

Florida High Speed Rail Authority
Meeting Minutes
April 9, 2002
St. Petersburg/Clearwater Airport Business Center
Worknet Conference Room
4525 140th Avenue NE, Suite 906, Clearwater, Florida

Call to Order: Chairman Frederick Dudley called the meeting of the Florida High Speed Rail Authority (FSHRA) to Order at 10:00 a.m. Members in attendance were: John P. Browning, Jr., Vice Chairman; Norm Mansour, Secretary; Lee Chira, Treasurer; C.C. "Doc" Dockery; William Dunn, P.E.; Skip Fowler, Esq.; and Leila Nodarse, P.E.; and Heidi Eddins (via conference call); Secretary Barry was absent.

1. Welcome and Introductions:

Chairman Dudley recognized the presence of Senator Sebesta and invited him to address the Board and audience prior to undertaking the regular business scheduled.

Senator Sebesta welcomed the Board and audience members to his district and provided an update to the status of high speed rail in the Florida Legislature. He began by explaining that there were two bills originally filed, one in the House (HB 1515) and one in the Senate (SB 1992). Senator Sebesta stated that the Governor preferred the Senate bill; however, during the legislative sessions the Senate bill was discarded and the language from the House bill was amended into the transportation package as a replacement. Senator Sebesta spoke with Governor Bush recently and was told that he did not support the current transportation package offered by the legislature. Due to this, Senator Sebesta urged all supporters of high speed rail to contact the Governor immediately and indicate their support of the transportation package.

He went on to state that a veto of the transportation package would not mean an end to the Florida High Speed Rail Authority (FHSRA), however funding of the Board's activities will be a concern because the actual budget will probably not be approved until late May or early June. Senator Sebesta suggested that the group continue to pursue the environmental studies and the investment grade ridership study, although he offered no suggestions regarding how to fund the work if the Governor vetoes the transportation package. He continued to say that he believes the Governor will approve funding if high speed rail is included during the appropriations process.

Chairman Dudley questioned whether the Governor indicated any specific objections regarding the high speed rail project and Senator Sebesta replied negatively. Senator Sebesta went on to say that the Governor is concerned that this may become another Fox program for spending. Chairman Dudley followed up by asking about the Legislative approval for the \$3 million in Federal earmark to the project. Senator Sebesta stated that Senator Lisa Carlton chairs the Legislative Budget Commission who will be addressing this issue and that Senator Cleary also has a key role.

Mr. Chira questioned how the FHSRA Board should deal with the requirements of the Constitutional Amendment, which is law, in the face of these budgetary issues. Senator Sebesta suggested that the Board invite the Governor to its next meeting to brief him on its position and the need to continue collecting information to make a sound decision. Chairman Dudley interjected that, based on his discussions with the Governor's staff, the concern is not overall spending but rather how much public sector funding will be spent in the near term to collect information on the extent of eventual private sector participation. He went on to state that if the work of the Board is stopped at this point, they have certainly wasted \$3.2 million to date.

Vice Chairman Browning questioned whether it might be difficult for the Governor to veto the transportation bill again this year and whether there are any additional components in the bill that may influence his decision one way or the other. Senator Sebesta replied that most of the controversial issues have been removed from the current bill.

Mr. Mansour added that the FHSRA is merely attempting to fulfill the responsibility they were given by the Legislature. He further stated that the goal of this Board is to: 1) fulfill the Constitutional Amendment if it is deemed feasible; and 2) to do everything in their power to provide the information necessary for people to make informed decisions. This primarily will require completing the PD&E and the investment grade ridership study.

Mr. Dockery explained that the original House Bill (HB 1515) offered by Representative Ross had strong support in the House, and continued to have strong support in the Senate after it was blended into that legislation (as HB 261). Mr. Dockery explained that three objectionable issues were removed from HB 1515 including: 1) power of eminent domain; 2) exclusivity; and 3) making the Authority an Enterprise, similar to the Expressway Authority. Mr. Dockery explained that the current appropriation being proposed is \$4.5 million in the House and \$5.8 million dollars in the Senate. He stated that many environmental groups oppose the transportation bill and are putting pressure on the Governor to veto the bill. He continued to say that he will be visiting Washington, D.C. to meet with the Florida Delegation to lobby for matching federal funds for high speed rail. Mr. Dockery stated that he is confident that there is strong support for high speed rail in Florida at this level as well.

