

**Florida High Speed Rail Authority Meeting
July 16, 2001, 10:00 A.M.
Florida DOT Auditorium, Tallahassee, Florida
Minutes**

1- Call to Order and Introduction

Secretary Barry called the first meeting of the Florida High Speed Rail Authority to order at 10:00 a.m. and welcomed all participants to the meeting. Self-introductions were then provided by the Authority Members as follows:

Members appointed by Governor Bush:

Frederick Dudley: Former member of the Florida Senate and now an attorney with Akerman Senterfitt, Attorneys at Law, based in Tallahassee.

Heidi Eddins: Executive Vice President, Secretary and General Counsel of Florida East Coast Industries, based in St. Augustine.

Leila Nodarse, P.E.: President of Nodarse and Associates, an engineering firm specializing in environmental consulting, headquartered in Winter Park.

Members Appointed by Senate President McKay:

Norman "Norm" Mansour: Florida Transportation Commission member residing in Anna Maria, former Vice President of Advantis, a St. Joe Company.

William "Bill" Dunn, P.E.: President of SunCam Inc., based in Miami.

C.C. (Doc) Dockery: CEO of Dockery Management Corporation, based in Lakeland.

Members Appointed by House Speaker Feeney:

John P. Browning, Jr.: Florida Transportation Commission member, President of Browning Packing Company, owner of St. Johns Expeditions, based in East Palatka.

Lee Chira: President, Lee Chira and Associates, based in Orlando.

Skip Fowler: A partner with Fowler, Barice and Feeney, Attorneys at Law, based in Orlando.

An election of officers was held, and the results are as follows:

Chairman: Frederick Dudley

Vice Chair: John Browning

Secretary: Norm Mansour

Treasurer: Lee Chira

Chairman Dudley introduced Senator Sebesta, for comments.

Senator Sebesta congratulated the Authority members on their appointments. He stated that the intent of the Legislature was for the Authority to put together a plan using private sector funds. He also reported that the Massachusetts Institute of Technology announced a new technology to have a high speed rail between Europe and New York. It will be built under the ocean in a pressured tube and go from Europe to the U.S. in 3 hours. He asked the members to think outside the box, take the blinders off and keep everything on the table.

Vice-Chairman Browning requested that Travis Dungan be added to the agenda after item 10.

Chairman Dudley agreed to add Mr. Dungan to the agenda and invited other interested parties to speak at that time.

2- Overview of FHSR Act and FDOT Work Activities

Secretary Barry gave an overview of the High Speed Rail Act, and provided an update of activities the Department has undertaken to-date. Secretary Barry also offered staff assistance. He stated the Authority would have its own budget entity. He suggested the Authority look at the overall budget requirements and

provide the Department with direction on how it would like the budget to be released through the Governor and Legislative process.

Chairman Dudley asked Secretary Barry if, in addition to directing the Department to issue an RFP for the Consultant, the legislation also requires or allows the Authority to prepare and issue a request for information from private sector entities regarding their interest in participating in financing, building and operating a high speed rail system in Florida.

Secretary Barry stated that the Department has not prepared a request for information and suggested that the Authority should provide direction to draft the request.

Chairman Dudley stated that the legislation calls for a report to be submitted to the Governor and the Legislature by Jan 1, 2002 and asked if that was intended to be a preliminary report.

Mr. Dockery explained that it will be a preliminary report because the Authority will probably have recommendations for changes in the Law. The first part of the direction to the Authority is to manage the development of preliminary engineering and the environment assessment process, which will take about 18 months to 2 years to complete.

He also added that, during the Legislative session, there was a competing Bill that would have created a study Commission and it had a sunset provision for March of next year. The implication is the Authority will go forward and do things and complete the preliminary environmental and engineering work over the next two years as opposed to the study Commission that would have delivered a report to the Governor and the Legislature and then sunseted.

3- Election of Chairman and Other Officers

The election took place under item 1 above.

4- Adoption of Roberts Rules of Order

Chairman Dudley requested and the Authority adopted Roberts Rules of Order, copy right 1967.

5- Adoption of Authority's Mission Statement

Chairman Dudley asked the Authority to adopt a mission statement.

Mr. Dockery recommended that the mission statement be the Constitutional Amendment language along with the following "To implement Article X Section 19 of the Florida Constitution." Chairman Dudley suggested the following be added "Chapter 2001-153 Laws of Florida." Mr. Dunn seconded the motion. The motion carried.

6- Government in the Sunshine Briefing

Mr. Bottcher gave a briefing on the Florida Government-In-The-Sunshine Law.

Ms. Eddins asked if members are prohibited from communicating with the Secretary who is an ex-officio member of the Authority. Mr. Bottcher responded that members are not prohibited from communicating with the Secretary.

Mr. Dunn asked if they are prohibited from communicating with vendors. Mr. Bottcher responded that would fall under the Procurement Statute. He stated that the solicitations should designate an official contact person and that all communication should go through that contact person. He stated that contact person for the General Consultant RFP is Mr. Nazih Haddad.

