



Freight Advisory Committee

October 1, 2013, 8:30 AM

Hilton Hotel, Amarillo, Texas

Attendees

Committee Member	Organization	Attendance?
Judge Ed Emmett, Chair	Harris County	Present
Judge Carlos H. Cascos, Vice-Chair	Cameron County	Present
French F. Thompson, III	BNSF	Present
Rigoberto Villarreal	City of McAllen	Designee Present
Steve Stewart	Gulf Wind International, Inc.	Present
Kevin McIntosh	Kansas City Southern (KCSR)	Not Present
Joseph Adams	Union Pacific	Present
Mike Graham, Sr.	HEB – San Antonio	Present
Col. Leonard Waterworth	Port of Houston	Present
Michael Dyll	Texas International Freight LLC	Present
K. Alan Russell	The Tecma Group of Companies	Present
Jack Todd	Texas Association of Manufacturers	Designee Present
John LaRue	Texas Ports Association, Port of Corpus Christi	Present
Judge Clay Lewis Jenkins	Dallas County	Not Present
Amir Mirabi	Governor's Office of Economic Development	Present
Carlton Schwab	Texas Economic Development Council	Not Present
Kenneth Dierschke	Texas Farm Bureau	Designee Present
Steve Boecking	Alliance Texas	Present
John Esparza	Texas Motor Trucking Association	Designee Present
John Hill	Gulf & West Coast for Hapag	Not Present
Todd Frease, Sr.	McLane Global Logistics	Present
Ronnie Volkening	Texas Retail Association	Not Present
Miguel Perez	Border Trade Alliance – San Antonio	Not Present
Ron Beeson	East Harris County Manufacturers Association	Present

TxDOT & Texas Transportation Institute (TTI)

Marc Williams, PE	Director of Planning, TxDOT
Caroline Mays, AICP	Interim Freight Systems Branch Manager, TxDOT
Laura Perez	Planner, TxDOT
Sondra Johnson	TxDOT
Erik Steavens	Rail Division Director, TxDOT
Melissa Meyer	Federal Affairs Division, TxDOT
David Schrank, Ph.D.	TTI

Other Speakers

Michael Reeves	President, Ports-To-Plains Alliance
Steve Amosson, Ph.D	Professor, Texas A&M AgriLife Extension Services
Jorge Ivan Cardenas Castillo	General Director, Terminal Maritima Mazatlan SA de CV – Mexico
Dave Quest	Member of the Legislative Assembly of Alberta, Strathcona-Sherwood Park, Canada

CDM Smith Consultant Team

Vince Mantero, AICP	CDM Smith
Glennis Nelson	CDM Smith
Mark Berndt	Olsson Associates
Craig Secrest	HighStreet Consulting

Meeting Action Items

Performance Measures

- Invite a high level DPS representative to the next TXFAC meeting; Major Chris Nordlow
- Consider inviting a customs representative to the next TXFAC meeting
- Consultants will develop a more refined list and use that to talk about the system

Top 50 Congested Areas

- TxDOT to evaluate the status of these sections; when was it built and what can be re-built; where are the other places improvements can be made? Of the 14 sections on I-35 which ones can be redone? May be we can narrow the focus?

Preliminary Freight Network

- TxDOT to come up with a clear definition of “inland port”

1. Welcome & Introductions

Judge Ed Emmett

- Welcome and introductions
 - Rob Beeson is a new member

2. Remarks

Marc Williams

- Recognize District Engineers from San Angelo and Amarillo
- TXFAC Meeting held in conjunction with Ports to Plains Conference
- PTP has been around for a number of years and is an affiliate group of stakeholders based in Texas originally representing agriculture, energy, transportation related interests
- Expanded the organization and now include representatives the all states north including NM, CO, KS OK, Dakotas, Nebraska, and now have a strong affiliation with Alberta Canada and developing partnerships with Republic of Mexico
- Coby Chase will provide USDOT highlights

Coby Chase

- The federal shutdown will not have a direct affect but if it extends beyond 3-4 months will have to re-assess
- The DOT has done a good job of protecting the transportation program, not sure about the Army Corps of Engineers
- The challenge is to the let the public know everything will be ok