2. Meeting Minutes from March 5, 2002:

The minutes from the previous meeting, held on March 5, 2002, were reviewed. On a motion made by Mr. Fowler and seconded by Vice Chairman Browning, the meeting minutes were approved unanimously and without correction.

3. Old Business

A. Letter to CSX

Mr. Haddad called attention to the proposed letter from Chairman Dudley to CSX Transportation, regarding existing CSX right-of-way and their position with respect to the use of their right-of-way for high speed rail. Mr. Haddad stated that CSX indicated that they prefer to respond to this issue without solicitation by the Authority.

Ms. Nodarse questioned why this is the case, and whether a letter from CSX would specifically address two issues of concern included in Chairman Dudley's letter. Chairman Dudley responded that it is a matter of courtesy and that CSX representatives were aware of the two issues and were prepared to respond to them. He further commented that he will wait approximately two weeks for the correspondence from CSX, and he will respond as necessary to ensure that the appropriate information is obtained.

B. Summary of Past Testimony on Project Financing

Mr. Haddad directed Board members' attention to a summary of testimony compiled by HNTB staff, and offered to review this for the Board if desired. Chairman Dudley requested a brief presentation and further suggested that this information be included in the next report issued by the Authority. Mr. Dunn indicated that he is preparing a condensed video taped version of these testimonies for use by Board members as well.

Mr. Tom Biggs of HNTB explained that the testimony was taken from several agencies at the September and November 2001 Board meetings. He went on to state that these were divided into several categories including seaport financing, highway financing, transit financing and aviation financing. In many cases, questions specifically addressed the level of public funding versus user fees for funding for capital improvements. Mr. Biggs defined user fees as fees that pass directly to the agency for spending on capital or operating and maintenance products. He defined public funds that pass through Government to the agency without regard to how it is collected. He directed the Board's attention to a table that defined these levels and he reviewed the table with the Board.

Chairman Dudley indicated that he believed a column should be added describing the direct user fees and capitalization by the private sector. Discussion occurred regarding the sources and boundaries of public and private funding and how this would apply to the high speed rail program. Mr. Dunn offered an explanation based on the airport model regarding gate fees. He explained that the trains would be funded by the private sector DBOM contractor, but the terminals would be publicly funded and would charge roll-in fees to the operator.

Mr. Chira commented that an airport has many different clients, where the rail will only serve one. Mr. Mansour also interjected that planes are highly mobile and are not dedicated to one route or location. He stated that they have the option to follow demand.

Chairman Dudley requested a more detailed definition of the private capital contributed for projects in these categories, and Mr. Biggs stated that they will respond to this request accordingly. Chairman Dudley further responded that this information is important for identifying the various types of funding and sources used to finance public transportation projects.

Chairman Dudley also stated that it may be reasonable to allow the operator of a system to act as the sole arbiter to set ticket prices and whether that price would be competitive with other transportation alternatives. He suggested that the Board revisit this issue in the future.

4. Legislative Report

A. Florida High Speed Rail Authority Act

Mr. Haddad called the Board members' attention to the legislation included under tab 4 regarding the portion of House Bill 261 pertaining to the High Speed Rail Authority Act. Mr. Haddad stated that a section-by-section summary is included for the Authority's review. He stated that the Act incorporated many of the recommendations put forth by this Authority's report, which was submitted to the Legislature earlier this year.

Mr. Haddad stated that the act expands the power of the Authority in the following ways:

- The Authority will have the power to locate, plan, design, finance, construct, maintain, own, operate, administer, and manage the high speed rail system;
- The Authority will be permitted to incur debt in an amount authorized by the Legislature;
- It includes important findings such as the recognition that substantial transportation, environmental, social and economic benefit will result from the implementation of high speed rail in Florida;
- The Act defines the five geographical service areas; and
- It requires the Authority to develop a program that includes non-governmental sources of funding, to issue Request for Proposals and to employ various procurement methods as utilized in the private sector.

