we actually become eligible for fta section 5307, which are actually capital dollars but they free up dollars for operations, so the fta essentially as a funding partner on this project therefore becomes a willing participant in helping us maintain some of our capital funding and freeing up operating dollars. We also have some operation savings that capital metro has already started to look at. As we define that background bus service, some of this service that

capital metro provides right now essentially will be replaced by the more efficient urban rail project. That frees up dollars to go elsewhere. So we will be able to see some savings on that regard. The city has been a very strong participant in these discussions as well. There has been discussion of providing parking revenue funds for this project on an annual basis, which I believe is an indication of the partnership that has been formed moving forward. You also see that there's some longer term items that we believe are opportunity -- are opportunities for us to grow that green piece of the pie, the other pie. Which would reduce the pressure on some of the other funding sources.

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A couple of those opportunities could be creating or amending the public improvement districts that are in place. We talked about the value that's being created here. And it's been a very strong message that we need to look at ways to capture some of that value, particularly on the o and m side. So we want to examine that as we move forward. Advertising and naming rights is certainly an opportunity for us to examine. And then also any kind of private contributions or in-kind contributions that we may be able to achieve. So we believe that both the funding approach is achievable. It's a big request. We believe that the orientation and mobility funding -- o and m funding approach is achievable, given the efforts by both the city as well as capital metro. The governance of this effort is essentially building on the interlocal agreement that was established a year ago to advance the project connect high capacity transit program. And the idea here is that we already have the joint executive team, we have ms. Watson and mr. Ott sitting at the table, for example, representing the joint executive team framework. Robert good has been, mr. Good -- mr. Ott's designee for that effort so that is already in place. But one thing that we have at at the policy level would be a committee that would be the guidance for the joint executive team. We would look at that. We would still take key decisions back to your respective bodies but they would be a small committee or advisory board anyway that would essentially have a little bit more familiarity on the issues to bring back to your respective organizations. Below the joint executive team, you would also find the designation of a project level day-to-day person, urban rail program director, essentially someone like the role that I have been playing here at this point

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in time. I do want to make one final comment on the governance. This is going back to the partnership moving forward. There's a provision in the interlocal agreement that allows us -- essentially allows you to designate the managing partner for the joint executive team. As we move forward in the design process, president watson will continue that role, it's anticipated that that role will shift to the city when we move to construction. Then it would shift back to capital metro as you move into operations. There's a lot of details to work out on that, but that's the general concept of how the partnership would move forward. We did examine other options like creating a brand new entity that for the first project we believe that the partnership makes the most sense. Organically, as you add more projects to the mix and becomes more of a full system, you may be able to organically create a third party organization. This allows I believe both parties to stay involved in each. This is no the a turnkey where the -- not a turnkey where the city says here's the money, go build it. Both parties go forward today. That's a conceptual

approach for the government moving forward and welcome your questions moving forward. Just a couple more slides. The road to the locally preferred alternative. You have our recommendation in front of you. We are having the joint meeting today. Capital metro I know that you were slated to move forward and potentially take action next monday. City council, I know that you are anticipated to take action on this next thursday. We have also identified as a potential last item there that -- that we understand that if it's desired to place this on the ballot for next november, that you have until early part of august to be able to make that

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decision. The last item I want to make sure is that we presented this similar summary to our citizens, our central corridor advisory group last friday. The endorsement you can see is summarized on this particular slide. It was essentially a 13 to 1 vote to endorse the recommendation moving forward. You will see the bullets about the endorsing the partnership approach to governance and funding. One key aspect that I will mention is we believe it's very important to advance the entire project, all the way from grove to highland into the federal nepa process. The federal funding scenario, funding approach these days is to find projects that are shovel ready. That means that they have completed their federal environmental clearance process. You can be much more strategic in securing federal dollars if you have the federal fundings already established. We were also recommended last week that we continue the next to last bullet here, continue to monitor the demographics, transit ridership, economic developments as we advance. The idea being is making sure that we are responding to trends and features as they move forward. The last item that I have mentioned is that we were specifically acknowledged again to continue that system planning effort, specifically an east austin-west austin connection, getting over to the seaholm area connection for lone star was an important discussion, but also moving into that second tier of corridors we identified at the end of phase 1, which was lamar, mueller and east austin, so the ccag has advanced, will finalize the resolution, make sure that you have that for next week so that you have that official language in front of you. Last point I have pretty much made it already, this image is of the officially

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adopted vision map. That was adopted last year. As we go through any corridor planning process, we define what we learn from our effort. We will be making adjustments to this vision map once there is an official lpa decision made by the two bodies represented here today. But we anticipate that this, I want to make sure that it's really reinforced, we can't stop planning. We have challenges, we have mobility needs, and one project is not going to solve it. The idea is to continue to reinforce the idea that the system as represented by the vision map here we continue to work toward creating that vision and building that vision by building multiple projects to move forward. Mayor, I know that was probably longer than you would have liked. >> Mayor Leffingwell: I don't know why you say that. [Laughter] >> it was shorter than many. But we look forward to any questions. Again our objective here scott, javier, myself, others behind us, we want to make sure that you have an opportunity to ask any questions that you have leading up to your potential deliberations next week. >> Mayor Leffingwell: Before we go to

questions, I want to adjust a quick sentence of context. Although what we're talking about here today is a part small part of urban rail, an official phase of urban rail, that in turn is part of a system, a mass transit system called project connect which is really a regional system, that's how we have to continue to think. As we advance various stages, various phases of urban rail and other components such as bus rapid transit, inner city rail, express buses, et cetera, we have to make sure that we continue to this of this as a system so that each part interacts with other parts. Project connect, mass transit system for the

