



**TEXAS
FREIGHT
ADVISORY
COMMITTEE**



Freight Advisory Committee
Dec. 13, 2016, 8:30 a.m.
Texas Southmost College, Brownsville, Texas

Attendees

Committee Member	Organization	Attendance
Judge Ed Emmett, Chair	Harris County	Present
Secretary Carlos H. Cascos, Vice Chair	Texas Secretary of State	Designee Present (Cris Valadez)
Ron Beeson	Lubrizol Corp.	Not Present
Steve Boecking	Hillwood Properties	Present
Russell Boening	Texas Farm Bureau	Designee Present (Glen Jones)
Paul Cristina	BNSF Railway	Present
Michael Dyll	Texas International Freight	Not Present
John Esparza	Texas Trucking Association	Not Present
Todd Frease	McLane Global Logistics	Not Present
Roger Guenther	Port of Houston Authority	Designee Present (Bruce Mann)
Luis Hinojosa	Uni-Trade Forwarding, LLC	Present
Judge Clay Lewis Jenkins	Dallas County	Designee Present (Martin Molloy)
John LaRue	Texas Ports Association, Port of Corpus Christi	Designee Present (Eduardo Campirano)
Brenda Mainwaring	Union Pacific Railroad	Present
Kevin McIntosh	Kansas City Southern (KCSR)	Not Present
Rolando Ortiz	Killam Development, Ltd.	Present
Keith Patridge	McAllen Economic Development Corp.	Present
Juan-Carlos Ruck	HEB	Present
K. Alan Russell	The Tecma Group of Companies	Not Present
Carlton Schwab	Texas Economic Development Council	Not Present
Steve Stewart	Gulf Winds International, Inc.	Not Present
Jack Todd	Trinity Industries, Inc.	Designee Present (Elise Johnson)
Ex-Officio Members		
Senator Sylvia R. Garcia	Texas State Senate, District 6	Not Present
Rep. Armando Martinez	Texas House Member, District 39	Not Present
Rep. Sergio Munoz, Jr.	Texas House Member, District 36	Not Present

Rep. Poncho Nevarez	Texas House Member, District 74	Not Present
Gerry Schwebel	IBC Bank	Present
Mayor Pete Saenz	City of Laredo	Present

TxDOT & Texas A&M Transportation Institute (TTI)

Peter Smith	TxDOT
Peter Espy	TxDOT
Caroline Mays	TxDOT
Sondra Johnson	TxDOT
Kale Driemeier	TxDOT
Mark Werner	TxDOT
Chad Coburn	TxDOT
Pedro "Pete" Alvarez	TxDOT
Homer Bazan	TxDOT
Roger Beall	TxDOT
Trent Thomas	TxDOT
Roger Schiller	TxDOT
Bob Bielek	TxDOT
Allan Rutter	TTI

Cambridge Systematics

Paula Dowell	Cambridge Systematics, Project Manager
Jolene Hayes	Cambridge Systematics
Erin Kersh	Cambridge Systematics
Elizabeth Welch	Cambridge Systematics
Kerry Neely	Nancy Ledbetter & Associates

Other Attendees

Jeffrey Van Schaick	GWRR
Steve Tyndal	Port of Brownsville
Braulio Garza	Hidalgo County MPO
Luis Diaz	Hidalgo County MPO
Steve Perez	Fastport
Martin Malloy	Dallas County
Chris Sallèse	Dannenbaum Engineering
Gary Bushell	Gary Bushell LLP
Henry S	IBC Bank
Rudy Gonzalez	City of Laredo
Vidal Rodriguez	City of Laredo
Mario Medina	WSP-PB
Chris Kopp	HNTB
Miles Bullion	Half Associates
Mike Wilson	Port of Freeport
Luis Bazan	City of Pharr
Michael Bomba	UNT
Andrew Cannon	Hidalgo County MPO
Jeff Hathcock	NCTCOG
Georgi Jasenovc	FHWA
Barbara Koslov	Office of Judge Emmett
Hans-Michael Ruthe	HGAC

1. Welcome & Introductions

Judge Ed Emmett called the meeting to order and welcomed the group to Brownsville. The next TxFAC meeting will be on Thursday, March 9 in Austin. He recognized and thanked Mike Shannon, Interim President of Texas Southmost College for the meeting venue.

