



**ALAMO RMA**  
Alamo Regional Mobility Authority  
"Moving people faster"

**BOARD MEETING**  
**Thursday, August 27, 2015 3:00 p.m.**  
**San Antonio River Authority, Board Room**  
**100 E. Guenther Street**  
**San Antonio, Texas 78204**

**Minutes**

1. **Call meeting to order.** Chairman Clamp called the meeting to order at 3:02 p.m. Members present: John Clamp, Gavino Ramos, Ramiro Cavazos, Lou Miller, John Montford, and David Starr.
2. **Approval of minutes from the Regular Board of Directors Meeting of July 23, 2015.**

**J. Montford made motion to approve the minutes as presented to the Board of Directors. D. Starr seconded the motion. All voted in favor.**

3. **Executive Director's Report.** Renee Green presented

**A. Monthly Status Report on General Engineering Consultant (GEC) Work Authorizations**

For the month of July, work was performed on Work Authorization (WA) Number 1 with Pape Dawson Munoz.

- **Work Authorization No. 1:** Parking Feasibility Study:
  1. Completed the feasibility model for parking facilities
  2. Submitted the draft report
  3. Prepared the presentation
  4. Met with staff to review the report and presentation

For the month of July, work was performed on Work Authorization (WA) Number 2 with HNTB.

- **Work Authorization No. 2:** Public Involvement Support:
  1. Coordinated with staff for public outreach
  2. Prepared media release and remarks for the US 281 Record of Decision Notice of Availability

**B. Monthly Update on US Hwy 281 Environmental Impact Statement**

- **Work Authorization No. 4B:** Design Schematic for the Preferred Alternative and Environmental Impact Statement:
  1. Compiled Final EIS comments and addressed them in the Record of Decision

2. Coordinated development and distribution of the Record of Decision Notice of Availability
3. Updated the project website
4. Updated the project record

**C. Monthly Update on Loop 1604 Environmental Assessment**

- **Work Authorization No. 5: Environmental Assessment:**
  1. Continued the Noise Analysis
  2. Continued the Mobile Source Air Toxics Analysis
  3. Continued the Biological Assessment
  4. Continued Development of the Draft Environmental Assessment
  5. Coordinated with TxDOT Environmental Division in preparation for the Draft EA submittal
  6. Continued project management, coordination and administration tasks

**D. Monthly Financials for May and June 2015**

- Monthly financial statements are attached for July, including the following:
  1. Balance Sheets
  2. Statement of Revenues, Expenses, and Changes in Net Assets
  3. Statement of Revenues and Expenditures
  4. Project Costs (Capitalized and Non-Capitalized)

The report was accepted by the Board of Directors as presented.

**4. Discussion and appropriate action regarding approval of the US 281 Improvement Project Southern Segment Project Development Agreement.**

Renee Green presented

On July 23, 2015 staff briefed the Board that the US 281 Project would be delivered Design-Bid-Build with the intent to bring the Project Development Agreement to the Board at the August 2015 Board Meeting. Agreement was written if Prop 7 money became available we could easily remove the toll component from the agreement.

Representative Speaker Straus spoke on Monday about tolls not being used for 281. Prop 7 money being used for 281. TxDOT took the position that they felt like this Agreement might look like a step back. An email was received yesterday from Mario Jorge with a recommendation to defer action because PDA contains a reference to the tolls.

Question by D. Starr: It will be a step back if the tolls are removed?

Response by R. Green: No sir, it will be a step back if we approve an agreement that referenced tolling a part of 281 in light of the Speaker's comments on Monday.

Question by J. Montford: Is there any change in the design from tolled to non-tolled?

Response by R. Green: No, sir there is no change. The only concern I have is that we want to continue to advance the project. One of the things I want Mario to address if there is a way to continue to move forward on 281 in absence of a PDA so that we don't lose time. We are going to have lag time in between the voters taking action on Prop 7 and allocation.

Response by Jonathan on behalf of Mario Jorge with TxDOT: As far as the delay on the project we are doing everything we can to keep things moving forward. As far as any decision on toll or non-toll there will be a lot of discussions starting tomorrow the MPO has a workshop. It's in their court. If any toll or non-toll decisions have to be made it's a decision on their part. Most likely decision will be made in September in a form of a Resolution that "if Prop 7 funding become available it would be used towards 281" and if that action takes place then TxDOT would be able to begin project development and procurement for a contractor.