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region, again putting it in context although it's not on the table today is part of an overall strategic mobility plan for the entire region of central texas, which will include a lot of other parts besides mass transit. We have to keep that in mind as we go through and we have to -- we have to in the months ahead and we have to continuously talk about it as a system and not just an initial phase of urban rail. With that, if there are any questions, I am sure there are questions, chairman martinez. >> Thank you, mayor, thank you, kyle for the presentation. I do have a couple of questions as it relates to the presentation. Specifically if we can go back to slide 37, two things pop out, other seems fairly significant, we don't have that detailed or percentage dollar amount, fair seems significant as well, when you couple those together, looks like it's more than 25 to 30% of the pie chart. Do you have that level of detail of what you are projecting for fair box recovery in this category we're referring to as other in terms of percentage of that \$22 million. >> We have estimated fares, we actually estimated the fares for all of the final alternatives and so we have done that. We're about 15% is what we're estimating the fare box recovery to be at this point in time. The other is -- it's not defined because we have a lot of work to do to be able to examine that. The key things that I want to hit on that, I know that the city with city manager ott and his staff have looked attributing parking revenues to be able to help support that. It's not been solidified how much of that would occur at this point in time. We've had conversations in

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the million dollar area. So that's substantially, you know, is significant. The quarter cent funds is that division of sales tax funds to the city, that will be concluding shortly here. So that is dollars that will no longer no you to the city. We've had -- flow to the city. We've continued to have discussions about that, but there's no dollars set. The other part of this, though, is to have final answer at this point in time so early in the project definition is really premature, but we've identified especially the pids of the public improvement districts. I know that mr. Langmore and others have asked us to really thoroughly examine the opportunity for that value capture to be able to come forward. That's something that we would have to put on our list of effort to do over the next two years to work with the city to see if there's an opportunity there for that as well. >> I appreciate that. And any level of background that you can provide prior to our decision making on what you are contemplating. Even though I know it may be too early, we may not be able to have that level of specificity, I think that it's going to be helpful for determining whether or not that revenue is going to be available when it comes online. >> >> Mayor Leffingwell: Just to follow-up on that, the 15% fare box recovery, that's an estimate I understand. But how does that compare with other systems around the country that they are operating now? >> Well,

there's no one operating at a profit. That's for sure. >> Mayor Leffingwell: We know that. >> Typically you're in about the 25 to 30%, at the high range. And you're at the 15 to 20 at the lower range. >> Mayor Leffingwell: We're a little bit below, that's a very conservative estimate in other words. >> Follow-up on that issue, mayor. >> Martinez: Not on fare box recovery or this slide. I had other questions. >> Mayor Leffingwell: Go ahead. >> Martinez: Just briefly I wanted to talk about, mayor, you teed this up

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appropriately that this is just one component of an entire system. But so looking at future phases, when we talked about potentially going out to the airport did we factor in any assumptions as to costs that could be shared with -- with airport funding and is that an option in a future phase. Do we know that answer definitively. >> No. We have really not examined going to the airport, it was outside of the central corridor area. Typically rider ship to the airport it's very intuitive. If people are certainly attracted to it. I know that I have, I know the community here has. The community is very attracted to it. But the real base ridership is your employees that work at the airport and it's a very low number. But certainly from a funding standpoint you certainly have the -- was it the passenger facility charges that are certainly an opportunity for -- to be directed toward a project on their property? Other cities have done that. It's a great funding source if you are willing to do that for a locally funded project. But we have not included that as parts of our thinking at this point. >> Can I just add to that a little bit. What we do know is that the airport, revenue generated by the airport on the airport cannot be used to -- for expenses off the airport. So it's a conceivable that -- that the airport itself could fund a station, near or within the terminal at the airport. And part of the line roughly running along state highway 71 until you reach state highway 183. That is within the airport property. So if you did that, if you had -- if you had -- this is hypothetically, if you had airport funding for that part of it, and then you had the other part reaching out to grove, that would leave

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about a 1.8-mile gap without any serious obstacles, really. So I think it's very -- I don't want to say very probable, but it's likely that we would find a way to close that gap and perhaps complete the trip out to the airport. But as Kyle said, the ridership currently does not justify it. So -- so the way these numbers work, the way the fta looks at it, it's riders for dollars. How many riders do you get and how many dollars are you spending? So if you extended the line all the way to the airport right now, you would have a big increase in costs without much increase in ridership and that would make our competitive stature a little bit less than it is right now with that extension. >> I completely appreciate that, mayor, that's exactly where -- where I'm headed with the next -- I'm just going to make some comments and not expecting full answers today, but these are the things that I'm going to be contemplating prior to a decision, a final decision by council and by capital metro board. I think the mayor makes very good points as it relates to extending to the airport. For me, I don't see how -- how a park and ride at Abia could be any less successful than a park and ride at Grove Boulevard. Which is arguably in the middle of nowhere. I realize there's an A.C.C. Campus there. But we could likewise do -- we are building a massive

parking structure at the airport currently because there's no other way to get to the airport other than to drive your personal vehicle. So for me, I still have some questions as to whether or not it merits that. We know through the work that we've done that it's about \$119 million a mile thereabouts for the system that we're look at. If we were to connect the airport to the university of texas, and look at the