Judge Emmett noted he had been at a meeting in Washington last week representing TxDOT at the Eno Center for Transportation and discussing the possible impacts of the recent election. He committed to summarize later in the meeting.

TxFAC members introduced themselves.

Caroline Mays recognized Brownsville Mayor Tony Martinez.

Executive Director of the Port of Brownsville, Eduardo Campirano welcomed the committee on behalf of Brownsville, the County and the Port of Brownsville, noting that it was a pleasure for the port to host the group yesterday.

Judge Emmett thanked Mr. Eduardo Campirano for hosting the committee and providing the port tour and said it's always a pleasure to be down in the Valley. He noted the appropriateness of the group meeting in Brownsville. He stated those involved in freight transportation understand the beneficial aspects of international trade for both Texas and Mexico. He knows the committee understands it's vital to maintain this trade and is going to do everything it can to support it regardless of whatever might happen on other levels of government. He considers it fortuitous the committee is meeting in Brownsville at this time to re-emphasize that fact.

2. Freight Plan Update

Caroline Mays, TxDOT, reminded the committee of its involvement in the Texas Freight Mobility Plan approved by the Texas Transportation Commission earlier this year. By the time the plan was adopted, the federal Fixing America's Surface Transportation (FAST) Act had been passed mandating state departments of transportation (DOTs) develop a freight plan in consultation with a freight advisory committee. While the TFMP met many of the requirements, there were new requirements added which necessitated an update. Updating the freight plan began with the August TxFAC meeting held in Austin. This is the second meeting. Today's presentation provides a timeframe of activities leading up to submitting the approved plan to the USDOT by the Dec. 4, 2017, deadline. If this freight plan is not updated and submitted and approved by USDOT, Texas stands to lose \$100 million/year in federal funds for the life of the FAST Act.

Judge Emmett interjected that Texas is way ahead of the other states because of the great job TxDOT has done. The TxFAC cannot drop the ball and must assist TxDOT in meeting these deadlines. He believes the state will see benefits in years and generations to come because of this early effort by TxDOT.

a. Develop a FAST Act Compliant Plan

Paula Dowell, Cambridge Systematics, outlined the process used to develop a detailed work plan in order to have the draft plan to TxDOT and the TxFAC for review by September 2017. The approach identifies the FAST Act requirements and changes since the Moving Ahead for Progress in the 21st Century Act (MAP-21) legislation. It also includes a review of TxDOT and

TxFAC priorities and an update of the data, projects, recommendations and outreach efforts identified in the plan.

The consultant team met with Caroline and her staff to discuss each chapter, review the assessment and get feedback and priorities. It will combine TxDOT's input with feedback from today and the previous meeting into a final work plan and schedule. Paula reviewed the matrix assessment handout and pointed out one of the initial assessment priorities was to do a complete data refresh using the latest statistics and reports.

Paula reviewed the approach to the new FAST Act elements. The performance measures will not only meet the federal requirements, but also include measures important to TxDOT and the TxFAC. They will be driven from the private sector—what matters to the overall efficiency, competitiveness, safety and the state of good repair of the system.

Although the FAST Act requires a five-year Freight Investment Plan, this freight plan will be used for long-range planning and go beyond five years. The FAST Act looks at the national freight system while the Texas Freight Mobility Plan will look at the whole state system, not just the designated national system.

The plan will take a supply chain approach to ensure private sector concerns and multi-modal, multi-jurisdictional enhancements are included as well as trade policies, economic impacts and automated technology solutions.

Paula asked the committee for their thoughts on the development of the initial plan and what worked well:

Bruce Mann: The Freight Plan didn't just look at what existed in the UTP and TIP, but at what projects needed to be done.

Rolando Ortiz: The community outreach TxDOT conducted at different venues to emphasize freight mobility was good.

Gerry Schwebel: There are human resources challenges including retirements at our ports and law enforcement agencies that could impede or impact freight movement.

Mayor Saenz: TxDOT is asking for local participation to complete projects faster; but local communities need more guidance. They are willing to participate. If they knew what TxDOT was bringing to the table ahead of time it would incentivize the local community to get behind the project.