Caroline Mays

- Meeting will include a working lunch with presentations during lunch with Ports to Plains Board members
- Thank you for TXFAC members' commitment and great work; looking for this meeting to be productive

Judge Emmett

- Col Waterworth also serves on the National Freight Advisory Committee set up by the Federal Government

Colonel Waterworth

- Professional staff in DC starting to organize into subcommittees
- First face to face meeting will be held in November with a final report in May
- There is a normal time associated with forming teams and building consensus and in an effort to facilitate that, trying to reach out to key folks to get ideas that could be beneficial to Texas; No. 1 exporting state; petro-chemical, manufacturing, ship, and truck traffic
- Soliciting ideas from TXDOT, TTI and others from now until mid-November to go up to DC and jumpstart; and state concerns to influence national policy that would be beneficial to what we experiencing in Texas

Marc Williams, PE

- TXDOT was contacted by an organization doing some work on behalf of US DOT – exploring the concept of establishing a national governing organization that would guide investment in freight transportation across states and at state crossings
- They referenced the model from the Euro-zone as an example which is starting out on a bad foot for Texas

- The implication for TxDOT is that this group would decide with input from other states where Texas may make transportation investments and want to get Texas' input
- TxDOT raised concerns that while our border crossings are important, they don't represent the most critical freight-related investment needs in Texas
- Access to border crossings, ports and waterways systems, congestion through our urban areas are the most pressing issues for Texas; lots of outside interests that don't perceive the local needs within Texas the same way we do
- Col Waterworth's role and the other two members from Texas on the NFAC are critical to ensure our interests, concerns, and needs are being represented. We appreciate the Colonel being a voice and an advocate for the unique elements that are represented in Texas as it relates to freight movement

Judge Emmett

- Review of agenda materials; presentation on Preliminary Performance Measures, the Preliminary Freight Network

3. Preliminary Freight Performance Measures Presentation

Craig Secest

- The purpose of the discussion is to accomplish three things:
 - Provide background information on performance measures in general and freight performance measures specifically.
 - Understand from the private sector perspective how you view performance as it relates to transportation systems
 - How you think about TxDOT's transportation system performance and the linkage between your organizations performance and the performance of the transportation system
- Performance Measures (PMs) are simple metrics that help you quantify/qualify how a system is performing both now and in the future
- PMs have been around for a while but interest in PMs has grown significantly; MAP 21 focused on creating national mandates for measures that states will need to report on and there may be implications for funding
- It's unclear exactly what direction they will ultimately take; greater clarity later on
- PMs not just a way to comply with federal requirements but can be used as a tool to help guide informed decision-making
- The functions of PM include Accountability, Planning, Decision-making, Securing Funding
- Measuring development process includes reviewing data, analytical capabilities, requirements from Washington, and listening to decision-makers and stakeholders
- TxDOT has been very active with developing PMs; i.e., Annual hours of delay and truck reliability index
- States all over the board and some like Texas are trying to get ahead of federal legislation
- The PM white paper provides a broad understanding of the purpose of PMs
- With the short survey conducted with TXFAC members, reliability and customer satisfaction came in the top
- TXFAC members to let us know what is meaningful to them and what they want to include
 - How does your organization measure performance

- More responses needed to the short survey that was conducted

Judge Emmett

- Need to talk to the people who represent or are responsible for moving freight

Les Findeisen

- A lot of what trucking companies are looking at are time delays; trucking companies build in the time delay due to congestion

Michael Dyll

- Reliability is the biggest issue; need to give the customer a time when the freight will be delivered

Steve Boecking

- Predictability is key for shippers; not necessarily get it to me faster but tell me when it will be there; late is bad but getting it there early is just as bad

Judge Emmett

- Delivering goods sooner is almost as bad as delivering goods late
- With a JIT delivery system, consistency is important; 8 days not an average of 8 days
- Same issue raised 15 years ago – reliability and predictability is more important than shorter

Steve Boecking

- From a shipper's perspective, predictability is important; being early for a trucker is good if they can accept you early

Joe Adams

- From the railroad perspective, we have a very sophisticated measuring system – able to measure dwell times in yards, train speed, availability, etc.
- Work with shippers which enables them to track their commodities as it moves along the railroad; working on a delivery schedule works well