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potential cost savings from not going north of u.T., We have a tunnel that's 3% engineered at hancock. And so it's a -- literally a 97% guess rate as to what it would cost at this point if you are basing your guess rate on engineering. What would that save by eliminating that northern section, connecting the airport to the university of texas, what would it do to the ridership numbers, obviously if it makes it less competitive that wouldn't be a viable option. But if we were to create park and ride structures and if we were to evaluate other components to increase ridership, along that corridor, could we be just as competitive and could we end up with a similar system at a much less cost because of the shared costs at abia with the platform and -- and the extension all the way to highway 183 -- highway 183 as opposed to all the way to highland mall which is one, very controversial, and still somewhat uncertain as to costs and alignment with the east or west tunnel which we haven't chosen at this point. That to me I would like to see if I can get some better information on leading up to our decision, I just think creating a true anchor point between u.T. And abia for me is -- is much more palatable and potentially could be much more successful in gaining public support. I realize all of the work that's been done with this proposal I'm going to be supportive of it. If that's where we end up in the end. But this decision is so critical for me and for our community that I want to make sure we've done everything we can to ensure that this is the best proposal. Not just from a transit perspective, but from gaining the necessary community support to move forward because even if this is the best proposal and we can't gain enough community support, we haven't

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succeeded. So those are the factors that I'm weighing into this final decision and those are the areas that I would like to be -- I will be researching and asking you all to help me get to that final conclusion. Thank you. >> Mayor Leffingwell: Mayor pro tem cole? >> Cole: I want to thank you again for this presentation. Every time that you have presented it, it has revealed just a little bit more information that really has helped with -- with my decision. I want to say that -- that I have two concerns. One is that we are always presenting this as a regional comprehensive system and that this is just a down payment on that system. I know the mayor has said that, but oftentimes I don't think that it really is sticking with the public. That we have plans for other mass transit such as lone star rail and we also have plans to do road improvements. And that those two things really will help with public support. And in particular I want to ask you what discussions have been had about the connection to lone star rail. >> Great question. We have had a lot of conversations with lone star as well as with -- especially in the context of our advisory group. One of the additional resolutions that came out of last week's discussion with them was to reinforce that west austin connection to seaholm which has the lone star station. That was an important input that we received from lone star and we recognize that goes to your first point that was

about a system, this is just a down payment. [One moment please for change in captioners]

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>> I'm sorry, I'm forgetting the other part of your question, which was? >> How do we compare? >> Ok. Thank you. We looked at others around the country. We provided that at previous work sessions. We're on par with other city's experiences. A lot of it depends upon what type of service you put out there, how rich a service you are willing to operate. Houston operates a rich service. They look at their cost. We have a lot of detailed information to provide you that gives you an idea of where you fit we're on par with other peer cities in terms of this cost. >> Cole: I would be very interested because in a little bit of after overview because of capital metro's financial soundness, to actually be able to absorb that because the premise would be if they were not able to absorb it, and we have complicated existing financial arrangements, but if they were not able to absorb that, that would fall back on the city. And we need to be very transparent about that. I will be in touch with you about getting that. >> I will offer -- the one thing I am pleased with is capital metro, looking at the 20-year financial projections. They have examined this. We can make that research available to you. It gave the board members comfort to do this. But the devil is in the details. You may want to see it as well. They have done a good job of understanding that. The timing is good. The 20-year financial plan and projections they're developing is done in the same time period. They're actually looking at something they haven't done much, which is some short-term borrowing, which brings up

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some of their dollars now. That is an opportunity that they're willing to consider to advance this project. Nevada -- >> mayor leffingwell: John langmore wanted to follow-up to that. >> I would be happy to speak to that, there was one thing kyle mentioned earlier that should probably be corrected. In that other funding source is three million, not one million. He had talked about one million going from the city to fund 22 million. We're working with three million. And working on funding om, which is a critical assumption. Once you build that system, you are taking on a definite liability to fund operation and maintenance. We have taken it very seriously. Hired p.F.M. To help us -- I'm chair of the finance committee is why I am so familiar with this. There obviously, as y'all know from doing the city budget, you know, there are a number of assumptions that go into long-range financial plans, and also a number of tradeoffs. Money is fungible. The extent we spend it in one place, we're not spending it in another. However, all the assumptions that go into the plan allow us to find the om, in my opinion, it hasn't gone to the full board. Or in my opinion, they're very conservative and very realistically obtainable. I would mention some of the key -- to me, probably the biggest aspect of that, it is very conservative assumptions

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on the growth of sales tax revenue and some of the other, you know, basic components of our financial plan, the big one, to me, is that capital metro would have to take on debt in a way that it has not

previously. And at its peak, capital metro's debt, under that plan would grow to 118 million. That is the highest point it would obviously float up and down. The debt would be used to fund capital costs, primarily the acquisition of buses. Virtually all other mass transit systems issue debt. It is a capital-intensive industry, with buses with a 12-year life, railcars with 20-plus year life. We have been doing it on pay-as-you-go, recently. And had debt to replace buses that were well-past their useful life. Everything about the debt, even at its peak, capital metro is still a very conservatively operated, from a financial perspective, a very conservatively operated transit authority. Most likely an aa credit rating. We don't have a rating today. The person looked with the rating system, and said at your peak, you would still have aa rating. We have high coverage ratios. Higher than any other transit authority operating in the state an the major ones that issue debt around the country. So that, to me, is the big tradeoff. You know, I have been very reluctant board member with respect to having capital metro issue debt. At the same time, I realize if