Brenda Mainwaring: Texas has managed to engage the private sector in a way most states haven't been able to. You've got HEB, various logistics companies and of course the railroads. In taking the supply chain approach, you recognize the private sector, how the private sector is critical to success. You've done a good job with that.

Judge Emmett: To add to what has been said, what worked well the first time was to look at the multi-modal approach not to what is, but what could be. TxDOT's focus must be on making it easier for the private sector to enhance their supply chain. In the past, railroads wanted nothing to do with intermodal freight, and now, it's a big part of their business. Transportation is going to follow the money and is private sector driven. Something that looks like a little project, for instance, a little border crossing project in El Paso, may have a much larger impact on the way freight moves than a many miles long project. We need to understand where congestion points

are. Sometimes statistics can drive us in the wrong direction. We also need to look at longer term issues that are currently not in any plan.

Paula: What other enhancements or priorities would you like to see?

Bruce Mann: Take a look at developing technology such as freight shuttle and truck platooning and how we can be more supportive of those technologies.

Rolando Ortiz: The lack of I-69 being identified as a freight corridor needs to be addressed. Anything that's done to I-69 will help I-35 and I-10.

Judge Emmett: Will the I-69 Connector be added to the critical freight corridors?

Caroline: That would be on a national level. I-69 is already identified as a freight corridor on the state level.

Judge Emmett asked if the critical urban corridors and critical rural corridors are part of the designated system or in addition to the designated system. Paula answered they are additional miles the state and MPOs will designate. Judge Emmett said some think the I-69 bypass around the Houston region is the most important project, but it would eat up a huge amount of critical urban corridor funds and a decision would have to be made. He also asked if pieces could be identified instead of the whole corridor, and Paula responded yes.

Paul Cristina brought up the project list in the appendix. He suggested that the committee start brainstorming the list early to allow time to vet the list. Also, because it will be merged with the identified corridors list, he suggested establishing milestones for developing the appendices.

Caroline concurred with Paul. She stated time was lost on the last plan coming up with the project list. Also, the team must ensure the projects are multi-modal. Paula said the existing project list will be scrubbed and new projects will be considered.

Paul suggested two lists: one with financially constrained projects and the second aspirations based to allow for addressing longer-term needs.

A question was asked about the overall freight mobility budget for the state. Caroline explained TxDOT has \$100 million per year from the FAST Act. Freight network projects already funded in the UTP on the highway side were used.

b. Designation of Critical and Rural Freight Corridors

Paula then discussed designating critical urban and rural freight corridors. She stated that this is a rotating designation, so everything critical to the state is identified as the Texas primary freight network. As projects are completed on these corridors, new ones can be added to the network.

TxDOT is responsible for designating the critical rural freight corridors, while the large population MPOs (> 500,000 in population) select the critical urban freight corridors in coordination with TxDOT. There are established criteria for each designation.

Paula was asked what is considered rural. Paula responded anything outside of the urbanized area is rural. A map showing the defined rural areas outside of urbanized areas was shown.

A proposed systematic process for identifying the critical corridors was presented including an example of the designation process. Metrics for each goal and analysis area would be developed to rank the facilities.

Martin Molloy: Are we talking about on-system or off-system of roads?

Paula: We won't be looking at just roadways. We will be looking at primary freight network from a multi-modal angle. It doesn't have to be on the state system, but it has to be an existing facility including intermodal connectors.

This designation system can include secondary roads, if it connects to the system and meets the criteria required for an urbanized area.

Bruce Mann So the MPO boundary doesn't matter?

Caroline: No.

Paul Cristina: With attainment issues in regions of the state, will we get an emission benefit by improving certain areas?

Caroline: We will go through a process to identify the corridors and come back to the committee for further discussions with maps to make sure our analysis and parameters makes sense.

Paula: These metrics are just for the economic analysis. We still have the goods movement, supply chain, environmental, technology and accessibility/connectivity. This information will be used both for the designation of the Texas freight network and the screening of projects and recommendations in the updated freight plan.