French Thompson

- Truck/rail interface; Alliance is an excellent example of having the right intermodal connectors
- More efficient multimodal connectivity is important; timing of trucks
- JIT - more efficient multimodal connectors

John LaRue

- For (non-containerized) the ports in Texas dock congestion is a problem.; we used to have 4-6 vessels waiting to dock but last month days where we had 20-26 vessels waiting to dock
- Dock congestion prevents the trains from carrying the loads to the next leg
- Dock utilization; need to improve the movement of vessels in and out to alleviate congestion

Col Waterworth

- On the container side, several steps taken to ensure that we have current capacity including drivers using smartphone apps to identify congestion areas
- With the growth in the economy, what happens to all the other links of the spoke
- How do we keep the economic growth going on our roads and rail throughout Texas

Steve Stewart

- On the container delivery side, on-time performance - rarely do we have a specific delivery time; you have a window and have to manage working within that window
- It comes down to getting it there when you're supposed to

Col Waterworth

- Customs and Border Patrol is another issue; need to broaden our perspective to include all the factors that slow the reliability

Joe Adams

- We see that with rail crossings into Mexico; sometimes the solution is we have to pay the salaries to keep the port of entry open

Alan Russell

- Everything we produce crosses the border and connects with a US carrier but because of unreliability of border crossing, there is major congestion in the yard
- Can't keep the freight moving on a consistent basis because it takes 1-4 hours to cross the border and trucks have to clear two sets of customs and deal with TXDOT inspections
- More people and more infrastructure is an answer but we are using more technology
- US Customs don't count the miles the trucks lined up before they get to the bridge because they can't see it; how does one measure wait time?
- TxDOT does not have to inspect a truck multiple times; how often does a truck need to be inspected
- With technology we can speed the traffic up and use our existing infrastructure

Steve Stewart

- Education is important – educate the customers on the realities and what to expect
- Document every step of the supply chain and know how long it takes and share that information with customers

Judge Cascos

- Department of Public Safety needs to be at the table
- They will pull over the same truck 2-3 times; they are checked at the border and then checked again
- Invite a high level DPS representative to the next TXFAC meeting; Major Norlow

Judge Emmett

- Seems an obvious solution, once they are checked by DPS give them a document and then they can show it if they are stopped multiple times, thought something like this would already be in place

Ramon Navarro

- Wait times are a serious issue; a lot of produce coming across and 2-3 days makes a big difference on the produce
- There are technologies that can be used or a methodology to show that a truck has been inspected and passed and the goods have not been compromised
- Sustainability is another measure, trucks need a safe route; time is money but safety is something we cannot overlook

- Condition of some of the trucks coming across is causing double inspections, some inspections focus on actual freight and others focus on the safety of the trucks, registration of drivers, etc.

Caroline Mays

- Have already talked to Major Chris Nordlow (Austin) and he will probably address the TXFAC at the next meeting in Laredo

Alan Russell

- Can we have a customs representative invited to the next meeting?

Caroline Mays

- Absolutely. The agenda has not yet been set but will look to the TXFAC's recommendations for the next meeting

Ron Beeson

- For manufacturing on bulk trucks with regulations at hand for HOS, would like to see an expansion for one day delivery but instead seeing a contraction because of congestion in Houston
- Anything we can do to relieve congestion; congestion forces live load requirements vs. non live load requirements and shortens the delivery distance for one-day delivery

Craig Secrest

- Delay, reliability, travel time; beyond that how important performance as it relates to infrastructure

Joe Adams

- Specifically, Dallas and Houston, I-35, when you have a truck with a load that is not secured or a brake failure and you have an accident, you will have a huge congestion problem that impacts everyone, can shut down an interstate for hours and it happens a lot in Houston

French Thompson

- From the railroad perspective, accidents cause delays
- In Houston more than a thousand at grade crossings, if you eliminate more grade crossings it will also improve safety

Craig Secrest

- What should TXDOT be measuring
- Survey responses match what was discussed that your own companies are experiencing

Michael Dyll

- There was one metric used in another state; the percentage of trucks that go below the posted speed limit – or how fast; goes back to predictability

Craig Secrest

- An important note to consider, to be a good measure it has to be something the state can do something about; strategies that can be implemented that can move the state to improve performance