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we will grow public transit, consistent with the growth of the region, we have got to move towards that. I hope that there would be debt policies in place to ensure that capital motery -- metro continues to operate conservatively. Hadn't gone to the full committee, hasn't gone to the full board. I have looked at it extensively and personally feel confident that it can be done. I've mentioned the big trade off but the rest of the board has to look at that. >> Cole: When do you anticipate it going to the committee? >> It will go to the committee at the next committee meeting, which is ... Who knows that? Imminent. A week, maybe next week or the week after. Very imminent. >> Mayor leffingwell: Wat sot? >> If I could clarify something. We have presented this full loan, long-range financial plan to the full board and had a specific workshop just on this issue. Mr. Langmore is talking about some deep dives into the data with a lot more details. So the full board has seen the long-range financial plan, and is comfortable with it, but we're going to continue to go into a lot more detail with the board and continuing meetings, coming up. >> Mayor leffingwell: Ms. Silas, council mem tovo. >> Tovo: Thank you. -- Slide 21. >> Mayor leffingwell: Mic, please. >> Mic. >> On slide 21, there is not a legend for the pin. Can you tell me, are they decorative? I'm making the assumption that different colors stand for different things.

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>> They do. And I can certainly get you the table that corresponds to this pin. This was just intended to give illustration of where they occurred. Each one of the pins has a date and location associated with it. >> Ok. >> Slide 31, thank you so much for taking us through the route and you gave us the locations of the park and ride, but I'm curious about the maintenance facilities. Where will they be located? And well, where are the plans for them to be located? >> We've identified two possible sites. We haven't done the sites, two possible areas where a maintenance facility would be located. We have an need for urban rail and have a need for a new maintenance facility to handle that. We just need one. But we didn't know what the project was, at this point in time. So we identified two options. The area we identified is along riverside between pleasant valley and grove. There is an area there that is one of the possible locations. Alternatively, up north of hancock, parallel to airport boulevard, between hancock

and highland. That is where we have another possible site. That is actually a good point javier. It is really between hancock and 2222 is where they would be. We haven't identified a specific site. That is something that we will examine during the dipa process, if the entire project moves forward. We will examine the specific sites for maintenance facility. There have been some discussion about how far would we go with the project. Therefore, we put one on the north and one on the south. Those are the two best areas for us to examine a potential

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site. >> Mayor leffingwell: Councilmember tovo. >> Tovo: Thank you, mayor. And thank you very much for this presentation and others you have done. Some of you may have heard from the same citizen that contacted me to ask about the streaming of the video of today's meeting. I understand from staff that they will be rebroadcasting the meeting, this meeting today at 2:00. And then tomorrow, it will be ready for viewing on demand. I wanted to be sure members of the public were aware that it would be rebroadcast today. And a couple quick questions. Can you talk about the fare box recovery of 15%? Is that anticipated in year one? Is it anticipated in year five? What is the progression to the 15% fare box recovery? Is it anticipated it would go up at some point? >> Let me offer just a little context to it. The actual fares that we're anticipating are essentially, you have the local premium, which is like the metrorapid fare and the express fare. This is a premium fare. This is consistent with the metrorapid fare. That is how it would be priced. The average 15% fare recovery ratio is anticipated in year one. Certainly there are opportunities for additional fare recovery to improve. I know that that has been a highlight of president watson's efforts, is to try to continue to enhance that. At this point in time, it's something that we can sharpen our pencil on and understand that more and more. That is our conservative estimate of what the fare recovery would be. I would be remiss to suggest that we can anticipate doing better, but it is always a hallmark of us to find ways to improve on that. I don't know if there is -- javier, do we know what the current recovery is at this

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point? So if I can find -- >> tovo: You can provide it after. >> Ok. >> Tovo: There was a question about what are averages like in other cities do you have a sense -- the first question is: Have you estimated what the fare recovery could be here in austin in year five? Or can we look at other cities to see how that increases over time? >> Let me ask nancy edmundson to address that question. Nancy has examined the fare policy and the o and m costs. Since we have here here, let's take advantage of it. >> Actually be fairly quick, because we have not done a lot of comparison with peers with respect to the project. I can get that together in the next day or so far you. To explain on the fare recovery for a minute, the fares were estimated on this project, based on the ridership that was estimated. It wasn't that we said what kind of fare recovery can we get, hmm, put 15% back into it. Using the ridership provided, I looked at how much ridership would you lose because you are taking some buses away, and how much would you add on top of that with the rail you're putting in place with the fare policy that kyle provided. Similarly, the ridership estimates are only a one-point-in-time ridership estimate right now. So if we want to look at progression of ridership over time and fare box recovery over time, that

may be something that -- with the short time frame, even doing ridership estimates for one point in time is challenging for the team, given the 12 alternatives, 18 different variations on things. But the point we would want to look at how ridership grows overtime and therefore how fare box recovery grows over

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time is when the team can do different points in time on ridership in different demographics, in 2025, 2030, whatever we need to do. Kyle can let you know when that is available. And then from that we can do fare estimates on the riderships. >> Tovo: Thank you for that information. Do you have a sense of when that will be available? >> A lot of that is next year as we move the project into better definition. What Nancy is really getting at, it's really associated -- her fare projection is based upon our ridership projection information. We're not looking at any additional ridership projections until we advance the project into the d.I.P.A. Phase. >> Tovo: That forms the om cost and forms the city's discussion about the commitment. Trying to get a real sense of what we're looking at. It seems like those pieces need to be in place first. >> One thing I would like to point out is those are final answers in terms of when you would actually nail down the o and m approach for submitting a project for funding. So much work to be done on what the project definition is, how much ridership, how much cost, how much a fare circumstances that is a typical level of effort that you do in the mipa preliminary engineering phase. As I kind of commented, that other, that wedge of pie that was other, depending upon how much information that can reduce the pressure on some of the efforts. We have a lot of work to do over the next two, three years. That I heard something. >> I wanted to add something about fares. Is easy to go down that path and say we ought to get more out of fares. That's would be great. Capital metro is working on that. Fare restructuring and fare increases planned. I'm sure that will proceed.