The group engaged in general discussion and clarification on adding a restricted number of critical urban and critical rural miles to the national freight system on a rolling basis. Projects have to be ready to go and part of the national freight network in order to receive federal freight program dollars and be in the five-year freight investment plan. As I-69 is developed as interstate sections, the portions will automatically be added on to the national freight system. Kale Driemeier presented a TxDOT web-based map of the primary highway freight system network, MPO boundaries, urbanized and rural areas. There can only be 373 miles critical urban corridors and 745 critical rural miles designated.

Mayor Pete Saenz asked about the responsibilities of the MPOs in the process, which prompted a further discussion on urban/rural boundaries and critical urban and rural freight corridors. TxDOT is responsible for selecting the critical rural corridors and critical urban corridors in MPOs less than 500,000 in population. MPOs with population greater than 500,000 designate the critical urban corridors. City streets must be an intermodal connector to the national highway system to qualify for funding.

Peter Smith, TxDOT, discussed federal vs. state funding mechanisms.

Bruce Mann: Would sidewalks be required if using federal funds? Caroline replied freight dollars cannot be used for sidewalks.

c. Freight Investment Plan

Paula then discussed the Freight Investment Plan. The FAST Act requires state freight plans to include a 5-year investment plan with priority projects. Even though it's a federally required five year plan, the TFMP will also be a long term plan. Although each MPO can submit critical mileage designation directly to the feds, it would be more beneficial to do a joint submittal with TxDOT. Stakeholder discussions will occur after the first of the year, including at the March 9 TxFAC meeting.

The FAST Act freight funding only averages \$110 million annually for Texas and is useable on the primary freight network plus the designative urban and rural miles. An interactive tool will be developed for districts, MPOs and counties with a search and replace function to help with future and on-going implementation.

Judge Emmett: Once the critical freight corridors are identified, would they be eligible for the \$100m in freight funding?

Paula Dowell: Yes.

Steve Boecking: Would the project prioritization take into account future projections?

Paula Dowell: Yes.

d. Stakeholder Engagement

Paula discussed the freight plan update stakeholder engagement plan. She stated that the outreach includes two rounds of regional workshops for the freight plan update in February and May; website updates and stakeholder interviews centered on key supply chains. The committee was urged to help get the word out about the workshops to ensure decision makers attend through their websites and email distribution. TxDOT will get a save the date message out before the end of the year.

The goal is to have the draft system to the TxFAC in March and set by summer, performance measures by summer, final draft plan by beginning of September to start the review process and present to the Transportation Commission in October for adoption in November before the December deadline.

3. Freight Plan Implementation Priorities

Paula first spoke about the development of freight-centric guidelines. WSP/Parsons Brinkerhoff is already on the team and working on a work authorization scope to develop the guidelines while the freight plan update is in progress. The team is already in talks with vendors on the truck parking needs assessment and hopes to have work starting by end of summer. Details on the economic impact of freight will be an important part of the plan update and will help tell the Texas freight story. The Texas Freight Network Master Plan will focus on supply chains to emphasize the business case for freight investments. It will include scenario planning.

Caroline stated that Commissioner Vandergriff is interested in knowing what he could do to help the committee champion the priorities of freight plan. Judge Emmett joined in to outline the direction the TxFAC has taken since the FAST Act and asked the committee for their opinions.

Rolando Ortiz: It would be helpful for the MPOs to have a list of criteria or guidelines including being on the state or federal highway system and fiscal constraints. Judge Emmett responded this has gone out to the MPOs.

Gerry Schwebel: There is a need to get on the MPOs' radar and arm the district engineers with talking points. This includes getting on the MPOs' agenda to talk about the plan and time limitations. Caroline responded her team is available to go out and educate MPOs when asked.

Bruce Mann: Is the UTP is constrained? Caroline: Technically yes, because it's not new federal dollars.

Mayor Saenz: There is concern about inconsistencies with finance formulas for projects and the use of discretionary funds. Laredo and other communities are willing to participate, but there isn't clarity on how much they need to contribute on projects.

Peter Smith, TxDOT: We will get back to you on a more detailed response. The funding formulas haven't changed but HB 20 changed the key performance measures and which projects take priority. It's a work in progress right now. Propositions 1 and 7 can only fund state projects.