Response by Mario Jorge with TxDOT: Our commissioner, Mr. Bruce Bugg, is very interested in keeping the project moving forward. The email I sent Renee yesterday I feel is a reasonable request. I hate for us to take action here at this board and for us to look at an agreement that from all indication looks like we are going non-toll on 281 based on everything we have heard and the potential of funding being available from the MPO. I feel it's best to table the item at this point. Lets work through that other process of available funding with the MPO. It will not slow down the project development.

Question by J. Montford: The final amount of money approval is still up to the commissioner, isn't it?

Response by M. Jorge with TxDOT: Yes, the Prop 7 if it passes in November is \$2.5 billion going to the highway fund in 2018, but 2017 calendar year. The distribution to the various MPO's is subject to commission action. They will receive input from the legislator, governor, and so forth. We want to start turning dirt in 2017 for the southern segment of 281 while the Right-of-Way is purchased on the North part of 281. The ultimate funding project specific happens at the MPO.

Question by J. Clamp: So do we lose a year?

Response by R. Green: If we lose a year its really only on the Northern section.

Response by M. Jorge with TxDOT: The environmental clearance was just issued in July. We are still in the litigation window up until December. We have to pass this stage and move forward.

Question by J. Clamp: If Prop 7 passes and we get the support of the MPO how does that impact the RMA's role in 281?

Response by M. Jorge with TxDOT: If project goes non toll as we are discussing the RMA will not necessarily have a role in that project. This RMA has a lot more authority than just toll roads. There are other opportunities that Renee and I have been talking about.

Response by R. Green: We still will retain primacy for tolling on 281 but if theres going to be no toll road we wouldn't need a PDA and TxDOT would move forward. They also would be responsible for all the construction, expansion and maintenance. Chris Trevino as your staff engineer will still be involved in all of what TxDOT is doing and report back to the Board.

Question by J. Montford: What about I-10? What's going to happen?

Response by M. Jorge with TxDOT: We are still in the environment approval stage. About a year away on that or several months.

Response by J. Montford: It was a concerned discussion with politicians If 281 is not going to be tolled than what are we going to do about I-10. It creates an imbalance.

Response by R. Green: There are two different road way types. 281 is really not a freeway or an expressway, I-10 is. So there's a lot of discussion on how that factors in to the decision.

**R. Cavazos made the motion to table the US 281 Improvement Project Southern Segment Project Development Agreement. J. Montford seconded the motion. All voted in favor.**

**5. Discussion and appropriate action regarding the FY 2016 Vehicle Registration Fee Projects.**

Renee Green presented

On August 29, 2013 the Bexar County Commissioners Court adopted an Optional Vehicle Registration Fee called the County Transportation Fee of \$10.00 per vehicle. Code requires the County remit the revenue to the RMA to fund long-term transportation projects.

On April 29, 2014 Commissioners Court approved an Interlocal Funding Agreement with the Alamo Regional Mobility Authority in connection with the County Transportation Fee to fund long-term transportation projects.

\$70MM is committed to Loop 1604, all future expenditures to be approved by Commissioners Court. ARMA is proposing funding of approximately \$30MM in projects which represents half of uncommitted capacity.

Options for Utilization of County Transportation Fee:

- Presented option of possible projects with TxDOT in Partnership
- Presented option of possible Bexar County FY 2015-16 CIP Transportation projects
- Presented option of possible call for projects

Stated Preference by both Commissioners and ARMA Board Members is to partner with TxDOT so Vehicle Registration Fee dollars are maximized.

TxDOT Partnership:

- TxDOT will match RMA contribution dollar for dollar and TxDOT will cover all project development costs. RMA funds would be used for construction costs only.
- RMA to fund approximately 50 percent or \$33.2MM in Construction Costs.
- Represents approximately \$80MM in total Project Costs.