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The modeling done for ridership does include fare assumptions as Kyle said. As you increase fares you decrease ridership. You need the ridership more for the federal process more than you need it on the dollar size. Not that we don't want to optimize it. The tradeoff between ridership and fares is very key. For the federal process there is nothing more key than the ridership level for the competitiveness for federal dollars. >> Tovo: Ok. Thank you. Similar question for time line. Do you have a sense of when we might be asked as a council to make decisions about governance? How will that unfold in terms of the alternatives you addressed? >> What we've outlined right now is a conceptual approach to advancing governance. Similar to the funding that we just talked about, that's on our work list to be able to examine over the next couple of years. I would anticipate, if we have a successful vote moving forward, that we will move immediately into the governance question, because money will start to flow, it will start to flow to support the mipa and the design process. And I would anticipate that you, as well as Capital Metro will want to know exactly how we move that forward. I think we're certainly in a position for us to advance some of the ILA talking points, interlocal agreement talking points between now and November so we know exactly how we would be structured moving forward, once we have a successful election. Is there a specific element that you're thinking of at this point in time? >> Tovo: No, that was

helpful, just knowing where the decision points will fall in the process. There is, as you know, and addressed in your presentation, there is a great deal of discussion about the secondary phase. I wonder if you might talk about when -- when might the

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public expect to see more information? I think you said in august, you're doing some looking at the scope and planning and design of connections on lamar, guadalupe and out to mueller and potentially others. There will be potential information for the public in august. But when, realistically, might those be on the ground? >> That's a great question. Because -- can we offer this? We heard a lot in conversations with people that we eliminated other corridors. Well, we haven't eliminated any. We have selected what we believe is the best corridor to be successful in getting federal funds. The other system elements, the lines that you just mentioned, we are developing a costing fee, we'll come back to that. We had a work session internally that looked at when would we actually advance those efforts. One of the things we're looking at is beginning to advance the efforts the first of next year. The first thing is identify what's the cost, how do we procure it, what are the sources? We need to be able to identify a source. I know the mayor and others have talked about putting some money to fund this effort as project development activities on bond. That would help, certainly. But in terms of the timing for us to actually convene the team and be able to advance the project. It would be first or second quarter of next year before we start moving that effort forward. Keep in mind, that would be parallel with the effort to define this project more definitively. >> Tovo: Thank you very much. >> Mayor leffingwell: I want to emphasize the point, the money to fund that study for other corridors is part of the bond money. There is actually, I believe \$5 million is sort of the preliminary number that would be in there. So if the bond doesn't pass, for some reason, then obviously, there wouldn't be any further studies because there wouldn't be money for

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it. Next is board member stafford and then chafetz and then morrison. >> There we go. Is the assumption that all of the formula 53 funds would go to this project for a time? Or is the assumption that it would be part of the funding? I think that it is important to understand that the funds are currently coming to cap metro and are funding projects throughout the region. And so by allocating those monies to this project, which I think we're all prepared to do, should the voters decide this is the way to go, it will have impact further down, just as by having to address some changes in our own system, possibly changes to buses, so forth. It will have some impact to the existing system. So -- can you address that. >> The section 5307 number that you see as part of the pie is just the increment. The increase in section 5307, that would come from the project, it is not a reallocation or use of the section 5307 now. It is not addition to the project, it is showing the additional inflow into capital metro to use in whatever way you wanted to, to show the side effect of the section 5307 allocation goes up, it would be inflow to metro. It is not to say it would pay for this project. The key thing to note is that is not all of the section 5307 money, that is an increment in the additional miles, additional passengers, additional vehicles and miles of service and those ensure

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your formula funding go up. >> Thank you. One other question. You may have covered it and I missed it. I apologize. The park and rides on the north end are obvious. They will accommodate traffic off ih 35. The park and rides on the south end are not as apparent to me as to who they will serve. Who do we anticipate using the park and rides on grove and riverside, at least in the initial years? >> A couple of thoughts on that. You certainly have a lot of the growth area and as councilmember martinez made of being out toward the airport. You have a lot of folks coming in on 71 that would be able to come up this way, and as an alternative to get into the access. But we also have a growth area that's occurring in that area. We are seeing significant growth. One of the things we will be doing is sharpening our pencil again on what is the size, what is the need for park and ride? We have actually, as part of our ridership model, we have examined the auto access link to these locations and they're very strong. They're coming from mount 71 and in local community, probably not the long distance drivers that you see coming in from round rock and other places north. But we are seeing access. We do feel right now, our assumption is 500 parking spaces at each one of the parking facilities. As we refine our ridership model and what our auto access is, we'll refine those numbers. We don't want to overbuild, but we certainly don't want to underbuild any park and ride facility that we put in. >> Board member chafetz. >> Thank you, mayor. The 14,000 are those riders or boardings. >> Boardings.