Chairman Dudley restated that he supports substantive legislation that gives the Board the legitimate authority to negotiate with the private sector. He stated that this Act provides the best example presented thus far to grant legitimate authority for the actions that this Board will be required to undertake.

Mr. Haddad continued to state that:

- the Act also grants authority for the FHSRA to issue contracts subject to legislative appropriations;
- to purchase and lease the property necessary to undertake development; however, the power of eminent domain is not granted; and

- the Act grants the Authority tax exemption status for property owned and used for the rail system and any Authority income. In addition, this status is granted to all agents of the Authority.

Mr. Haddad commented that this last issue is of great concern to the Governor and his staff. He reminded the Board that this was recommended as an incentive for private sector participation, providing benefits that would actually be accrued to the public.

Vice Chairman Browning questioned whether the FHSRA can offer any changes to the Act at this point. Chairman Dudley replied that they may recommend to remove it if it appears to be a sticking point.

Mr. Fowler stated that providing tax exemptions is simply taking money from the left pocket and putting it in the right pocket. He further stated that this type of incentive is offered regularly such as a local government that avoids paying sales tax on materials used to build a government building. Chairman Dudley responded that he agrees; however, it is also a case of perception about how much public money the legislature is willing to contribute. He further stated that this is an issue that can be addressed by the legislature at a later time.

Mr. Mansour stated that it is extremely important to make this clear at this point, rather than leaving it for legislative action later. This will make it difficult for the private sector to respond to.

Mr. Haddad commented that the Governor's office is concerned about the potentially broad extent of the tax-exempt status. Chairman Dudley suggested that this may simply require a more detailed definition. Mr. Fowler questioned what can be accomplished at this point in time. Chairman Dudley replied that no action will be taken at present.

Mr. Haddad went on to explain that new act requires three actions be taken by the FHSRA in the future. He stated that these include:

- 1) developing a marketing plan for the high speed rail system;
- 2) developing and implementing a process to prevent and mitigate potential conflicts with growth management and environmental issues. This must be accomplished in conjunction with staff from the Governor's office, the Department of Community Affairs (DCA) and the Department of Environmental Protection (DEP), and must be completed within 180 days of the passage of this Act.
- 3) providing a comprehensive audit of Authority activities by an independent accounting firm.

Chairman Dudley suggested that the audit be included in the next FHSRA report to be submitted January 1, 2003, and questioned whether the FHSRA has sufficient funding in the budget to accomplish this. Mr. Haddad stated that there is not funding available for

this task. Chairman Dudley followed up by stating that this topic will be revisited upon approval of budgeted funds to cover this expense and upon approval of this Act.

Mr. Haddad commented on the possibility of new rule-making that may be required with the approval of the High Speed Rail Authority Act. He requested comments from Mr. Bottcher regarding this point. Mr. Bottcher stated that the Act would give the FHSRA limited rule-making authority related to procurement activities. He stated that the Board would be able to adopt rules that employ procurement methods similar to those utilized by the private sector. He continued by saying this provides more flexibility than that which is typically allotted to state agencies. Mr. Bottcher stated that this can be a lengthy process and he suggested beginning this task at the next FHSRA meeting. He proposed developing options and presenting them to the Board at that meeting.

Mr. Dunn questioned what information would be available then that is not available to the members now. Mr. Bottcher responded that a set of options would be provided. Chairman Dudley further commented that the authority itself would be identified at that point in time.

Mr. Dunn asked who would compile and present this information. Mr. Bottcher replied that it would likely be a combined effort of FHSRA staff and HNTB staff including an options analysis and example of existing rules. Mr. Share stated that information presented later regarding the RFP may be a good point for HNTB and Mr. Bottcher to identify the potential rules that may be required.

Brief discussion continued and Chairman Dudley directed staff to include this on next month's agenda as necessary to respond to the rule-making issues possible under the legislation that is ultimately approved.