Caroline steered the discussion back to priorities to advance the Freight Mobility Plan and Judge Emmett echoed it was the committee's job to know the rules, make all the pieces fit and decide which of the projects we come up with take priority.

4. FASTLANE Grant Applications

Judge Emmett set the stage by discussing what he had heard at his DC meeting on this topic. He said that the USDOT submitted the grants to Congress a day or two before Congress went on its long summer vacation, so Congress did not have a chance to accept or reject these projects. He predicted there will be a change in the timing. None of the Texas projects were selected for funding in the last round. However, one of the projects submitted by other states and received funding had absolutely nothing to do with freight movement: The Arlington Memorial Bridge reconstruction in Washington, D.C.

Caroline: The notification in late October indicated the expectation was to resubmit prior projects due to the December 15 deadline in order to get this done before January 20.

Steve Boecking: Said that the rewrite of the I-35 application will be based on feedback to beef up the economic development data and benefits with more focus on growth. They were also told to shorten the submittal. Suggestions included consolidating the application into an executive summary of one or two pages with appendices and revise some of the content involving intersections and focusing on projected growth.

Caroline: A consistent message out of the USDOT debrief was the applications were too long and did not tell the national and regional significance of the project. They also wanted to see a stronger partnership between TxDOT and the other stakeholders. Steve added that the public-private partnership must be strong and industry driven. Evaluators are looking for partnerships.

The City of Laredo is going to directly submit their project this round instead of TxDOT. Laredo Mayor Pete Saenz spoke about the project submittal for the expansion of an existing I-69 portion of the World Trade Bridge at I-35. It's a \$160 million project; asking for \$96 million in FASTLANE grant money. The application focuses on the partnership and regional/national importance of the project. Jerry Schwebel added the national significance of projects must be stressed in order to get Congressional attention.

Caroline discussed the Grand Parkway project in Houston. The resubmittal required developing updated traffic numbers. The national significance is highlighted for Port of Houston freight traffic to connect with I-45, I-10 and I-69.

Judge Emmett commented that if Texas receives any grant, it will be for only one project. Must be prepared to resubmit again. The USDOT had no transparency in project selection and no selection criteria was shared. That will probably change in future years.

Georgi Jasenovec, FHWA, stated that she participated on FASTLANE grant application review team and spoke about the process. She stated that each application went through three evaluation teams. Although politics may play a role in selection, each application is reviewed for project readiness, cost-benefit analysis and technical evaluation. Projects must pass through each team before the project is brought before the USDOT Secretary for review and possible submittal to Congress.

Gerry Schwebel asked how Texas projects did in the previous round. Caroline responded of the 221 projects submitted nationally, 147 including the three Texas projects submitted made the cut to Secretary Foxx, who then recommended only 18 projects to Congress, which were all funded.

Georgi added TIGER grants were also available for consideration.

TxDOT Rail Division Director Peter Espy spoke about the addition of the South Orient Railroad to FASTLANE grant consideration and its national and regional significance. He stated that it was originally submitted as a TIGER grant, but is being resubmitted as a FASTLANE grant. TxDOT bought the rail line in the 1990s to keep it from being abandoned and Texas Pacifico is the operator. Traffic has increased over the last 15 years by 1,000 percent and it moves about 25,000 carloads a year. It carries traffic such as oil and gas, grain and project equipment such as wind tower components. The grant will be for further upgrades to bridgework, replacing tiles and roadbed work for around \$9 million. Texas Pacifico is contributing \$10 million to rebuild the bridge across the Rio Grande to reinstate international service.

Judge Emmett asked if the DOT rushes to choose the projects for this year, can Congress (with 90 days to approve them) just wait out the clock to approve the projects. Caroline responded that probably yes. He told the committee of the need to engage the Texas Congressional delegation more to get their support.

5. Freight Movement in Other Areas

a. Port Strategic Study

Roger Schiller with TxDOT Maritime Division briefed the committee on the Port Strategic Study exploring landside, road and rail issues, with focus on the ports handling cargo on the national multimodal freight network. They will coordinate the study with the freight plan update to help identify connectivity needs and they have been conducting stakeholder interviews with seaports, MPOs, coastal TxDOT districts, local government agencies and private sector partners. The study will identify alternatives and prioritize them based on financial, environmental permitting and construction readiness factors, mapping them to potential funding sources to develop an implementation strategy.