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>> It is not necessarily 18 thousand -- >> it is 18,000 trips is what you are looking at. >> The \$22 million in om costs, is there some hourly cost associated with that that you can give me? How many revenue hours are we planning to operate? >> I will ask nancy to respond to that, just as -- she's a great resource. [Chuckling] we may have an actual answer for you. >> Well, as far as what our estimate works out to, per revenue hour is about \$443 per hour. But that's not how we arrived at that. >> Right. >> That was based on about 35,000 revenue hours for on an annual basis. That is about \$430 to \$440 an hour. So ... >> The other question is on the 50% federal match assumption, the 21 rail systems that are currently underway, how many of those are getting 50%? Is some getting more or less. I know 50% is more or less, that is the target, but some probably get more or less, right? >> That is 50% in the table, including the costs p -- for the projects, currently under construction. Some are probably more, some are probably less. >> We talked about this before, kyle, the metro rail crossing, I mentioned possibly going at grade. Can you tell me, is that still not an option? Is that something we can consider? >> I'm glad you brought that question up. The crossing of the red line is a costly issue, as you may recall. And we looked at a couple of

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options. Ours were below grade or tunnel or open-cut type of crossings. The issue of crossing at grade is significant. It's a safety concern. It's also a reliability concern. Basically, it's like a four-way stop. Anytime you have a vehicle, someone will be waiting for the vehicle. There is great service on that line. We're

looking at doing 10-minute, 15-minute frequencies, especially during the times when freight is as it is freight window available to them. That creates a safety and an accurate -- reliability, schedule issue. However, in light of that, we have already started to look at other options, other than a below-grade option. We were informed, from some of our public input, to not put an aerial structure over the red line. However, the cost that you have seen in previous briefings, it's pretty expensive for us to go below grade. We're going to continue to examine an aerial structure over the red line, and fully vet the at-grade crossing. I want to be sure you know our concerns with an at-grade crossing. We believe we can probably save a hundred million dollars if we have an aerial structure through the same common segment there. I'm not changing the \$1.38 million figure until we have a better understanding of what we can and cannot do there. I want to fully examine that more, because I believe it certainly would provide us with a cost savings. But that whole area right there, at 45th and airport and the red line, that's one big mess of spaghetti. So having all of that happen right at, at-grade crossing over 10 or five minutes on average. That is probably the biggest

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concern I have with an at-grade crossing in that area. >> I point out, it is done successfully in other cities. >> It is possible to cross at-grade. However, we need to be very caution about metro red line. We are planning moving forward with the engineering for double tracking metro red line. [One moment please for change in captioners] person [one moment please for change in captioners]

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>>mayor leffingwell: Council member more son. >>Morrison: Thank you, I want to express how clear I've laid out the decision-making process, that is important for the discussion we will be having for the next six months, that is very important. One detail I may have missed, what are the operating hours that you've got in your assumptions? >> To make sure I'm clear on that. Scott? >> We haven't set specific start and end times. We're assuming 17 hours a day during the week, 20 hours on the weekends. >> Okay. That is good hear, you're assuming quite a lot of operating -- >> right. >>Morrison: Good to hear that. And not surprisingly, slight number 37 is the most popular slide today and I do have still one question. We're looking at sales tax, looking at metro, not the city's sales tax at this point, and I wonder if you could -- if there are numbers you could give me. Assume that is looking at nine or \$10 million in sales tax. That's purple. There from cap metro. Can you tell me, just to put it in context, what is the amount of sales tax that cap metro actually has as revenue annually at this point. I presume this is about, to a large degree, the new sales tax that will be coming in. Magically. >> Currently, for 2014, we're forecasting about 189 million in total sales tax for capital metro. >> That's helpful, because that tells me that nine or 10 million is 10%, less than 10% of existing, and I presume by 2020 or 2022, you would expect that to be significantly larger. >> Expect that to grow over

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time, yes. >>Morrison: Okay, great. >> Would you introduce yourself for the record. We know who you

are but -- [laughter] >> leslie browner, the cfo for capital metro. Worked with many of you in the past. >>Morrison: Yes. And sort of a similar question to the 5307, would we -- this would be not so much taking away, would you expect this to be a reallocation what have we would otherwise expect to have, or we can really be looking at a growth in the sales tax. >> In terms of the 5307, the grant revenue, this is the increase that would be associated that we would receive from the federal government after this line is in place. >> Right. And, obviously, we expect the amount of sales tax by 2022 to be significantly more than what we're getting now. >> We would grow that over time. Yes, we would expect that growth to occur on the average. >>Morrison: Okay, great. Also, another point on this slide is I appreciate ward member langmore, presumably who brought up the idea of pids because I think that's -- we tend to forget that sometimes, that is an option, although it is a bit of a challenge because clearly that is a voluntary district to join, so I appreciate that, being part of it. And, then, not to go into detail on 38 and 40, but sort of to follow-up on some of the questions, I hear you saying that further detail on governance and further detail on funding beyond what we have here is going to be coming on down the line, and that we are -- we will have in front of us the opportunity to take action on the local preferred alternative.