5. Responses to the Invitation to Prequalify (ITP)

Mr. Haddad called the Board's attention to a letter sent by Mr. Dockery to the Legislative Delegation for support of House Bill 1515. He then requested Mr. Share present information to the Board regarding the responses received to the ITP. Mr. Share directed Board members' attention to the matrix provided on page 4 of the presentation handout, which included information summarizing the general characteristics of each of the 11 responders. He explained that the responders each provided a varied set of information as they had expected from this process and he summarized them as follows:

Global Rail Consortium: Lead entities include Korean Rail and Arcadis; their combined experience is strong; the financial estimates were viable; the technology involves modified TGV; operations & maintenance was not addressed and they are able to meet the bonding and start dates. In terms of funding, which was an optional response, they offered to cover Operations and Maintenance (O&M) plus profit for the first leg from Tampa to Orlando and possibly additional costs beyond this for future extensions.

Fluor Daniel/Bombardier: Lead entities include Fluor Daniel and Bombardier; their combined experience in high speed rail systems is extensive; the financial estimates were very strong; Bombardier has strong credentials regarding technology; operations & maintenance was not addressed and they did commit to meet the bonding and start dates. In terms of funding, which was an optional response, they offered O&M plus profit for the first leg, pre-closing costs and an investment in the rolling stock.

Washington Group International: Lead entities include the Washington Group and Siemens; their combined experience in transportation and high speed rail systems is substantial; Washington Group has recently emerged from bankruptcy; however, their financial status appears solid and the financials for Siemens are very strong; Siemens has strong credentials regarding rolling stock; operations & maintenance will be handled by Amtrak, and they did commit to meet the bonding and start dates. In terms of funding, which was an optional response, they offered O&M plus profit for the first leg, pre-closing costs and a lease/leaseback for the rolling stock.

Siemens Transportation Systems: The lead entity includes Siemens; they have substantial experience in high speed rail systems; the financials for Siemens are very strong; the company also has strong credentials regarding rolling stock; operations & maintenance will be handled by Amtrak, and Siemens did commit to meet the bonding and start dates. Siemens did not address the optional question regarding funding.

Magplane Technology: The lead entity is Magplane; there is currently no system in operation; the financials for Magplane were not provided; the technology offered is Magplane technology; operations & maintenance was not provided; Magplane did not address the bonding requirement, and they stated they could not commit to meeting the start dates. Magplane did not address the optional question regarding funding.

Connex North America: The lead entity is Connex; they have substantial experience as an operator; financial information was not provided. The company submitted as an operator only; therefore, they did not address technology, bonding, start dates or funding questions.

George Teacherson: The lead entity is George Teacherson (an individual); no operating or construction experience was provided; no financial information was provided; the technology proposed was not disclosed in the submission and O&M information was not included. The ability to meet the bonding requirements and start dates was not provided.

Mr. Haddad explained that a technology was offered; however, the package included proprietary information that was not deemed to be necessary for this phase of the process.

American Maglev Technology: Lead entities include American Maglev, Lockheed Martin, Halliburton, and Dominion Resources; there is no system in operation to demonstrate experience; although the financial information was not provided their financial credentials are very strong; Maglev technology was identified for use; operations & maintenance was not addressed and they did commit to meet the bonding

and start dates. In terms of funding, which was an optional response, they offered to fund the leg from Orlando International Airport, OIA to Walt Disney World, WDW at their own cost and risk. They indicated that public funding would be needed for additional expansion.

TransFlorida Express: Lead entities include Skanska, Granite, Grupo Dragados, Lane, and Talgo. Talgo and Dragados have substantial HSR experience; the financial status is very strong; Talgo has strong credentials in terms of technology; operations & maintenance was not addressed and they did commit to meet the bonding and start dates. In terms of funding, which was an optional response, they offered to fund the O&M costs.

American Railworld Corporation: The lead entity is American Railworld Corp (Jan Zicha); information regarding experience, financial strength, technology, and O&M was not provided; ability to meet bonding and start dates was conditional and they are estimating 20% public financing will be required.

Transrapid International: The lead entity is Transrapid Intl. They have an operational test track in Germany and are currently constructing a commercial system in Shanghai. Technology includes Maglev, and no information was provided regarding financial status, O&M, or ability to meet bonding or start dates or funding. They indicated that they would like to see more data prior to providing an indication of their funding commitment.

Mr. Share stated that the response shown by the private sector to the Invitation to Prequalify (ITP) was favorable, which bodes well for the competition during the RFP phase. He requested guidance from the Board on where to head next with this process. Mr. Bottcher explained that very little can be done at this time, since the Board has not been given any authority to act.