Roger introduced Project Manager Chris Sallese with Dannenbaum Engineering, who is working with Jolene Hayes of Cambridge Systematics. The focus will be very project-centric, based on which ones are ready to move forward to construction. Also it will look at short-term projects in the study phase waiting on funding stream and long-term projects like I-69A. They have

interviewed all the ports, many times with the MPOs and district office representatives present. Interviews are 66 percent complete with the Class A railroads. Industry interviews, including the petrochemical companies, will be conducted after the first of the year.

A preliminary finding is that port exits occur on city or county roads before getting to a TxDOT road. Ports, MPOs and TxDOT are all submitting FASTLANE grants and there is a need for coordination, especially in regards to letters of support. They are working on a GIS database to identify a list of key projects by March 2017 in time to contribute to the freight mobility plan. There will be drafts of the study along the way.

Chris was asked how port connectivity data is utilized. He responded that they are taking a more project-focused approach with specifics on where bottleneck projects are in the planning and funding process.

b. Economic Impact of Rail

Chad Coburn with TxDOT's Rail Division discussed how the division is using benefit/cost assessment and scenario planning studies to do freight rail project planning. Three frameworks are used: statewide modeling, case studies with public/private partnerships, and investment scenarios.

He presented the draft findings of the analysis. The study is still in draft form but should have something online by February. Input is welcomed.

Judge Emmett asked how closely the division has been working with the Class I railroads, to which Chad replied the consultants had a fairly extensive stakeholder process by meeting with the Class I railroads. Brenda Mainwaring (Southern Region Union Pacific Railroad) and Paul Cristina (BNSF Railway) asked who they met as neither have seen a TxDOT presentation. They indicated they would like to see a draft, and Chad agreed. Judge Emmett reiterated the importance of working with the Class I and short line operators.

c. Strategic Corridors/Trunk System Development

Roger Beall with TxDOT's Transportation Programming and Planning Division presented on corridor planning and the trunk system re-evaluation. As the state's economy and population grows, so does the need to address congestion, freight and connectivity needs. The state's rural interstate portions have not been adequately maintained since they were built in the 60s and 70s. The aging system needs to be addressed and the corridor planning process will be evaluated to deliver the right projects with limited funds.

The goal is to have technical analysis and outreach to develop a plan for identifying short, mid and long-term projects to ask for funding on both the state and federal levels. TxDOT needs to be proactive instead of reactionary.

The corridor study needs map was expanded throughout the rest of the state to identify the true needs. The focus is on interstate and the other needs. For example, the trucking industry has reported truck parking as one of their top priorities. TxDOT will be looking to develop a prioritization tool for corridor improvements in the coming year.

The Texas trunk system is being re-evaluated. Original trunk system criteria were to develop roads into undivided roadways, connect communities and upgrade existing four-lane divided roadways. Need to re-evaluate against a refined system such as new design criteria, population,

military and educational institutions, border crossing, deep-water ports and network continuity and connectivity.

The next challenge will be to engage the public and gather public input.

Judge Emmett: This work closely ties to the committee's work as the trunk line clearly ties to the freight network and we will be working together closely.

6. Working Lunch - Port of Brownsville

Eduardo Campirano spoke over lunch about the Port of Brownsville and its importance to the Rio Grande Valley, the state and the nation. This man-made ship channel is 17 miles long, up to 42 feet deep, has a 36-foot turning basin and is the only port located along the U.S.-Mexico border. The Port owns waterfront land on both sides of the Brownsville Ship Channel and is the largest land-owning public port authority in the nation with 40,000 acres. In addition, it is home to the largest domestic fabricator of U.S. offshore drilling platforms and recognized worldwide as the premier port in the country in ship recycling. It consistently ranks in the top three, nationally, in exports.

The port is not tax supported; it generates income through leasing all the waterfront facilities and land. Besides owning its own short rail line, the port has rail service connecting to the Union Pacific and BNSF to the north, and Kansas City Southern into Mexico.