| <b>TxDOT Recommended Construction and Transportation Needs</b> |  |                              |                          |
|--|--|------------------------------|--------------------------|
| <b>Project</b>   | <b>Description</b>                                 | <b>Average Daily Traffic</b> | <b>Construction Cost</b> |
| <b>Precinct 1</b>  |  |                              |                          |
| Loop 1604  | US 281 to FM 1303<br>Expand from 2 to 4 lanes      | 7,908                        | \$20,000,000.00          |
| <b>Precinct 2</b>  |  |                              |                          |
| FM 471   | Old FM 471 E to SH 211<br>Expand from 2 to 4 lanes | 8,200                        | \$21,000,000.00          |
| <b>Precinct 4</b>  |  |                              |                          |
| FM 1516  | FM 78 to I-10<br>Expand from 2 to 4 lanes          | 12,461                       | \$23,500,000.00          |
| <b>Total Construction Cost:</b>                                |  |                              | <b>\$64,500,000.00</b>   |

Alternative TxDOT Partnership Projects:

- Expand Loop 1604 (requested analysis by ARMA Board)
- Segments prioritized by TxDOT
- In the MPO's Long Range Plan

As Mr. Montford stated previously he wanted us to take a look at the completion of Loop 1604 so we met with TxDOT. These would be the three segments that they would recommend moving forward first:

| Prioritized Loop 1604 Expansion Projects |   |                       |                        |
|--|---|-----------------------|------------------------|
| Project                                  | Description                                   | Average Daily Traffic | Construction Cost      |
| <b>Precinct 1</b>                        |   |                       |                        |
| Loop 1604                                | US 90 to I-35<br>Expand from 2 to 4 lanes     | 8,609                 | \$40,000,000.00        |
| Loop 1604                                | US 281 to FM 1303<br>Expand from 2 to 4 lanes | 7,908                 | \$20,000,000.00        |
| <b>Precinct 4</b>                        |   |                       |                        |
| Loop 1604                                | I-10 E to FM 1346<br>Expand from 2 to 4 lanes | 10,201                | \$15,000,000.00        |
| <b>Total Construction Cost:</b>          |   |                       | <b>\$75,000,000.00</b> |

The price is a little higher than the three projects we recommended and it's not geographically balanced but it is more mileage. It's 18.2 miles versus the other is 13.4 miles. I presented this information to the Bexar County Commissioners Court when we requested they reauthorize the fee and I did not get any direct feedback from the court. I took that to me that I needed to go meet with them individually and discuss these projects with them. I have set those meetings up within the next week to a week and a half. So I'm giving you this information to look at and ask TxDOT questions on but I'm not making a recommendation to you or I'm not asking for any direction or decision at this point. I will need to talk with the commissioners and talk with you and tell you what their feelings are.

Question by R. Cavazos: A suggestion, it may be wise for us who are appointed by the County Judge or a County Commissioner to meet with staff and that elected official that same time so you are not having to explain what their feelings are. I think it would make your job easier and we all come back like-minded. Only if it works.

Response by R. Green: Ok, I will try to make that happen. Schedules are the most difficult part of that equation. As I make appointments with your respective commissioners I will check on your availability.

Question by D. Smith: On the 1604 project list, that \$75 million, is that full project cost or is that in partnership with TxDOT?

Response by R. Green: That's the full construction cost, remember TxDOT is going to pick up the soft cost. We would only be half of that, 37.5 million it would be.

Question by J. Montford: Has TxDOT acquired all the Right-of-Way for 1604 all the way around?

Response by Jonathan with TxDOT: Definitely for those three segments. Most likely there's enough to build 4 lanes all the way around. That wouldn't go to a full expressway with the Right-of-Way that is there.

Question by J. Clamp: Have you had discussions, Seth, with the finance guys how we will finance these potential projects? How will we leverage the capacity of the vehicle registration fees? We going to use all equities, some debts, a mixture?

Response by S. McCabe: We've had preliminary discussions with Don at Estrada & Hinojosa. We really wanted to see what the board approved at the end of the day as far as dollar amount. We've looked at the capacity and this fix within that capacity. It still leaves some capacity but as far as the financing and how that would work out we haven't gotten that far yet.

Response by J. Clamp: So we will have that discussion sometime in the future cause I really want to keep that capacity, I don't know what the number is, but I don't want to use it all.

Response by D. Smith: Working with Don we can really make this a little higher but lets just say its \$14 million a year, revenue as opposed to tax, this would leave a quarter or a little more in the capacity because \$70MM is committed to Loop 1604.

Question by D. Starr: If it's \$14 million a year our capacity is way over \$140 million, I bet its closer to \$215 million with today's rates, Don?

