

RAILROAD TRANSPORTATION SAFETY DISTRICT

Board Meeting
July 31, 2001

Meeting Began At: 6:10 P.M.
Meeting Ended At: 7:45 P.M.
Members Present: Coleen Seng, Bob Workman, Jon Camp and Ray Stevens
Members Absent: Larry Hudkins, Jonathan Cook
Others Present: Roger Figard, Tom Leikam, Bill Kuester, Kurt Micek, Roger Ohlrich, Tina Mackel, Fran Mejer, Dick Nuernberger

Order No. 01-10 Call to Order. Approval of the Previous Minutes.

Coleen Seng called the meeting to order and welcomed Ray Stevens to the Board. She asked for a motion to approve the previous minutes. Bob Workman motioned to approve the minutes. Jon Camp seconded the motion. Motion approved. Stevens abstained.

Order No. 01-11 Report of Treasurer.

Dick Nuernberger presented the treasurer's report. As of June 30, 2001, the District had investments in various banks totaling \$11,425,646.30. A balance of \$865,815.50 was carried in the District's checking account as of June 30, 2001. The County Treasurer's balance for the District was \$1,974,227.81 as of June 30, 2001.

Workman asked Nuernberger how he determines which bank gets what.

Nuernberger replied that it's a function of how much the bank wants, if we have the money and if they want to pledge the collateral.

Workman motioned to approve the treasurer's report. Camp seconded the motion. Motion approved.

Order No. 01-12 Election of Officers.

President: Bob Workman nominated Coleen Seng.
Vice President: Ray Stevens nominated Bob Workman.
Secretary: Bob Workman nominated Ray Stevens.

Motion carried.

Order No. 01-13 2001/2002 Budget Approval.

Figard stated that the agenda has some revisions regarding the budget. This budget represents an additional request of \$160,000 over the previous budget. The reason it has changed is because some of the anticipated expenditures that were expected to be made between April and June 30th on projects did not materialize. The RTSD must re-budget each year any money to be expended in a project. The \$160,000 will be re-appropriated for projects next year. The total operating expenses requested for next year, \$60,250, has no changes over what was previously in the draft budget. The last service and charge area maintenance for the 3rd & F underpass shows zero. The elimination of the maintenance component of the 3rd & F from the RTSD budget was at Board's request. Public Works & Utilities maintenance division is intending to and has proposed money in its budget to take on maintenance activity for the upcoming year.

- **Management**, \$28,500 is a percentage of Roger's salary to provide management and guidance administration to the RTSD by interlocal between the District and City. \$12,000 is the estimated actual expenditures for support staff. Staff continues to be very conservative with their time.
- **Supplies**, \$1,000 for miscellaneous office supplies. This year \$547 was spent.
- **Other services and charges**, a line item was added for contingency contractual services.
- **Auditing services**, \$6500, \$6150 was spent this year. Legal services spent just under \$2000 this year and estimating \$6500. It's invaluable to have an accounting firm that helps prepare the budget as well as doing annual reports and the audit at the end of the year.
- **Printing and copying**, no charges, insurance requesting \$200, that only comes up about every 3rd or 4th year. Total operating expense budget request of \$60,250.

Workman inquired about budgeting \$12,000 for support staff.

Figard replied that \$9700 was spent in 1999-2000 and added that staff does keep a good accounting of their time.

Workman added that as long as it is not abused, \$12,000 in the budget will be sufficient.

Figard stated that this expenditure depends on the number of Board meetings scheduled. This is where a lot of staff time comes in doing minutes, setting up meetings, etc.

Camp asked about the \$18,000 not spent on 3rd & F Underpass.

Figard replied that it stays in the cash account and continues to get invested.

- **Project 1, RR crossing improvements**, budgeted a lump sum of \$250,000. This year a big expenditure starting at the first of the year is 56th & Old Cheney. Originally, this was intended to be done before the end of this fiscal year. The expenditures vary from 0 to as much as \$330,000 a year, just depends on when those crossings begin to come apart. The recommendation is to leave it at \$250,000. This money stays in the fund and must be re-budgeted each year.

Camp asked Roger if he had an estimate on how much 56th & Old Cheney would cost.

Figard stated that it could cost \$100,000-\$150,000, as much as \$150 a foot. Another potential one that we have is the improvement of the Burlington Northern crossing on South 14th Street just south of Yankee Hill.

Camp asked if there is something City Council members need to be observing as future annexations come up.

Figard stated that the process is covered, but it will be a good reminder to point those out as the annexations come forward.