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On the 26. So, what I'm wondering about is, is there going to be an opportunity -- we only have sort of the concepts in mind for governance and funding. Is there an opportunity for us to formally adopt those concepts? I guess, what I'm looking for is, what we will be able to tell the public when they have the locally-preferred alternative on the ballot. What will we be able to tell the public, you know, clearly one way or another, that has been formally adopted by the council and cap metro board about governance and funding. I realize there is a lot of detail that still needs to be -- but, otherwise, we have slides to point them to that have been suggested and I'm just wondering if there is an opportunity to formalize that any farther. >> I think we can certainly detail it. I think that the objective to this point was to be able to get to that conceptual level, and then to be able to add definition as we move forward, once we have an lpa. A lot of our challenge, quite honestly about advancing many of these discussions was waiting until we had a project. Once you have a project defined, we kind of now how much and where and we can define this, so I think moving forward to the later part of this year, we can certainly establish stronger talking points, who's responsible for construction, who's responsible for design. Robert may have ideas on that. >> Robert good, assistant city manager. We won't have a lot more detail but we will have this detail in the plan you will adopt on the 26th,. >>Morrison: That's what I was wondering. >> The 2014 strategic plan council will consider will have the funding, governance, lpa, potential roadway projects that will capture in the plan on the 26th. >> When I see see on 540, council

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action recommended on the lp a it is also concepts for governance and funding. Great. I think that is very important so we will be able to talk with a little more assurance and clarity. Thank you. >>Mayor leffingwell: Council member riley. >>Riley: Thank you, mayor. I want to come back to counsel more's martinez's request earlier in the conversation about a right going specifically from the the airport to the

university. Did you have some response that you wanted to make to that request? >> I did, it was an opportunity for me to talk about the different segment lengths that we examined about month ago. We did take a look at the possible -- it is a phrase we called minimal operative, you stop at highland, you stop at hancock or dean keaton were the three options we looked at. We were very comfortable with the highland terminus because it had the great opportunity to serve the growing areas but also to be able to intercept i-35 southbound travelers hancock had similar efforts, the ability to expand to the miller area. Dean keaton was a challenge for us and I wanted to make sure you had that input from us. We lose that opportunity to attract any north to south movements. The park and ride element really goes away. And, so that was a concern that I had with that. It is really, the suggestion was trading one movement, southbound movement and northbound movement, certainly getting to the airport has tremendous opportunity for us it has the 71 intercept, more efficient

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location perhaps. We had concerns about terminating there on the campus at dean keaton. Our primary concern. I think you probably need to add that segment would be considerably less competitive in the fda process. >> That was our conclusion. >> The same would be true if we were to stop at mlk instead of dean keaton. >> Yes, sir. >> And, one reason this is a exhibit discussion is because my understanding of the public process you outline, there was strong support for east river side, based on all the numbers that we saw. There was less solid support in regard to the northern stretch, and there are many who -- there are some, at least who still significant that actually many, that a more popular choice in that public process would have been to go with lamar and guadelupe. You could review that more popular choice was the more western alignment at the northern end. >> The key word in your question is the word "popular", and there is certainly a strong interest. There is a lot of ridership on the lamar corridor. There is a prior proposal for light rail down lamar, up lamar. And, so, certainly, those feelings continue to remain very strong. What we found, though is east river side and the highland sub corridors continue to have great ridership, as well. There is more transit ridership in those corridors. Lamar corridor, certainly as strong as it is, has lots of -- doesn't have as strong growth characteristics associated with it. The question that I was asked yesterday was, well, why look at that corridor, why these others and a lot of it is about planning, looking to where growth is going to occur. If you're going to spend this

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kind of money, you want to make sure you're accounting for your future, as well. I think that that's where we saw east river side and highland from when we looked at both the current conditions, but also the future conditions. That's why those two corridors really floated to the top is because that's where the growth that is occurring is going to land as we move forward. >> As practical matter, at this stage of the process, would it be feasible to shift to a more western alignment and still be -- present an application, a competitive application, for federal funding on the same timetable. >> Not on the same timetable. The whole purpose of phase one was to focus the team's project efforts on a specific alignment, or area, that we would develop a specific alignment for. So, if we were to alter, be asked to alter to lamar, we would be asked to go back to december, be asked to define a specific project with

goals. Where we would place the dedicated highway on north lamar. Impacts on that. The same thing we just did for the highland and east river side corridor. We wouldn't be able to keep it on the same timetable. >> And it would not be competitive at all for fda funding. The fda has already funded a mass transit mode for that, that being the brt, so they're not going to fund another mode of mass transit for the same route. >> I realize we've covered this ground before. I want to touch on one other subject that came up at the urban transportation meeting recently. There was a lengthy discussion about the decision go with rail as opposed to bus rapid

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transit. Can you briefly summarize your response on that. The question is, why couldn't go with a dedicated guideway. The need for a bridge, if we were able to use the i-35 overpass. And, what would appear to allow for the cost. >> The conversation came up, the urban transportation commission, the other one was why not buses. What we operate right now is metrorapid. If you recall, the big issue for us, our assumption for bus rapid transit is the vehicle itself, so we use that capacity number, our decision or our recommendation, I should say, regarding the mode, really focused in on two aspects. Capacity and system. And what we find was that a single urban rail vehicle would be able to carry twice as many people as a crammed brt bus. In order to carry the same number of people through the downtown area, we were able to do that with urban rail vehicle using one urban rail vehicle every 10 minutes in line with our service approach. To carry that same number of people with buses, we would have had to carry -- we would have had to carry buses every four minutes. So, that was significant. So, that was one factor. When we looked at the system issue, and again, we look at this as being able to expand on this line, this becomes that down payment as document cole talked about, we want to build on that investment for other corridors. We go to mill, south congress, we use that same line. We can do that, increase urban rail, but putting a vehicle on