Mr. Fowler asked if Authority members could communicate with consultants who might be doing or want to do business with the Authority. Mr. Bottcher responded that members could communicate with the vendor until the time the Authority actually solicits and issues a RFP, RFQ, or RFI. At that time the vendors must communicate with the official contact person.

Mr. Dunn asked if this prohibition pertained to any communication or just communication on the topic. Mr. Bottcher responded that it just pertains to the particular solicitation.

Mr. Bottcher stated that Authority members have to file financial disclosure forms within 45 days of their appointment.

Chairman Dudley requested Mr. Haddad to call Bonnie Williams at the Commission on Ethics and give them Authority member names and let them say who needs to file. He also requested that filing be completed prior to next meeting.

7- High Speed Rail Video

Mr. Haddad played a video covering current transportation conditions and describing various high speed rail and maglev technologies. This video was produced by the National High Speed Rail Association.

8- Presentation on the History of High Speed Rail in Florida

Mr. Haddad gave a presentation on the history of High Speed Rail planning in Florida over the past twenty years.

Ms. Eddins asked how the \$6.1 billion FOX program was going to be funded. Mr. Haddad answered the total cost of infrastructure was going to be financed with system revenues and a \$70 million per year commitment from the State Transportation Trust Fund for 40 years; escalated at 4% annually and from the system operating surplus. The operating expenditures were expected to be fully covered from the system's operating revenues. The project was going to be financed almost completely in the debt markets, with the exception of \$350 million equity funding provided by the four FOX partner companies. Chairman Dudley asked where the \$70 million was to come from. Mr. Haddad responded the \$70 million was going to come from the State Transportation Trust Fund; 15% of the Transportation Trust Fund is earmarked for Public Transportation projects in the State and the \$70 million was identified as part of that 15% that the State was putting towards Public Transportation in Florida.

Chairman Dudley requested that a tabulation of the Transportation Outreach Program (TOP) projects be provided to the Authority members.

Mr. Dockery stated that the Constitutional Amendment does not specify where funding would come from, however having worked and helped draft a proposal which went before the Legislature, the backers were seeking to capture that same \$70 million per year which is currently going to fund the TOP program.

Mr. Chira requested information showing the source of funds (State of Florida, private sector) of dollars spent to-date on High Speed Rail.

9- Senator Jim Sebesta Presentation

The presentation was delivered under item 1 above.

10- Presentation on Coast to Coast Study

Mr. Haddad gave a presentation on the Coast-to-Coast Rail Feasibility Study.

Mr. Dockery asked if there is a requirement at the federal level for participation of federal funds that the system be capable of going 150 mph. Mr. Haddad responded that he believed the speed to be 125 mph but will check and bring the information back at the next meeting.

Ms. Eddins asked for clarification on the issue of at-grade crossings and if the Constitutional provision and the Statutes really mean no at-grade crossings or does it mean the use of technology like is being used on the northeast corridor where there is a minimum number but still some at-grade crossings. Mr. Dockery stated the intent was no traffic competing at grade crossings. Mr. Bottcher was requested to look and advise the Authority on this issue.

Ms. Eddins requested and Chairman Dudley agreed to invite the Federal Railroad Administration to a future meeting.

--Note: Lunch was taken from 12:00-1:00pm--

11- Presentation by Travis Dungan of Coast to Coast Consortium

Mr. Dungan explained that nine blue chip Florida corporations founded the coast-to-coast rail consortium in November of 1999 to study the possibility and feasibility of high speed rail as an alternative to I-4 and the Bee-line in the Central Florida corridor. The second purpose is to promote employee mobility. The third reason is for the quality of life of Florida's residents and visitors. The fourth reason was the importance of alternative travel modes in this corridor to support the bid for the 2012 Summer Olympics. Mr. Dungan indicated that the Consortium has worked closely with the Department on the conduct of this study and that they expect to finalize their comments on the final report and submit to the Department within the next few weeks.

12- Presentation on Potential Federal Funding

Mr. Peter Peyzer gave a presentation on the potential for federal funding. Future funding programs include the High Speed Rail Investment Act, which is pending in Congress right now. If it's enacted it will provide \$12 billion over 10 years nationwide for high speed rail development. The other potential funding that was discussed is to make formula money to the state flexible so that it can be used with intercity passenger rail. Mr. Peyzer laid out the following federal funding scenario for a \$1 billion project:

- \$250 million Demonstration Grant - the House recommended \$200 million three years ago
- \$50 million "Swift Act"
- \$333 million TIFIA loan
- \$75 million RRIF Program loan.

Mr. Peyzer also noted that the Senate Committee on Appropriations approved a bill that provides \$4.5 million to help support the State of Florida's efforts in the PD&E process. The bill is now going to the Senate Floor.

Chairman Dudley asked what kind of matching funds would be required of the \$250 million Demonstration Grant. Mr. Peyzer stated that demonstration grants usually require a 25% non-federal match.