U.S. Steel has been in the port for 20 years shipping a high grade stainless steel coil to Mexico for use in the automotive, appliance and medical instrumentation.

The U.S. is a big importer of refined petroleum products which are moved via a Port-owned pipeline.

In 2015, 10 million tons of cargo passed through the port; 42 percent water-borne cargo in liquids, 40 percent in dry bulk and 8 percent in pipelines. The remaining 10 percent traveled by truck and rail.

The port averages about nine percent cargo growth per year. While a lot of that is in the export market, the import growth is expected to drop to about two to three percent per year.

Overweight permits have generated \$17.5 million in revenue since 1999, when the Port and TxDOT initiated the overweight corridor, 85 percent which TxDOT receives to help maintain the corridor. It has been a successful project to help accommodate for shipments to Mexico, where weight limits are higher than in Texas.

Eduardo went on to discuss multi-modal logistics, global connectivity, off-shore drilling, liquid natural gas (LNG) facilities, SpaceX, industrial development and the economic impacts of the Port of Brownsville. If all the development opportunities occurred, it could mean \$25-30 billion in investments, 8,000-10,000 construction jobs for five to seven years and 400-600 permanent jobs that pay \$70,000 per year.

The infrastructure is in now place to accommodate large industrial growth with electrical and LNG investments, but environmental preservation considerations are in place with undeveloped lands and wildlife preserves.

7. Triangle Freight Congestion Project

Allan Rutter, Texas A&M Transportation Institute (TTI), spoke about truck congestion within the Texas Triangle. When the Texas Transportation Commission approved the Texas Freight Mobility Plan in January 2016, they also applied the first \$1.3 billion in Proposition 1 money towards congestion relief.

TxDOT came to TTI to find out how truck congestion differs from other kinds of congestion. The study started by assessing how truck congestion happens in metro areas and what are some operational strategies to help mitigate truck congestion.

TTI took the Texas 100 database to map truck delays on 15,000 road segments to see how truck congestion happens within metro areas and how the delays fit into five buckets of overall congestion.

Allan reviewed truck and all traffic congestion maps for Houston, Dallas-Fort Worth, Austin/Round Rock and San Antonio.

Houston has four of the top ten choke points in the country for truck congestion, according to the American Trucking Association. Truck congestion is a lot heavier than other traffic on the road, such as on I-10 and 228 north of the ship channel.

The maps reveal truck congestion occurs outside metropolitan areas including I-35 between Hillsboro and Salado, on U.S. 79, U.S. 71, and U.S. 290 between Houston and Austin.

There is also data showing aggregate measures of truck delays, or annual hours of truck delays per mile, to determine the cost of those delays. Truck traffic congestion is pretty much everywhere.

The east-west routes in Dallas-Fort Worth (I-10, U.S. 80, I-30) show a lot of delays as well as intercity access routes into the city. The interchange at I-45 and I-30 near Fair Park is No. 11 on the top 100 congestion list.

U.S. 79 between Round Rock and Taylor experiences significant truck traffic, especially light-duty trucks, due to retail, construction and car dealerships.

San Antonio's truck congestion is pretty pronounced. Truck congestion on I-10 extends beyond the downtown area both east beyond 410 and north beyond Loop 1604.

Allan then turned to strategies for truck congestion mitigation. Eight strategies bubbled up for consideration and possible testing.

A discussion began on ownership of the SH 130 tollway and the possibility of making it free to truck drivers to get trucks off I-35.

Strategies included off-peak delivery, improved freight traffic management and communication, on-off ramp improvements, smart truck parking, separating trucks and cars. They will be updating congestion maps and getting feedback from TxFAC, MPOs and TxDOT leadership on the strategies and pilot testing.

8. 85th Legislative Session

Judge Emmett set the stage for the session by reminding the committee that TxDOT is not allowed to lobby, but only provide information. Committee members cannot ask TxDOT to help in lobbying efforts.

Trent Thomas, TxDOT, presented an overview of the upcoming Texas Legislative Session. There will be three new senators, including two former House members. There will be 22 House freshmen, including four former members.

In addition to the turnover, TxDOT has a lot of new district engineers and division directors who haven't been through a legislative session.