- **Project 2, Van Dorn Relocation**, re-budgeting \$10,000, still waiting for that project to be audited out. If the money is not spent, it stays in the bank and draws interest.
- **Project 3, Strategic Vision Plan**. As the State continues to work on a statewide crossing elimination program, it is important to keep some money available in case a master plan need to be done across the entire County.
- **Project 4, the Union Pacific RR Relocation at X Street**. This was budgeted at \$3,000,000, in which just under \$2.8 million was expended and recommending to budget an additional \$430,000 to finish that project this year, including final payout with change orders and change conditions. Still waiting for final force account agreements from the railroads for the work that they have done and final payments from the contractor.

Workman asked if those are over runs on the contract.

Figard replied that there are some cost over runs. There were some extras, but is still under the original contract amount.

- **Project 5, Firth Road Overpass**. No expenditures were made this year. Don Thomas has asked that \$205,000 be re-budgeted next year to see how it progresses.
- **Project 6, Antelope Valley** is budgeted a \$1.5 million. The City and the study partners have expended well over that in the past year and that transfer of money from the District to the City to help with the planning efforts continued and consists with our long range program. Asking to budget another \$1.5 million as it goes into final design.
- **Project 7, South Salt Creek 3rd & A Overpass**. The goal is to try to have enough money budgeted for the contract amounts. \$3,552,000 will be needed to finish design and start on some right-of-way. \$3,552,000 is being requested for the first year and then suggesting to ask for \$6.8 million in the second year of the program for construction.

Workman asked if the \$3.5 million and \$6.8 million add up to the original 3rd & A Street Overpass.

Figard replied that it is more, but previous monies only consisted of the overpass. The \$11 million is not just building the overpass. It now includes paving some streets to reconnect, building track by the airport for Union Pacific to abandon the 4th Street track, and additional work and switches required between Union Pacific and Burlington Northern near the Hobson Yard and around the depot area.

- **Project 9 South 68th Street at Hickman Overpass** has a + \$60,000 in the draft budget. Don would like to start working on the engineering and planning efforts in this next fiscal year.
- **Project 10, Southwest 40th.** Asking to re-budget \$250,000. There continues to be ongoing discussions to either close Southwest 40th Street south of 'O' Street or to build an overpass.
- **Project 11, Journal Star Track Removal** work is completed. Asking to re-budget \$200,000 to pay for bills not yet received from the City.
- **Project 12, Baseball Partnership Project,** land acquisition shows 0. \$250,000 was budgeted for land acquisition of the Union Pacific track west of 6th Street. The property was purchased for \$212,895 so the remainder went back into the account. We budgeted \$1 million for the overpass and have spent \$23,184 in 2000. We re-budgeted the remainder of the \$1 million and spent \$249,472.73 for City bills which left a remainder of \$727,000. We are simply re-budgeting \$748,000 to pay out for the pedestrian bridge that's being built.

Stevens asked what the \$250,000 was spent on.

Figard replied that truss was pre-ordered and a portion of the engineering between NEBCO, the University and the City. Each time a bill came in pursuant to the pedestrian bridge, there was a percentage that the RTSD picked up. The City and the RTSD cover the cost of the overpass.

Camp asked if the RTSD is going over \$1 million by \$21,000 and what those expenses encompass.

Figard stated that the \$748,000 needs to be adjusted down to a number that is the remaining portion of the \$1 million total spent for the pedestrian structure. It will be amended that to the \$727,343.27.

Workman asked if the \$1 million included land acquisition.

Figard replied that the original budget was \$1,250,000. The land purchase was estimated at \$250,000 and the bridge at a \$1 million. We broke those into two line items at the Board's request

Camp asked what the original estimate of the overpasses were.

Figard replied that it was in the range of \$1.5 million. A more conservative approach was taken and failed to evaluate the railroad plans and right-of-way for future track which extended the spans and increased the cost of the structures. It's quite a bit more than what was originally estimated.

Workman asked what the total cost of the overpass will be.

Figard replied that it will be in the \$5 million.

Camp added that Bereuter added \$3.5 million in federal transit funds.

Figard stated that the District has held firm in the budget amount. 27th and Saltillo has been postponed. The capital budget request for next year is \$7,305,000 which is \$160,000 more than the draft in April. Asking the Board to approve a total of \$7,365,250.

Camp asked about the track removal at 9th and Q that cost \$13,155 compared to the \$200,000 that is estimated for the Journal Star, 8th & 9th Street track removal.

Figard replied that the tracks from the north side of "P" up to "Q" and through "Q" need to be removed along with the location from Q up around under the 10th Street viaduct north of the University. It will probably get done for less than the \$200,000.

Stevens asked if the City is a contract laborer for the RTSD.