French Thompson

- Port connectivity, multimodal and intermodal access, interchanges, improvements to those will increase reliability and efficiency
- Identifying the bottlenecks can improve the system

Les Findeisen

- Reducing/shrinking the lane widths on the highways so they can have an extra lane is troubling to the truck industry
- 70% of accidents on the road involving trucks are caused by automobiles; reducing the width of lanes is a real concern when you have large trucks on the roads
- Lane widths are crucial; real problem in Dallas-Fort Worth area especially during construction

Craig Secrest

- Loud message on delay and reliability, TXDOT already measuring these, also identifying bottlenecks and reducing them, border times another issue but is a complex measure because TXDOT has limited control
- Safety is another important measure; how else do we measure freight related mobility outside the areas mentioned

French Thompson

- Eliminating/improving at grade crossings; most of the larger issues are in the urban areas
- Increasingly difficult to find crossings people are willing to close or find funding/geography to eliminate grade crossings
- What are the high impact crossings we can identify to allow for better freight access and community impacts and reduce emissions

Judge Emmett

- State needs to look at how to do it, the cost is more than the city and the county can handle; the railroads are saying it has to be a public private partnership, need to determine the proportionate benefit in addressing and prioritizing grade crossings

Craig Secrest

- The last one is preservation and asset management; what should the state be tracking in preserving a system

John LaRue

- As far as ports are concerned, the connectors going through older parts of urban areas (first and last mile) where streets were never designed to handle the truck traffic they are getting

French Thompson

- From the Class I perspective, a lot of the short lines don't have the capital to upgrade their system in speed – the same with weight restrictions; work with the short lines

Ron Beeson

- Expanding the hours, currently limited in capacity to get containers to the port
- There are costs with expanding it to 12-16 hours per day but would expand capacity and reduce congestion
- When you have a 2-3 day shutdown it takes a minimum of 8 days to dig out of the hole (with reference to emergency preparedness)

- Port Terminal Railroad Association (PRA) is the last mile for those on the southeast side; there is a need for capacity

Joe Adams

- Related to rail infrastructure, another issue is the single track bridge in Beaumont which would be an expensive proposition to help traffic

Col Waterworth

- Measuring congestion is reacting to the existing norms; is there another measure to look at return on investment as a state entity
- Do we put our limited funding or operational capacity or changing policy where you may not have the existing congestion but you create greater ROI on job creation, economic growth; are we measuring stuff already taking place
- Sounds like we are trying to measure stuff already taking place, is there another factor on entrepreneurial government that will get us to the speed of commerce, job creation, economic growth; is there something we are leaving off the table

Joe Adams

- An example is toll roads

Craig Secrest

- Integrating ROI as an implementation strategy; not part of plan development
- Consultants will develop a more refined list and use that to talk about the system

4. Texas Top 50 Most Congested Freight Corridors

Judge Emmett

- The list came out in the *Houston Chronicle* and it causes great consternation when you talk about I-10 between I-45 and Loop 610 because Loop 610 is on two sides of I-45 and you need to specify which side you are talking about

David Schrank

- The Texas freight bottleneck information is wrapped in the Texas 100 which is a ranking of bottlenecks throughout the state for overall delay
- In 2009 and 2011 some committees reviewed how big the problem was so we can spend our money wisely
- 2011 Rider 42 came out which was a continuation of the Texas 100 and evaluated ROI; report will be finalized this fiscal year
- Texas has been doing this for 5 years at a corridor, urban level now will spread across the state
- The process – 2 databases were used RINO (Roadway Inventory Dataset) from TXDOT and they provide us with the segmentation they want to use for the bottleneck analysis
- The other is the speed data set procured from Inrix; not just speed, they use average week of speed for the year and we combined volume and speed

Joe Adams

- For the purpose of the study, what is the definition of truck?