There have already been 864 bills pre-filed, including a distracted driving bill for the fifth or sixth time. Only 38 of the pre-filed bills pertain to TxDOT operations including transportation, employee retirement, contractors and open carry.

Although many bills will be filed, Trent doesn't expect a huge amount of them to be transportation related this session.

TxDOT is undergoing a sunset review. The Sunset Commission hearing received relatively few comments about the agency. More information can be found on the Sunset Commission website. It's expected the sunset will be more about operations instead of policy.

Judge Emmett spoke about an incumbent who lost the election to a candidate promising not to toll the Fred Hartman Bridge, although it would be illegal to do so. His point was committee members need to speak up when issues arise. Trent advised the group to introduce or touch base with freshmen and incumbent legislators (or chiefs of staff). Ask to be a resource to them and give them a business card.

Trent reviewed TxDOT's legislative funding and exceptional item requests.

Steve Boecking: What about a discount toll program on SH 130. Trent replied that it and a veteran discount program has been recommended by Senators Israel and Watson over the last couple of sessions. There is some disagreement among legislators about the benefit of truck discounts and whether or not it relieves congestion on I-35.

Judge Emmett asked about the Northeast Texas Rural Rail Transportation district. Trent replied it's a small, non-operational freight line. The Judge also asked about the Heartland Flyer, which runs from Texas to Oklahoma and is also subject to contention, according to Trent.

Trent provided an update on Propositions 1 and 7 funding. The initial funding of \$1.7 billion helped clear a lot of pending projects, but the downturn of the oil and gas industry has slowed down funding. The Economic Stabilization Committee recently met to establish the floor of the rainy day fund at \$7.5 billion, but the legislature can adjust that amount in the first 45 days of session.

The funding stream for Proposition 7 funds is more defined but still very volatile. TxDOT will not receive these funds until 2018.

TxDOT will need to execute on the tools the legislature has provided. HB 20, a planning document, will go before the Transportation Commission.

The legislature is facing a budget shortfall and court cases that could have a significant funding impact.

Contact the State Legislative Affairs office or go to www.txdot.gov and enter State Legislative Affairs for more information.

Judge Emmett asked about eminent domain, especially in regard to high speed rail. TxDOT has met with the Farm Bureau and Texas Southwestern Cattle Raisers Association to explain how it uses eminent domain authority. With high speed rail coming up, TxDOT's role is to make sure it's following environmental protocols. TxDOT is not seeking to use any type of eminent domain for high speed rail.

Judge Emmett added another issue that could come up is property tax reform. For counties responsible for criminal justice, indigent health care and transportation, if property taxes are cut, the only place to cut would be in transportation.

Judge Emmett predicted there will be high speed rail legislation. The issue that almost stopped high speed rail last session and will be brought back this session would be a rider in the appropriations bill that prohibits TxDOT from spending money to assist Texas Central.

Trent said to be watching for the Transportation Commission action on HB 20 rules. He expects a lot of discussion among commissioners as well as public testimony.

9. Open Discussion

Judge Emmett outlined future TxFAC meeting dates. The next one is scheduled for Austin on March 9, followed by another in Austin in May. The next dates will be in July, September and November.

The Judge stressed that there will be a lot of information shared prior to the meetings and committee members need to read the information in advance to allow for conversations and decision-making at the meetings. Meeting locations discussed included Dallas-Fort Worth, El Paso, Laredo and East Texas.

Caroline asked the committee to think about priorities and strategies in the existing freight plan that should be advancing. Gov. Abbott has charged TxDOT to address congestion in the five urban areas. Judge Emmett asked Caroline for a one page decision matrix showing what needs to be prioritized.

Bruce Mann: There are still some fundamental questions about projects that need to be answered, like the I-69 bypass and projects in the appendix that aren't in the TIP or RTP that haven't been designed. Need to decide how to prioritize high priority projects to fund the initial studies in order to move them up for further consideration. Paula remarked if you improve mobility for freight, you also improve mobility for people. Maybe some of those freight projects could be re-classified into partial commuter projects.

Peter Smith thanked Judge Emmett for his leadership on the committee.

Meeting adjourned at 2:40 p.m.