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there, reduce it to five minutes, three minutes. The maximum downtown was three minutes. As I mentioned, you hope I'm not getting too details here, to do that with buses we would have had to operate at four-minute headways. I only have one more minute of room to flex that project. I couldn't have added another project out lamar or out miller to do that, but I can easily afford to do that with an urban rail investment because I'm only using 15% of the operational capacity of the alignment, as opposed to brt using 80%. So, that was really -- that was the big issue we had. The other question was, can we just use double-decker buses or big buses they're using in mexico, and there's certainly accessibility issues and buy america issues. We did not use that. We didn't feel it was something that was proven technology here in the united states. And, every other brt project that the united states has implemented has been using a vehicle very similar to what you're client operating on lamar and guadalupe right now. >> Lastly, I want to pull up on the questions about cost. We talked about the cost between the initial capital cost and the operations of maintenance cost in terms of the comparisons with peer cities. What I haven't heard much of is comparisons in terms of cost per rider, both with respect to the capital cost and the oem cost. I understand of expect to provide additional data

and I hope you can present it in those terms, as well. For now, is there anything that you can tell us right now about how -- whether you've looked at that and how we compare it in terms of cost per expected ridership? >> We haven't developed that now but he would we would be happy to do that

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and provide it next week. We have looked that the as a total cost per ridership perspective. >> That would be helpful. >> I'll volume tire kyle to nine -- volunteer kyle to answer any questions you have, just contact him. >> The number is out there. >> >> mayor leffingwell: So, we're just about at our planned time. Pardon? Okay. John. >> Yeah, exactly. [Laughter] >> you don't have the touch. >> I wanted to make one point on the ridership, which has come up in a number was different contexts, and that being talking about the board beings being 18,000, it is important to emphasize that is at single point in time. Along the lines with what nancy said, the system, the day it opens will be at 15% of capacity, so I mean, I am assuming that we anticipate ridership to grow significantly beyond the 16 to 20,000 boardings that you're estimating for 2030, and that that is also conservative for even that time period. >> It is a very conservative estimate. We're using the methodology that fta requires at this point in time, and certainly the experiences of our peer cities has been they've come in over their projections. Because of that. But, I'ms always extremely cautious of that, about how resize our fleet, how we size our parking facilities to make sure we've planned not just for opening day but for 10, 12 years down the road. I take that point into

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consideration. >> This is not your first rodeo, so to speak. >> No, sir. >> Mayor. One question but it is important. >> Mayor leffingwell: Okay. >> We talk about the details. I think the details are important. We want to be sure we get this straight, but the public discussion, I think, is going to be mostly about the big picture. Let me ask you one big picture question. We're talking about spending hundreds of millions of dollars in capital and tens of millions of dollars in operating costs for the foe foreseeable future to haven't got right now. With he could have spend that on road improvements, mopac and other highways, street improvements, bus improvements. Instead, we're talking about spending hundreds of millions of dollars on a train. What can we accomplish spending that money on a train we can't acome accomplish with spending it on roads and buses. >> I think it is a great question. I think that part of the challenge we have in austin is that we haven't really positioned ourselves for the growth that we have tea actually been the beneficiaries of. Observation, we don't have many fixed lawn roads. We've got a lot of small, four lane roads that have never been expanded so this is where the roadway solution fails us, you have to have lots of accusation of property, displacement of residents and businesses to be able to move forward. One of the thing that rail investment can bring to this community that roads can't is the ability to operate within existing rights of way, within the roadways we've identified that have capacity to be able to handle roadway and transit investment.

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So, I think that's one aspect that I would offer. I think the other part of this is, how much money does -- is it required to get a similar benefit on the roadway side. And, one of the things that you look at, hundreds of millions of dollars are required to be able to build a full four-way interchange, and or just a mile of a roadway project. And so you actually end one a lot more comparability. I think the situation is moving people opposed to moving cars and that's where we can make a big impact with this investment by being able to bring people into the court, the not just cars and reinforce that center, and connect the centers, moving into the center city and expand the system to connect in those areas where they, maybe it is once a week, maybe it is five time at week, they can choose to take this form of transportation as opposed to clogging up the roadway. So I think that alternative is something that we can look at that makes sense from this perspective. We get that question frequently and, you know, there is a lot of road needs that we have and those are important because there's -- we all take those trips and those are important, but I think providing an alternative for some of the other more common trips where you have your peak issues like festivals and other things, that is a way to make the investment work for the community. >> It is a question we will have to answer the most over the next six months, so I would like to have a really good fine-grain taut answer to it. >> We will work on that. >> Thank you, sir. >>Mayor leffingwell: Going back to what I said earlier, the answer is we do both. We're going to have to build more roads and this project and this urban rail, next phase, first phase, it is part of

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project connect which, in turn is part of a bigger strategic mobility plan we will be hearing a lot more about in the near future. I have to add this one little statistic I kind of came one myself. There's been a lot of talk about making I will provements to interstate 35. Basically, a little over a mile, maybe, a little over a mile from lady bird lake to 15th street or so is about the same cost as this nine and a half mile segment from grove to acc. So, I think it is kind of a m.I.T. To assume it is a lot cheaper to build roads and they're going to be a lot more effective. I don't think that pans out but we have to have a total mobility plan. With that, I thank you all. I thinkening this has been very informative and I appreciate all the input today. Without objection, this discuss period of the city council is adjourned and I will turn it over to mike martinez to do his part. >> It is 3:57 and we are ADJOURNED.