Mr. Chira stated that this ITP is early in the process and that firms should be able to continue refining their proposals and not be judged on these submissions. Mr. Bottcher replied that it is routine to go through a request for clarification phase or to allow oral presentations. Mr. Chira stated that it is premature to do that now. He thinks that after seeing these response, some firms may elect to refine their proposals.

Mr. Fowler stated that it was his understanding that early responders and nonresponders would not be penalized or prevented from participating in the RFP phase. He further questioned what benefit the Board receives from having this information. Chairman Dudley commented that the Board needed to go through this step to move forward. Mr. Chira commented that it gives the Board a good idea of how to shape the RFP process.

Chairman Dudley directed staff to develop several options for presentation at the next Board meeting that provide alternatives for the next step in this process.

Ms. Nodarse asked whether any of the entities included in the multiple entity proposals demonstrated a history of working together on projects. Mr. Share stated that most of the proposals were based on independent experience.

Mr. Dunn read the following comments for consideration by the Board and public: “Authority members and members of the public: In the matter of the selection of a Design-Build-Operate-Maintain & Finance contractor, I am required by Florida law to disclose a potential voting conflict. My wife is an employee of a company that responded to the Authority’s “Invitation to Prequalify” and the company became involved in the project at her urging. Her involvement in introducing the firm to this opportunity could possibly result in financial or other benefits to her if the firm were to be awarded the contract. On the day that the Authority received responses to its ITP, I filed a letter with the Florida Commission on Ethics requesting an informal hearing on this matter and guidance on my rights, responsibilities and available options. In a series of responses, the Commission has advised me that I must: 1) Disclose orally the nature of the voting conflict, before participating in debate or voting on the matter; and 2) Complete and file Form 8A “Memorandum of Voting Conflict for State Officers” within 15 days following each time the Authority considers the matter whether I choose to abstain from voting or not. They also advised that I may, at my discretion, either participate in discussions and voting on this matter or abstain. Through the Chairman, I would be happy to answer any questions from Authority members or members of the public. Members of the public may also contact me privately with their questions if they prefer. I will leave my cards at the front desk for this purpose.”

Chairman Dudley commended Mr. Dunn’s actions and encouraged him to continue being an active participant in debate regarding high speed rail. He stated that Mr. Dunn brings a tremendous amount of knowledge to the group.

Mr. Dunn returned to the topic of making judgements regarding early responders and stated that eliminating applicants or taking any other actions at this time would be premature.

Chairman Dudley adjourned the group at 12:00 noon for a lunch break. In addition, Board members toured the location offered by Pinellas County for a high speed rail terminal.

6. Staff and General Consultant Report

A. Discussion on Authority’s Budget

Mr. Haddad called the Board members’ attention to the information included in tab 6A, which includes the FHSRA Budget. He directed attention specifically to information regarding the allocation of \$3 million in Federal funds available to the Board this year. Mr. Haddad explained that the staff has been working with the FRA to finalize the agreement required to support additional funding. He distributed a draft Scope of Work to Authority members that will be used to describe the investment grade ridership and

PD&E work that will be performed. This is expected to require \$6 million to complete. Mr. Haddad stated that an agreement with FRA is expected to be complete in the next week, which will coincide with the additional \$3 million in federal dollars that is expected to be approved.

B. Presentation of Master Schedule

Mr. Haddad reported that the general consultant has been instrumental in working with FRA and FHWA to initiate the PD&E process underway. He further stated that all agencies have been extremely supportive and cooperative of the efforts being undertaken by FHSRA staff. Chairman Dudley also recognized the contributions of Mr. Dunn and Mr. Chira towards meeting these goals.

Mr. Chira stated that one problem he thought had been identified by FHWA related to the lack of rules pertaining to operating high speed rail in the I-4 median. He questioned whether this issue would be addressed as part of the work included in the Scope. Mr. Haddad responded affirmatively.

