

# **METRO AREA TRANSIT SYSTEM CORPORATION**

## **BOARD OF DIRECTORS MEETING**

MONDAY, APRIL 5, 2021 2:15 P.M.

# **METRO AREA TRANSIT SYSTEM BOARD OF DIRECTORS MEETING AGENDA (via VIRTUAL MEETING)**

**MONDAY APRIL 5, 2021**

## **Special Notice Regarding this Meeting:**

Due to the COVID-19 (Coronavirus) pandemic, Tarrant County Public Health Recommendations issued on March 13, 2020, “strongly” recommended “organizers of events of any size in which people will be in close contact to cancel or postpone such events. *[emphasis added]*” In response, the Trinity Metro Board will meet by virtual meeting in strict adherence with applicable law, including in accordance with the suspension of certain requirements of the Open Meetings Act made by Governor Abbott on March 16, 2020, to permit open meetings to occur in a fully virtual setting.

The public is invited to participate in this virtual meeting by dialing the following toll-free teleconference bridge number:

## **Microsoft Teams meeting**

**Join on your computer or mobile app**

[Click here to join the meeting](#)

**Or call in (audio only)**

[+1 321-754-9506,,286533704#](#) United States, Orlando

Phone Conference ID: 286 533 704#

Each part of the virtual meeting is required to be open to the public will be audible to all participants on the call and recorded, and two-way communication will be maintained throughout the entire meeting, although there is not an opportunity or agenda for public comments in the committee meetings.

Any individual who wishes to speak must first identify himself or herself. To optimize audibility, all participants are urged to mute their phones and turn off their cameras unless and until speaking.

# **METRO AREA TRANSIT SYSTEM BOARD OF DIRECTORS MEETING AGENDA**

**MONDAY, APRIL 5, 2021, 2:15 P.M.**

**VIRTUAL MEETING**

**A. CALL TO ORDER**

**B. ROLL CALL**

**C. CITIZEN COMMENTS**

**D. ACTION ITEMS**

- 1. MBA2021-001     Interlocal Agreement Between Metro Area Transit System Corporation and The City of Grapevine to Support the Implementation of Positive Train Control (PTC)**

**E. OTHER BUSINESS**

**F. EXECUTIVE SESSION**

**The Board of Directors may convene in Executive Session under the Texas Open Meetings Act for the consultation with its Attorney pursuant to Section 551.071; deliberation regarding real property pursuant to Section 551.072; deliberation regarding prospective gift pursuant to Section 551.073; deliberation regarding personnel matters pursuant to Section 551.074; deliberation regarding security devices pursuant to Section 551.076 and/or deliberations regarding economic development negotiations pursuant to Section 551.087.**

**G. RECONVENE**

**H. VOTE ON ACTION TAKEN ON MATTERS DELIBERATED IN EXECUTIVE SESSION**

**I. ADJOURN**

**PLEASE CHECK WEBSITE FOR FUTURE MEETINGS.**

# **ACTION ITEM**

# **BOARD OF DIRECTORS**

## **ACTION ITEM**

**Item Number:** MBA2021-001

**Meeting Date:** April 5, 2020

**Item Title:** Interlocal Agreement Between Metro Area Transit System Corporation and The City of Grapevine to Support the Implementation of Positive Train Control (PTC)

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### **BACKGROUND**

The City of Grapevine operates the Grapevine Vintage Railroad (GVRR), located in downtown Grapevine. The GVRR is a unique rail line that offers its customers a historic rail excursion experience.

GVRR, like Trinity Metro, is subject to the nationally mandated positive train control (PTC) requirements. In 2020, the City of Grapevine began implementing PTC for the GVRR's locomotives. PTC for the GVRR enhances the safety and reliability of TEXRail on its 27.3-mile route between Fort Worth and the Dallas Fort Worth International Airport (DFWIA). Thus GVRR's successful implementation and continued operation of PTC directly benefits Trinity Metro's operation of TEXRail by ensuring added safety enhancements for its customers and fully justifies Trinity Metro supporting the PTC installation for GVRR.

GVRR and Trinity Metro have each contracted with Meteorcomm LLC, which operates as an essential PTC vendor for each organization. Each agreement with Meteorcomm LLC requires that its customers procure and maintain \$295 Million, per occurrence, in rail liability insurance coverage, which is significantly more than the GVRR can obtain on a stand-alone basis. Trinity Metro has procured such rail liability coverage for its operation of TEXRail and can extend Trinity Metro's rail liability coverage to GVRR.

In order to implement the rail liability coverage for GVRR, GVRR must convey a 1% interest (defined as the "Locomotive Share") in its 1953 Diesel Locomotive GVRX2199 – GP-7 to Metro Area Transit System Corporation (MATS). The conveyance shall be coterminous with the MATS/Grapevine Interlocal Agreement and the corresponding term of each rail liability policy; the Locomotive Share is also subject to a reverter clause and is reconveyed to GVRR when the ILA terminates. The conveyance of the 1% interest creates an insurable interest in the diesel locomotive, which is necessary to provide rail liability coverage to GVRR. Conveying the Locomotive Share to MATS, instead of to Trinity Metro, provides several liability and other benefits.

### **SUMMARY – KEY PROVISIONS OF THE INTERLOCAL AGREEMENT**

1. MATS and Trinity Metro shall not incur any resulting additional liability risk, including risk from GVRR's operations or use of TEXRail's rail liability coverages and limits, as a result of this transaction.
2. Trinity Metro's provision of the insurance shall not cause any unreimbursed costs of any kind or nature to MATS or Trinity Metro.
3. The City of Grapevine will remit to MATS upon execution of the ILA, One Hundred Thousand Dollars (\$100,000.00) to serve as a claims reserve for the benefit of MATS and Trinity Metro.

4. The City of Grapevine will agree to indemnify, defend, and hold harmless MATS, Trinity Metro, and their affiliates, subsidiaries, officers, directors, agents, and employees.
5. Trinity Metro may terminate the ILA at any time it determines in good faith that this arrangement with GVRR has an adverse effect on Trinity Metro's own insurance.
6. The ILA shall be in full force and effect for a term of five (5) years unless otherwise earlier terminated.
7. The ILA provides that GVRR shall convey, and MATS will hold, the Locomotive Share throughout the term of the MATS/Grapevine Interlocal Agreement and each corresponding term of the rail insurance policy.
8. The City of Grapevine will pay all costs Trinity Metro and MATS incur to cause GVRR to become a named insured on the Trinity Metro rail liability policy each year; the current amount for 2021 is \$69,801.25. In addition, the City of Grapevine will pay all legal costs, risk management fees, and third-party administrator fees incurred by Trinity Metro and MATS in connection with the execution and operation of the ILA.
9. The City of Grapevine is expressly liable for all deductibles and self-insured retentions under GVRR's insurance.
10. Trinity Metro and MATS expressly disclaim any representations, guarantees, warranties, or liability regarding the scope or ultimate availability of the insurance coverage being provided GVRR.
11. The City of Grapevine waives governmental immunity to ensure Trinity Metro and MATS have adequate remedies in the event of a breach.

**RECOMMENDATION**

We request the Metro Area Transit System Corporation Board of Directors to authorize the President to enter into a five-year Interlocal Agreement between Metro Area Transit System Corporation and The City of Grapevine to support Positive Train Control (PTC) on the Grapevine Vintage Railroad.

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**Disposition by Board of Directors**

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**Secretary Approval:**

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**DATE**