David Schrank

- TXDOT's definition of truck is anything Class 4 or higher; anything with more than 2 axels, or anything that's not a private vehicle and generally they move slower than the traffic stream
- The key measure used is delay per mile because it allows you to compare a 5-mile and a 10-mile corridor; where there are lots of vehicles going slow
- For Texas 100 we used the 95th percentile of travel time, usually a bad weather day or a severe crash, we divide by uncongested travel time and that ratio gives the planning time index
- Top 10, No 1 for Truck Delay is the Katy Freeway in Houston

Judge Emmett

- Number 3 rated truck delay, IH-10 is a part of the Katy Freeway, SL stands for State Loop
- When the article came out the trucker industry disagreed about where the congestion is
- Truckers avoid 290 like the plague because it so congested so the numbers are skewed because truckers avoid it

David Schrank

- I-10 has the highest truck percentage in Houston and TXDOT's methodology is not to fix the first 2 miles that is troublesome which is the bottleneck, it's the 5- 10 miles that is really bad that they will focus on

Judge Emmett

- By dividing the segments in Houston, you can't see the magnitude of the problem
- If you put I-10 and US 59 segments together, Houston will shift to the top of the list

David Schrank

- Kudos to TXDOT for reviewing segmentations for traffic pattern changes, world changes, etc; continuous evaluation

Marc Williams

- How do we measure performance, how do we apply the measures and how we designate the network
- They all feed off of each other so how we define our segments is very important

Caroline Mays

- From what we heard from the listening sessions, the trucking industry likes lane restrictions in terms of safety

Les Findeisen

- Trucks are fine with limited lanes although it's tough if it's the far right lane, it's not safe with vehicles entering and exiting; Dallas is implementing but it's a real challenge for Austin because of the upper deck and safety

Alan Russell

- Need to keep El Paso on the map which has \$85 billion in trade coming from Mexico; closer to Los Angeles than to Houston
- An accident on I-10 affects freight significantly going east and west across the country

David Schrank

- El Paso has a few segments for mixed vehicles but is not cracking the Top 10 because of the broad spectrum
- The Top 10 freight bottlenecks way out pace the next 40 years; biggest problems but it's a give and take to plan a program

French Thompson

- Need and analysis of congestion and how it affects companies or impacts companies wanting relocate to Texas
- How can we get ahead of the issue; how does the next level of semi-congested networks impact economic growth in Texas; what does Texas look like in the future

Marc Williams

- TTI's methodology is one of the more sophisticated approaches looking at freight congestion; USDOT has a Top 25 list and 9 of the top 25 most congested freight segments in the U.S. are in Texas so it's great from an economic standpoint but the congestion issue is still a significant issue for freight movement for Texas

Caroline Mays

- This is how the TXFAC can help identify what strategies need to be put in place now that we have identified the freight corridors, what issues make us more competitive? Need to identify the issues, the solutions, identify the strategies so we can stay competitive

David Schrank

- On the top bottlenecks from magnitude perspective, just on the trucking side for the Top 100 bottlenecks in Texas it's about \$900 million in delays, all aspects waging a war on congestion
- Reliability is a real problem on these corridors
- To tie this in to the Preliminary Freight Network, the numbers are still under construction, what it does show is that a small amount of the roads are carrying a lot of truck VMT, the Texas network is less than 10% of all roadways in the state which is carrying 2/3 of the truck VMT
- There are a lot of congested spots along the interstate corridors, it's a systemic issue

Judge Emmett

- TXDOT to evaluate the status of these sections; when was it built and what can be re-built; where are the other places improvements can be made? Of the 14 sections on I-35 which ones can be redone? May be we can narrow the focus?

David Schrank

- Need to first measure if we are we getting the best bang for our buck
- Rider 42, we'll look at what was done; the state is dealing with serious transportation issues on the funding side

5. Preliminary Freight Network

Mark Berndt

- Need to tell the freight story from more than one perspective, shippers, service providers, politicians, drivers
- The network becomes the foundation for the investment and the prioritization in the planning process

- Why define a Texas Freight Network – it serves as the backbone for the decision making process; and also an opportunity to engage the freight and business community and engage the Map 21 goals
- End result is to define a multimodal network for economic competitiveness for the state
- Currently in the diagnosis stage, begin to identify challenges and how we commit resources
- Trucking and rail form the backbone for the surface transportation network in the state
- *Transearch* is a database used by railroads and motor carriers and public agencies, has several thousand records to review commodity flows and is the most comprehensive database

Steve Stewart

- Does this include foreign commodity flows? It's an important link when talking about intermodal containers, know the flow of traffic into the region and its impacts

Mark Berndt

- It does not include foreign destination and origin; they have a separate data service that looks at international flows
- O/D is usually by a single mode, sometimes have to make assumptions because we can't capture it all