Mr. Quandel of HNTB explained that they have been meeting over the last several months with the FRA and the FHWA to review two issues:

- 1) A Memorandum of Understanding – FRA requested that FHWA act as a co-lead in overseeing the EIS. Discussions with legal staff determined that FHWA cannot act as a co-lead in this process, but rather as a cooperating agency with FRA acting as the lead. This is because the implementation schedule does not conform to the design build regulations, which require that a Record of Decision (ROD) be approved before the RFP is issued. For this project, that will not occur. Additionally, the only action that will be taken by the FHWA will pertain to operating high speed rail within the I-4 median. The FHWA will not participate in funding as this is not a highway project.
- 2) An Implementation Schedule – Extensive coordination has been required to develop a schedule that conforms to the regulations governing both entities.

Mr. Chira questioned the regulation changes required by FHWA regarding operations within the I-4 median. Mr. Quandel explained that this pertained to the FRA and the use of non-compliant technology. He stated that the FRA has taken the position that certain technologies have been approved under the Fox program. This includes TGV accompanied by a variance or waiver, Acela or Talgo with a 150 mph speed restriction, or Maglev with a Rule of Particular Applicability (RPA), which would take from two to five years to complete.

Mr. Chira questioned whether this would eliminate Maglev technology as an option. Mr. Quandel explained that they have taken the position that it is the industry's responsibility to try to address this approval process by the FRA for Maglev. Mr. Chira stated that he wanted to reconfirm this matter.

Chairman Dudley asked what would be necessary to utilize TGV technology. Mr. Quandel replied that FHWA has stated that a waiver may be required; however, that would be the only requirement.

Mr. Dunn stated that he recalled that the FRA would not consider beginning the rulemaking process for a technology until a funding source and supporting agency were identified and committed; therefore, the Maglev industry cannot approach the FRA regarding this matter. Mr. Quandel explained that the FRA has classified Maglev technologies into two categories: mature and immature. He explained that the mature technology includes Transrapid technology, which may only take as little as two years for the RPA process. Mr. Dunn further commented that he has been told that FRA responds to directions from Congress and that this process may be changed through that body. Mr. Quandel did not concur with this statement.

Mr. Mansour asked if the requirement for an RPA applied to any route selected. Mr. Quandel replied affirmatively. Mr. Fowler added that this discussion occurred at the February FHSRA meeting. Chairman Dudley stated that it has been established that each industry would be required to ensure that their technology is viable in meeting the requirements of this project. He continued that this applies to all technologies, not just Maglev.

Mr. Dockery claimed that he believes that this is a self-correcting situation. He explained that it is costly for a firm to develop and submit a response as a potential candidate for the DBOM. Therefore, a firm will not likely participate in the process and respond to an RFP unless they were confident that they had sufficient approval from the regulatory authorities. Mr. Dunn concurred with this statement.

Mr. Quandel explained that they are developing cross-sections at present that do include Maglev technology, thus they are not excluding this technology from the engineering work underway.

C. Development of Request for Proposal

Mr. Quandel provided a brief review of the anticipated schedule. He specifically pointed out that the screening of alternative corridors will be completed by June 15, 2002, and that a draft RFP that will be issued on July 1, 2002. He continued reviewing.

Mr. Fowler questioned who would be permitted to respond to the RFP. Mr. Quandel stated that it would be subject to the decisions made during the next month, but would likely include the qualified respondents to the ITP. Mr. Fowler countered that he thought that non-responders for the ITP would not be prevented from applying to the RFP. Mr. Share stated that it would be subject to open public advertising.

Mr. Quandel stated that the key issue is that the RFP will be issued on October 1, 2002, and that the proposals will be due to this Board by January 1, 2003. Mr. Share interjected

that this is why it is key to complete the investment grade ridership study by November, so that it is available to firms developing submissions for the RFP. Mr. Quandel added that these dates also conform to the federal regulations requiring periods of public review.

Mr. Chira asked how these dates tie into the legislative budget process. Chairman Dudley responded that the budget may be put into effect on July 1, 2002. Mr. Chira replied that he wanted to clarify that the money to support these activities is contingent upon future budget approval.