13- Amtrak Presentation

Mr. David Carol, Vice-President for High Speed Rail for Amtrak, focused on the High Speed Rail legislation passed by the Florida Legislature. He stated that the legislation directs the Authority to address two issues. One is to develop a vision for High Speed Rail operation; the other is to begin the preliminary engineering and the environmental work. Mr. Carol proposed that Amtrak could help the Authority address the issues and develop most of the information required to be included in the report to the Governor and Legislature. Amtrak staff time would not be charged to the Florida project. Total out of pocket expenses to be paid to Amtrak would be approximately \$110,000. He stated that Amtrak is the only company in America that has the experience in planning, building, and successfully operating a high

speed rail system. Amtrak would build off the Coast-to-Coast study and the FOX efforts, and add their expertise of running and developing a high speed rail operation. If the system is built, Amtrak would like to operate it.

Chairman Dudley asked Mr. Carol to put Amtrak's proposal in writing. Mr. Carol responded that it is currently available.

14- Presentation on the PD&E Process

Mr. Larry Barfield, of FDOT's Environmental Management Office gave a presentation on the Preliminary Engineering and Environmental (PD&E) process.

Chairman Dudley asked Mr. Barfield if the Authority decided to hire a consultant to perform the PD&E study would it be appropriate to begin discussions with the Federal Rail Administration prior to hiring a consultant. Mr. Barfield answered yes.

Mr. Dockery stated that the Department has advertised for a general consultant for the Authority. The Department has also prepared a scope of work for a consultant to do the PD&E phase. Mr. Dockery stated his intent that the Department start coordinating the effort with the Federal Rail Administration and get the advertisement out for the PD&E request for proposal (RFP).

15- Presentation on Project Finance

Mr. David Miller of Public Financial Management gave a presentation on the mechanisms of debt financing for a project like high speed rail. Mr. Miller stated that if revenue bonds are used to fund a project the State does not have an obligation to repay.

Mr. Chira asked Mr. Dockery to give the Authority members the legislative intent on funding from the state level relative to what the legislative intent was when this bill was being drafted. Mr. Dockery answered that the bill, as introduced, provided for bonding authority for the HSR Authority.

16- Florida 2012 Olympic Bid Presentation

Mr. Ed Turanchik, President and CEO of Florida 2012 Olympic Bid, showed a videotape and gave a presentation on the Florida bid for the 2012 summer Olympic games. He indicated that one of the most important elements of their bid proposal is to present a viable transportation plan for transporting athletes, Olympic officials, the media and spectators to all the different Olympic venues in the Tampa Bay to Orlando corridor. Mr. Turanchik presented an analysis of the importance of implementation of high speed rail in the Tampa-Orlando corridor and its contribution to the overall Olympic transportation plan. The connectivity between Tampa and Orlando is a major factor in the bid.

17- Authority Discussion

- Authority Staffing:

Chairman Dudley brought up the question of whether the Authority should hire its own staff or use FDOT staff. He recommended that the Authority defer this issue until they address their budget. He also suggested that the Executive Director of the Florida Transportation Commission work with Mr. Haddad to prepare for the next Authority meeting. The Chairman also stated he would request Department of Community Affairs and Department of Environmental Protection to designate a person to attend all future Authority meetings. It was decided that Mr. Haddad would be the lead staff person. The chairman stated that when the budget is addressed at the next meeting he would place before the members some alternatives on staffing the Authority.

- Review of Draft RFP for Initiation of PD&E on Orlando to Tampa segment

Mr. Dockery offered a motion to issue the RFP for the PD&E phase subject to a modification in the scope of work which would satisfy the requirements of working with the Federal Railway Administration and

other interests and give the Chairman and Secretary Barry authority to work out any changes necessary. Mr. Chira seconded the motion. During the discussion of the motion Chairman Dudley stated it is his intent that all nine members be involved in the consultant selection process. Mr. Haddad stated that the scope for the general consultant was so written that the general consultant selected would be able to perform the PD&E under a task order if the Authority elected to do it that way. Mr. Fowler made a substitute motion to proceed with the selection of the general consultant before addressing the PD&E issue. Ms. Eddins seconded the motion. After lengthy discussion, the motion to issue the PD&E RFP was approved and the Department was directed to proceed with its issuance.

18- Public Comments

Chairman Dudley asked for public comments.

Mr. John Hendricks, with Peoples Transit Organization requested to speak. Due to time limitations Mr. Hendricks agreed to speak at the August 6th Authority meeting instead.

19- Next Meeting

The Authority set the next meeting to be in Tallahassee, on August 6 at 10 a.m.
20- Adjourn

The meeting adjourned at 5:12 p.m.

MINUTES APPROVED _____ AS READ _____ AS AMENDED

THIS 6th DAY OF AUGUST 2001

CHAIRMAN

NOTE: If further details of these proceedings are required, please contact Nazih Haddad at 850/414-4534 or write to 605 Suwannee Street, Mail Station 67, Tallahassee, Florida 32399-0450. Meetings of the Florida High Speed Rail Authority are recorded on video and audiotape.