French Thompson

- How did they forecast 30 years; little change in rail is disheartening if we are going to have sustainable network

Mark Berndt

- If you look at it by value – it could change; will look into it more

French Thompson

- Value doesn't impact the degradation of the highway, tonnage does

Marc Williams

- From TxDOT's perspective we don't like that trend – what's driving that; what can reverse that? Want rail to grow;

Mark Berndt

- We have defined a base network and then overlaid the nodes
- "Review colored map for more details"

Marc Williams

- That goes to the point to understanding to where the freight intermodal centers are. We need to identify where some of these distribution and warehousing hubs are throughout the state to include in the network

Judge Emmett

- What is the definition of an inland port?
- TxDOT to come up with a clear definition of "inland port"

Mark Berndt

- Purchased the Freight Finder data to verify tonnage numbers

French Thompson

- How much of tonnage (commodity) flows through Texas versus that which stays within Texas

“Group refers to Freight Flow Summary”

The TXFAC is requested to refer all comments related to the maps to Caroline Mays

Mark Berndt

“Presentation on Maps”

Joe Adams

- The impact of hurricane preparedness on the rail network/disaster recovery and evacuation may be a sub topic to look at

French Thompson

- The true opportunities lie in looking at underutilization and/or building a more sustainable system; a modal shift
- Maybe if we had a sub system to show the communities that do have rail access; a sub-map showing Class II and Class III

Joe Adams

- Have tonnage maps, what about trains per day information should be blended in

French Thompson

- Trains per day, tonnage capacity, and future capacity, helps us pitch the story to the policy makers and public/private investors
- Multi-modal and intermodal connectors at the last mile are critical.

Judge Emmett

- If you are including unit trains of coal and grain how do you factor and separate those out because they will never flow by truck; not classified as freight

French Thompson

- Should highlight that it's excluding non-competitive freight flows, need an apples-to-apples comparison to see the real opportunities for improvement and ability to increase efficiency

Mark Berndt

- What are other freight generators and what criteria may apply
- We'll continue to slice and dice the data and appreciate the input

Marc Williams

- A lot of time getting into the weeds to define and is the process for developing the plan
- The TXFAC is an important sounding board; need to articulate why it's important to Texas, the economy, etc. ; very beneficial discussions

Steve Stewart

- This meeting has been the most beneficial to date; one thing to talk about concepts but now we can address specific issues

6. Guest Speaker – Jorge Ivan Cardenas Castillo

Jorge Castillo

Presentation highlights

- Would like to grow Mazatlan to receive new flow of cargo and its open to Texas and the U.S. to grow trade (showed promotional video)
- The shipping industry is facing one of the worst times in history and directly impacts the ports
- With the new government, priorities changed
- The study completed shows logistics nodes were identified; Mazatlan is the corridor connecting Texas
- The project in Mazatlan is to build a multipurpose port; the numbers are small and not comparable with any port in the U.S. but room to grow
- There is a lot of political activity; want to slow down the expansion so the current administration can get credit
- Anticipate the superhighway opening up at the end of this year or the beginning of next year, the track is almost ready
- No one knows how the new highway operated, privatized tolls; may give the entire highway to one company and we think it's the best idea

7. Guest Speaker – Dave Quest

Dave Quest

Presentation highlights and discussion

- Share a vision for a robust and efficient transportation network
- In the last decade the P2P has garnered more than \$1 billion US federal funding towards road improvements
- Alberta is a major US trading region generating more \$167 billion in trade; US is Canada's largest trading partner
- \$4.3 billion in 2-way trade between Alberta and Texas
- 89c of every dollar Americans invest in imported oil from Alberta returns to the US economy in the form of the US exports to Canada
- Alberta oil sands will contribute more than \$15 billion a year in U.S. economy
- The Keystone Pipeline will address global energy demand
- Underlines the need for discussions where decision-makers seriously consider opportunities for collaboration and new partnerships
- Look forward to seeing the TFMP
- The majority of flows is pipeline