Mr. Quandel reviewed the draft outline for the RFP. He stated that the engineering and environmental work being completed is being used along with information provided by the ITP submitters to support the EIS process. He further stated that the information will be presented for public review and comment before selection of the DBOM entity. He further explained that Part 1 will include information that will be provided by FHSRA, and Part 2 of the RFP will include information that will be provided by the proposers. Mr. Quandel further explained that when the bids have been received, staff will develop a range of opportunities based on the responses received. He stated that this will be a factual report with no recommendations provided, and it will be available for the legislature as well as for public for review.

Mr. Fowler questioned that if the legislature reviews this information in January and uses it to appropriate funding, are they in fact choosing the technology. Mr. Quandel responded that the legislature cannot make a selection or it would violate NEPA. Chairman Dudley clarified that the selection of DBOM would occur after the Board knows what level of funding has been allocated by the legislature. Discussion continued regarding the details of the schedule of events.

Mr. Dunn commented that if the funding required for the preferred proposal is not adequately supported by the legislature, he foresees that as an opportunity to engage in negotiations regarding the project. Chairman Dudley concurred.

Mr. Dockery commented that while this Authority is focused on selecting a single DBOM contractor, he has spoken to influential legislative members who have stated that the Legislature is more interested in supporting the concept of high speed rail rather than the selection of a sole contractor. He further stated that future debate is likely to include the overall long term funding commitment required rather than the selection of a DBOM firm. Chairman Dudley stated that if the legislature supports high speed rail, they will be required to hire a contractor. Mr. Dockery replied that they expect this Authority to complete that requirement. Discussion continued regarding the differences between the process being undertaken by this Authority and earlier mistakes identified during Fox.

Mr. Share commented that it is important to recognize that the design build concept being proposed as part of the DBOM utilizes a combination of quantitative and qualitative measures for the selection process.

Mr. Quandel returned to the review of the RFP process by outlining the information that will be provided to potential bidders on October 1, 2002. These will include environmental documents, engineering documents, ridership, funding initiatives and other related information. He further reviewed what information the Authority will be requesting from them in return that will be used in the EIS process.

Chairman Dudley commented that based on this schedule, the extent of the Board's report to the legislature should include all information collected until the responses are received. Mr. Share commented that a summary of the EIS process should be included in the report.

Mr. Biggs addressed the Board to briefly discuss the development of the Florida High Speed Rail web site (www.floridahighspeedrail.org). He explained that the site is intended to provide comprehensive information on high speed rail in the state. Mr. Fowler asked if streaming video or audio of Board meetings will be a feature. Mr. Biggs replied that it could be incorporated if desired and budgeted. Mr. Haddad further explained that the information currently available on the FDOT web site will be incorporated into the high speed rail site.

Mr. Share also reminded the Board of the FHSRA InterXchange site available for use by the Board members. He emphasized that there is a great deal of worthwhile information on this site for members. Chairman Dudley stated that this is accessible only to Board members. Mr. Share further explained that information contained on the site is available to the public; however, they must contact staff to access it.

9. Public Comment

Chairman Dudley recognized members of the audience for public comment pertinent to the discussion at hand.

Mr. Jan Zicha, President of American Railworld Corporation addressed the Board concerning a perceived conflict between the statements made regarding the evaluation of the ITP firms and the requirements for developing a high speed rail system. He stated that his primary concerns involve developing a process that includes a right of development and a site. He further stated that if the Authority will commit this, he will fund the project. He commented that he has little confidence in the ridership estimates.

Chairman Dudley asked Mr. Zicha if he had a specific question for the Board. Mr. Zicha responded that he did not agree with the evaluation criteria presented earlier by Mr. Share.

Mr. Wilfred Sergeant, Vice-President of Planning and Operations of Sky Train Corporation addressed the Board regarding his perception of a missing link that appears to exist between the benefits that are accrued by governments in terms of environmental, social, and economic measures and the investments that they are willing to make in

funding a system. He referenced the economic development benefits recognized by a system constructed in Portland Oregon as an example.

6. Staff and General Consultant Reports

D. Status Reports on Expenditures

Mr. Haddad briefly directed the Board's attention to this section and explained that it is included as an informational item. He stated that approximately 50% of the budget has been expended to date.