Figard stated that yes, the City and the County do things under a contractor already administering competitive bid prices and then reimburse them for their actual cost. Looking at the 2nd and 3rd pages of the budget, the 2nd page is a 6-year and a 10- year program showing the projects and what we would expect to be requesting in capital improvements each of those years. We use the 2nd sheet to project cash flow on the 3rd sheet which Fran will update as soon as we get the actual tax revenue receipts for the last fiscal year. The cash flow was to have a minimum balance of \$1.5 million at the end of any one year. In the 3rd year, it goes down to \$342,000, then slowly starts building back up. Comfortable in leaving the capital improvements the way it's shown right now because the money that isn't spent stays in the bank and continues to draw interest. Proposing not to defer or delay some of those projects. The goal would still be to have \$1.5 million in cash reserves because RTSD has no bonding authority and in the long range plan will continue to support that. In working with the Public Works & Utilities business office, \$1.5 million was a reasonable amount of money.

Stevens stated that delays like the Harris Overpass would make a difference to cash balances:

Figard added that the Harris Overpass is a project that clearly could fluctuate in time and is not inconceivable that it might be delayed a year or two. The resolution is authorizing to forward to the County a request for the budget year setting the levy at 0.026 per \$100 of the actual valuation with the estimate of \$3,325,207 and a budget with the minor revision in project 12.

Camp motioned to approve.

Workman seconded the motion with the understanding that line item 899161 will be reduced by approximately \$20,657.

Stevens stated his mild concern that the property valuation in the County went up 12% this year and if the levy stays the same, the taxes are increasing on real property by anywhere from 8% to 12%. The levy being set for the RTSD is going to generate revenue in April of 2002 and in August of 2002. The statements would go out in December and would be payable in April and August. Half of the revenue that is based on the levy that is set is going to come due back April 1st of next year and the other half would be into the next fiscal year.

Camp asked how much of a change would incur if the levy went from 0.026 to 0.025.

Figard replied that it would only amount to a few thousand dollars. Another overpass at Southwest 40th and the Burlington Northern corridor at South Wilderness Park is being proposed. Going from 0.026 to 0.025 is not going to make any difference in next year's budget. The County Board would be in a position to let the RTSD know whether or not they can support the 0.026.

Workman reiterated that there will be another go at this with the County Board and asked if a lower figure was sent to the County Board, would they have the authority to bump it up to 0.026.

Figard stated that we would be subject to the levy increase limits again.

Micek added the if we bring it down from the 0.026 request, it would create fear for the RTSD to meet long term projects.

Workman asked Micek if the County Board approves 0.023, would that cause any lid limits and could the levy be 0.026 the following year.

Micek was unsure, but thinks we need to work our way back up within the levy limit to submit to the County. It still must be within the levy limits whether it is presented to the County or not.

Camp asked Micek if he could calculate that for the County Board's consideration and is willing to proceed with this levy of 0.026.

Workman supports the motion as it stands considering the County Board will have the final say.

Figard recommends the maximum on the levy and to respect the County Board's struggle to distribute the 15 cents.

Workman added that the 15 cents is a lid that the County Board is obliged to meet. 0.026 lies within that 15 cent lid.

Motion carried.

Order No. 01-14 Review/Renew Legal Service Contract.

Figard asked for approval to renew the legal service contract with Crosby Guenzel.

Camp added that he was very pleased with their services.

Camp moved. Stevens seconded. Motion carried.

Order No. 01-15 Project Updates.

Figard stated that “X” Street is winding down. Regarding 3rd and “A” Street, the contract language is being finalized with the consultant.

Order No. 01-16 Other Non-Agenda Items.

Figard stated that a map was prepared to show the elimination of 14 grade crossings. The eligibility from the State is a \$5,000 reimbursement. A resolution has been prepared to authorize the consultant and the Executive Director to prepare an interlocal agreement to ask the City and the County to allow the closing of the crossings and be reimbursed \$5,000 for each crossing closed. The State requires resolution from the Board to move ahead. The State also wants the City and County to be party to that contract so that they know that the City and County are supportive of closing the crossings. Figard asked to allow an agreement that requires the State to pay the RTSD \$70,000 to close those 14 crossings. The District will sign on this agreement, then it will forward to the County Board and City Council for their action. The State will then prepare the actual agreement.

Tom Leikam added that the crossings will be reconstructed, not closed

Camp asked if this motion would be for reimbursement from the State and if we would be expending any money.

Figard replied that there will be an expenditure when the track comes out. We will use some of the \$70,000 to work with the County and City to pay a contractor to put the pavement back in.

Leikam added that the costs associated with reconstruction of the roadways at the locations where the Union Pacific tracks will be coming out are included in with the project costs for the 3rd and “A” project. The \$70,000 for the 14 crossings that would be received from the State would be a reimbursement towards that.

Camp moved to allow the agreement. Workman seconded the motion. Motion carried.

Camp motioned to adjourn the meeting. Workman seconded the motion. Motion carried.

Prepared by: _____
Tina Mackel, Public Works & Utilities