Response by Don with Estrada & Hinojosa: Good question, we've run multiple scenarios and a lot of it is going to depend upon whether or not you will look at an ascending revenue steam from the vehicle registration fee and what type of ratings you will want to be targeting. We are trying to stay in AA Category. We are looking at, on the low side, \$170 million and on the high side, assuming you have ascending revenue stream from the vehicle registration fee and you structure the debt in an ascending format, you can probably get to about \$217 million. In today's market that has a little cushion in it, you can probably get about \$225-\$230 million. We don't want to get too aggressive on that.

Response by J. Clamp: I really want to look at this in more detail, it doesn't have to be project specific. We need to figure out how we will utilize the capacity of the vehicle registration fee and how conservative this board wants to be with issuing that debt to get these projects in line. It is a very important discussion that we all need to be a part of.

Response by J. Clamp: I talked to Mario about this, we talked about the project at Wurzbach Parkway & I-35 where it comes to a dead stop at O'Connor to look at that and see if that's a potential project for the RMA to participate in the future. It makes sense to connect I-35 all the way down to Wurzbach Parkway.

Response by M. Jorge with TxDOT: I feel it's important in the upcoming meeting to have a presentation to get a global picture of projects we have identified that we are working on because some of those might be right in the wheel path for you all. The first project that will hit the ground is the Loop 1604 project that has the fee of the vehicle registration fee commitment. It's in the final stages of development. We will have to work out the financial agreements that we have been working with the County and VIA on. That will be the first one we put on the ground together, early next Spring. It's huge for the RMA to have a project on the ground with TxDOT. It builds credibility for the partnership we have.

Response by R. Green: That's one that we will be coming to you all later in the fall for the Advance Funding Agreement.

Response by M. Jorge with TxDOT: The Wurzbach connector to I-35, we haven't really started planning aspects on that but from a managed lane perspective I think it's something that definitely can be looked at. We have identified it already.

No approval or no action was taken by the Board of Directors.

**6. Discussion and appropriate action regarding approval of the Legal Services Professional Services Agreement with Locke Lord, LLP.**

Renee Green presented

On July 23, 2015, the Board of Directors directed staff to negotiate a Professional Services Agreement with Locke Lord, LLP. We ran this agreement by our District Attorney's Civil Section at Bexar County to review and verify fees. Based on that staff recommends approval which David Smith can execute.

Question by G. Ramos : How much do the fees differ from the last agreement?

Response by R. Green: In some cases they went up your standard 3-5% per year. The last agreement was executed in 2010 so there hadn't been a fee increase since 2010. Brian's hourly rate went up 30%.

Response by Brian Cassidy: We discount off our standard hourly rate.

Response by R. Green: That's why we took that extra step and asked the District Attorney's office to verify the rates are in line.

Question by D. Starr: It's a five year contract, do we have a right to cancellation?

Response by R. Green: 30 days

**D. Starr made motion to approve the Legal Services Professional Services Agreement with Locke Lord, LLP. J. Montford seconded the motion. All voted in favor.**

**7. Presentation of the Parking Facility Research Paper results.**

PDM/AECOM staff presented

On April 16, 2015 the Board of Directors approved PDM/AECOM's General Engineering Consultant Work Authorization No. 1 for preparation and presentation of the Parking Facility White Paper.

Phase 1: Scope of Work

**A. Data Collection & Assembly**

- Collect Data – Inventory of Downtown Parking
- Preliminary Parking Supply Utilization
- Preliminary Growth & Trends Analysis

**B. Feasibility Analysis**

- Parking Revenue Model
- ROM Garage Capital and O&M Costs

Is it Feasible for the Alamo RMA to Construct and Operate a Parking Garage?

Yes, an ARMA Parking Garage in Downtown San Antonio is Technically Feasible.

- ✓ Identified 4 Potential Markets in Downtown San Antonio
  - ✓ Future Demand & Growth Opportunities
  - ✓ Short Supply
- ✓ Viable Financing Options Exist
- ✓ Positive NPV Options Exist

Question by D. Smith: Where would debt service factor in?

Response by David with AECOM: Debt service is not actually showing but it is showing with in the chart.

Question by R. Green: Does your Net Present Value include debt service?