E. Future Board Meeting Schedule

Chairman Dudley asked Mr. Chira if he had any specific recommendations regarding the locations identified on this schedule. Mr. Chira responded that representatives from Port Canaveral invited this Board to schedule a meeting at that location and he would like to follow through on that. Discussion continued regarding upcoming venues and the following changes were made:

- The May 8 meeting will be held in Orlando;
- The August 8 meeting will be held in Tampa; and
- The September meeting will be held in Orlando.

Additional discussion occurred regarding extending an invitation to Governor Bush to attend a meeting of the FHSRA. Discussion continued and Mr. Dockery suggested extending an open invitation to the Governor to attend an upcoming meeting of the FHSRA, as his schedule permits. The Board agreed.

On a motion made by Mr. Chira and seconded by Mr. Mansour, the Board unanimously agreed to the amended meeting locations.

Additional discussion occurred regarding upcoming high speed rail conferences and meetings including Eurorail 2002, the High Speed Ground Transportation Conference in Orlando, and the TEA 21 Re-Authorization Summit. Board members questioned the expenses regarding conference attendance. Mr. Chira suggested that members coordinate their anticipated travel and conference plans. Chairman Dudley recommended coordinating these activities through Mr. Haddad.

F. Other HSR Related Meetings

Mr. Haddad explained that this is simply an update of meeting activity presented as an informational item to the Board.

7. Washington Update

Mr. Haddad provided a brief summary of a memorandum from Peter Peyser. He stated that recent congressional activity has focused on Amtrak issues, which has detracted from

specific discussion of high speed rail. Mr. Haddad further stated that the prospects for action this year regarding a comprehensive program for federal assistance to develop high speed rail are not promising; however, these issues will likely be included in the TEA 21 reauthorization in 2003.

Mr. Chira motioned that the Board approve FDOT sponsored participation for the FHSRA members at any of these conferences to include the travel and expenses necessary for attendance. The motion was seconded by Mr. Mansour and approved unanimously by the Board.

8. PD&E Consultant Report

Mr. Howard Newman from Parsons Transportation Group (PTG) addressed the Board regarding the PD&E process and the tremendous progress that has been made in meeting the ambitious schedule that has been established. Mr. Newman provided an update of the public meetings that have occurred and presented the display boards that are being used at these meetings. He stated that alternatives have been developed for an alignment within the I-4 median with regards to the speeds that can be attained by various technologies. The second corridor being considered is one that can support running speeds of 150 mph and a design speed of 160 mph, which is consistent with speeds approved by FRA. He explained that these included several different alternative alignments, which will be reduced to two final proposed alignments. Mr. Newman explained that the design criteria will be analyzed based on the "weakest link" of the technologies.

Mr. Newman went on to highlight the public meetings that have taken place and presentations with MPO's and technical committees. He explained that this is important because high speed rail must be consistent with the long range plans adopted by the MPO. He also called attention to the Scoping meeting scheduled for April 30, 2002 at the Orlando International Airport. Mr. Newman stated that this not a standard scoping meeting, but rather it will present information and solicit comment from the environmental approval agencies necessary for this effort. He explained that it will require thinking outside of the box for many of these agencies.

Mr. Newman also presented information regarding upcoming tasks including the mapping and surveying tasks that will be utilized for the pre-engineering and RFP development.

Chairman Dudley asked if the last column of the progress report could include cumulative information. Mr. Newman explained that it is a cumulative representation of the information. Chairman Dudley requested that the information be clarified.

9. Public Comment

Chairman Dudley invited additional public comments.

Mr. Ray Sharkey, Vice-Chairman of the Canaveral Port Authority addressed the Board regarding clarification on information included in HB 261. He asked if the language on page 66, part B referring to phase two of the project actually intends to include Cocoa Beach as a part of the future plans for high speed rail. Mr. Bottcher replied affirmatively with the clarification that it is for a subsequent phase, not necessarily phase two.

Mr. Zicha addressed the Board again to state that they should not be overly concerned with technology at this point because this only represents approximately 20% of the capital investment costs. He further stated that technology is changing rapidly and the Board should not commit to a single technology at this time.

10. Other Business

Chairman Dudley recognized the Pinellas County staff for their hospitality. He asked for additional comments and hearing no further business, adjourned the meeting at 3:10 p.m.