8. Federal Transportation Priorities

Melissa Meyer/Coby Chase

Presentation highlights and discussion

- Would like the TXFAC's input on updating the Federal priorities document; focus on all modes
- Meeting with stakeholder groups and will compile a draft and send to the group to give more input; will present the final document at the December Commission meeting
- Open to any and all ideas; being highly specific and inflexible doesn't serve well; will include more modes, not just highways; e.g., there needs to be reliable dependable funding from Federal
- The Commission is a voting body and they are not fans of earmarking and not fond of creating new federal programs
- New programs that come from the same pot of money and subdividing it more and more, you tend to lose
- For a state as large, sophisticated and complicated as Texas there's an argument to be made that states can manage our funds better than the federal system
- As it relates to TIGER grants, we would love to drop that money into the highway trust fund; not fans of TIGER, there is no overriding philosophy
- We are not for creating new programs within new set-asides just for freight but we are very interested in increasing the eligibility of things that can be created out of a pot of money
- The rate of return on the gas tax; for every dollar spent, 15c goes to transit and on the highway side of the remaining 85c, guaranteed to get back in safety 92.5c; in theory you now get back 100% of the gas tax
- Starting in 2015 things will change for the highway trust fund

Judge Emmett

- Presentation and response needed was unclear
- Send information in advance of the meeting and give them options to generate more of a discussion

9. Overview Ports-to-Plains

Michael Reeves

Presentation highlights and discussion

- Rural fatality rates are 2.5 times higher than in urban areas; going from a 2-lane highway to a 4 lane highway can cut fatality rates in half
- P2P corridor runs from Laredo to Denver, CO; cross over 3 main border crossings and propose upgrading to 4-lane highway
- Laredo is 800lb gorilla; they do 2/3 of the NAFTA truck trade
- Tremendous opportunities with the Mazatlan super highway and looking at similar opportunities with Alberta
- P2P is both agriculture and energy corridor; economic impact and jobs creation for the Texas economy
- Rural transportation needs is important because of connectivity to metropolitan areas
- Discussions with BNSF to move more goods by rail, it makes sense
- Looking at streamlining regulation process when moving oversize and overweight freight; reviewing the permitting process

10. Local Perspectives: Agricultural Sector

Steve Amosson

Presentation highlights and discussion

- Texas agriculture has a \$ 44.5 billion industry; the prices have increased 50%
- Agriculture in High Plains (26 counties); cattle feeding capital of the world
- Transportation issues in agriculture; more than 800k semi-loads per year movement in and out of high plains
- Annual Agriculture exports \$102.9 billion; agriculture trade surplus \$27.4 billion; agriculture trade with Mexico \$18.3 billion export, \$15.8 billion import
- Enhanced export competitiveness; Panama Canal Expansion and improved highway and port efficiency
- Number 1 issue is road maintenance; increase in oil and gas traffic, development of wind energy impacts are the problems
- Rail pricing and access in less trafficked areas; non-unit trains specifically an issue
- Lack of public port is a problem; disagree
- Interstate issues such as truck weight limits between OK and TX; DPS communication to agriculture producers

11. Discussion

Judge Emmett

- Introduction of Erik Steavens the new rail director for TXDOT

Erik Steavens

- Look forward to working with everyone and learning the issues and how we integrate the planning efforts so that we are not working in silos
- From Georgia; help me learn about the area

Caroline Mays

- The next TXFAC meeting is scheduled for December 5th; we hope to have the USDOT Undersecretary as a guest
- We will be working with the Chamber in Laredo
- We will try to get a representatives from DPS and CBP
- El Paso and border issues and NAFTA and any other ideas
- Plan to arrive the evening before on December 4th; a get together will be scheduled followed by the meeting on the 5th
- Looking at La Posado as the location for the meeting

Marc Williams

- Any thoughts, ideas or areas you'd like us to spend more time on we want to hear from you
- We've heard about coming up with a better definition of ports and inland ports
- Clarity on TTI's Top 50 and a better understanding of what types of projects can help in this area. The Rider 42 was designed to address this – so there are some resources that we are working on

Steve Stewart

- Related to the congested areas, talk to the folks in Houston, Dallas/Ft Worth, San Antonio; talk to the intermodal carriers, container yards, rail depots

Judge Emmett

- Absolute need to have a KCS, Texas/Mexico representation in Laredo; need to report on assets available in rural rail districts; should they be reconfigured and utilized

Adjourned at 2:10 PM