Response by David with AECOM: The Net Present Value considers the revenue surplus at the end. It excludes the interest payments.

Question by D. Starr: Who is going to operate this?

Response by R. Green: If it's an Alamo RMA garage we would either outsource the operation or operate ourself.

Response by R. Green: Just so you understand, in this particular unsolicited proposal for the 5 garages, 2 of them were going to be needed for the apartment complexes that the developer was building. He's giving up all the land and building 5 garages and has already filled up 2 of them. You get no revenue off these.

Question by J. Clamp: One of the unique positions we are in is the opportunity to partner with other governmental organizations that own land or organizations that would contribute land. What financing opportunities do we have if we do this in the future?

Response by D. Smith: This model looks like it needs to be self financing since you have no other revenues.

Response by D. Starr: The Council brought up to me about the 3P. Theres this legislative act that allows the RMA to get involved in the 3P Program. We can raise equity in a number of different ways. Most municipalities now are trying to leverage dollars. Under the new legislation that they are doing for EB-5, infrastructure for municipalities and governmental agencies is going to be an exception. Government wants you to use low income housing tax benefits as promotion for low income housing. They want to use the EB-5 for infrastructure and using that to leverage dollars so more deals can be done. Some want to save capacity on the bonds so they want to get projects done and when they don't need the capacity they refinance it back out. If RMA borrowed the money, the money under the EB-5 law has to be 100% at risk so there can't be a guarantee in payment back. It works to your advantage to leverage those dollars. It costs more because its unrated, instead of being a 3 ½ or 4% interest rate it might be a 5 ½ or 6%, but it works to everybodys benefit.

Response by Brian Cassidy: This statute was passed a couple of sessions ago. It is not unique just to RMA, city, counties and other goverments can use it. It is one way it could work as a procurement and funding mechanism.

Question by R. Cavazos: Are you talking about the same number of parking spaces?

Response by Aaron with PDM: Yes, 600 spaces. We used different garage constructions.

Question by R. Cavazos: Doesn't the city of San Antonio have a parking fund or a department? I know when I worked for the city they had a parking fund and staff. How can we leverage resources to get things done? I don't know if the city has done a project that I can point to downtown.

Response by Don with Estrada & Hinojosa: We represent the city. The most recent one is the one North of Houston, the parking garage that is by the Greyhound bus station. You are correct, they do have a parking enterprise system and there are some garages that are very high performing and they often will get unsolicited proposals to buy the entire parking garage system of the city. We never see one that makes financial sense.

Since you have significant parking that is controlled and operated by the city they see in their best interest to not do so. If they would do it, they would be looking to do their own parking garages and not sell the system they have.

Question by R. Cavazos: If we need parking downtown, why haven't we done more parking garages? Obviously it's a cost and financing issue. If we can work with like-minded partners maybe we can work something out.

Response by D. Starr: It's gotta be tied into a park and ride. You just can't do free standing. Nobody wants to operate the parking garage. They don't have the money for the garage. You need to have some sort of mobil transportation facility, a destination resort. So if they build a new baseball stadium downtown and you build a park and ride by there you could build a garage for that stadium tied into the park and ride. That's how something like that would work.

Question by J. Clamp: Aaron, can you all work on the capital cost language and make sure the debt service is in those numbers and work with Seth and make sure that model, when we do use it, is a workable one.

Response by Aaron with PDM: Yes

**Board of Directors took no action on the Parking Facility Research Paper results.**

**8. Citizens' Communications.**

No citizens signed up to speak.

**9. Executive Session - Pursuant to Chapter 551, Subchapter D, Texas Government Code.**

Alamo RMA Board of Directors did not meet in Executive Session and no action was taken.

**10. Adjournment.**

There being no further action for the Board, Chairman Clamp adjourned the meeting at 4:39 p.m.

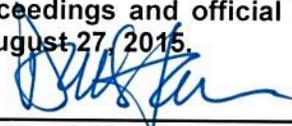
APPROVED:

  
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JOHN CLAMP, CHAIRMAN

DATE ADOPTED: 9/24/2015

I hereby certify that the above foregoing pages constitute the full, true, and correct minutes of all the proceedings and official records of the Alamo Regional Mobility Authority at its meeting on August 27, 2015.

ATTEST:

  
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DAVID STARR, TREASURER/SECRETARY