

**2030 COMMITTEE PUBLIC HEARING
HOUSTON-GALESTON AREA COUNCIL**

**AUGUST 14, 2008
HOUSTON, TEXAS**

ORIGINAL



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1 PROCEEDINGS

2 DR. WALTON: Ladies and gentleman, thank
3 you very much for attending this day's session. We
4 appreciate you being here. We look forward to hearing
5 from you; and your support of this effort is sorely
6 needed. And, again, we're very pleased to be here.

7 As you know, this is the third -- perhaps
8 the third public hearing that we've had on what is
9 called the 2030 Committee. You may know that the chair
10 of TXDOT, with the -- is helping to initiate a needs
11 assessment that would provide for an update of the
12 state's mobility and maintenance needs from fiscal year
13 '09 through 2030; thus the name 2030 Committee.

14 This update will provide an opportunity
15 to present an estimate, if you will, of the state's
16 transportation needs in the context of our economy and
17 the reality that we're facing within that economy.

18 My name is Mike Walton. I'm from Austin,
19 Texas. I'm delighted to be the chair of this committee.
20 And I'd like to go through the charge and a brief
21 overview of how we'll go forward, and then I'd like for
22 the -- each of the members to introduce themselves and
23 they can add any comments or words that they might like
24 to make.

25 The charge of the Transportation

1 Commission or the charge that -- we've been charged with
2 the issue to prepare a report in December of '08 of the
3 state's transportation needs. Specifically, the study
4 that's underway is to quantify and describe the need for
5 infrastructure investment over the next 20-plus years.

6 The 2030 Committee will serve as an
7 advisory panel, oversee studies that are being done
8 cooperatively by the Texas Transportation Institute of
9 Texas A & M and the Center for Transportation and
10 Research at The University of Texas at Austin.

11 So, that activity -- they're the prime
12 movers of the study activities, building a lot on
13 secondary data and information that is made available
14 from other studies and efforts, coalesce that
15 information and provide information to this panel, which
16 will then help guide the overall study.

17 So, it's a fairly clear, straightforward,
18 challenging exercise; but I will say we have a terrific
19 team in place and we're very pleased to be working with
20 them.

21 The team, as I indicated, has done a lot
22 of work thus far. They've been looking at mobility and
23 maintenance goals that will measure, if you will, the
24 assessment of the needs and the process to establish --
25 to identify those needs.

1 Part of our charge was to conduct a
2 series of public hearings. This is the third, as I
3 mentioned, of those. We'll have several more. We hope
4 to finish those quickly because we are -- we are charged
5 with filing our report in December of this -- of this
6 year with a presentation to the Transportation
7 Commission. Following that, there perhaps will be
8 opportunities to brief the legislature on the work
9 that's been done, as well.

10 So, that's -- that's the charge, and we
11 have an agenda -- agenda that's been established today
12 to help guide that effort and we have a number of people
13 who have been invited to provide testimony and then
14 we'll open it up to anyone else who would like to share
15 information with us.

16 Before we get started, I'd like for each
17 member of the committee to have the opportunity to
18 introduce themselves and to make any statement that they
19 might like to make; and I'll start on my far right.

20 David.

21 MR. LANEY: I'm not sure if I know how to
22 work this. There we go.

23 My name is David Laney. I'm a lawyer in
24 Dallas and am intimately familiar with a lot of the
25 challenges here in Houston from my days with TXDOT.

1 Glad to be back down here.

2 MR. CRUTCHER: I'm Drew Crutcher, an
3 engineer from Odessa, Texas.

4 MR. EMMETT: I'm Ed Emmett. I'm Harris
5 County judge. So, let me welcome everybody who's not
6 from Harris County to our fair community.

7 I'd be remiss if I didn't say a few
8 things. Even though this is Harris County and people
9 talk about the City of Houston and we'll certainly hear
10 from Council Member Holm here in a minute, what we
11 realize is we're regional down here. This is a major
12 urban area. Traffic doesn't stop at a county line. It
13 doesn't stop at a city limit. So, everything we do has
14 to be approached on a regional basis. So, we're looking
15 forward to hearing about that.

16 Also, 2030 is a long way off and we all
17 realize that we're sitting right here in 2008 and we're
18 trying to predict what might happen in the next 22
19 years. And if we look back 22 years, we'd probably all
20 say, "Well, we wouldn't have guessed that."

21 So, whatever we do has to be a little bit
22 flexible and has to un- -- be both reactive to what we
23 think is going to come and proactive in terms of shaping
24 what we think is going to come.

25 And, so, I'm very interested to hear the

1 testimony. We're already seeing, for example, in City
2 of Houston, in inner city areas they're redeveloping.
3 Some of the suburbs are -- I don't know the right term
4 to use without getting in trouble; but some of the
5 suburbs are, shall we say, less desirable than they were
6 just a little while ago.

7 And we need to always keep in mind people
8 are going to do what people are going to do and we need
9 to make the best judgment we can, and I think it's
10 wonderful that the State has taken this initiative to
11 reach out and actually ask the public, "What do you
12 think's going to happen? What do we need to be doing?"
13 So, I'm anxious to hear what people have to say.

14 MR. ALLEN: My name is Ken Allen. I work
15 with H.E.B. stores out of San Antonio, Texas. I'm
16 responsible for the logistics part of H.E.B. that
17 includes both the inbound goods global and domestic
18 produced goods as well as store delivery piece of it.

19 MR. BONILLA: I'm Ruben Bonilla. I'm an
20 attorney in Corpus Christi and also serve as chairman of
21 the Port of Corpus Christi. I'm looking forward to --
22 to this hearing and future hearings.

23 In our final report, we in Corpus Christi
24 believe that we should see increased collaboration
25 between our great ports. It's pretty clear and apparent

1 that trade lanes are gradually changing and there's more
2 movement north and south and we not only in Texas but
3 throughout the southwest United States need to be
4 prepared for the opening of the Panama Canal, the need
5 to elevate the existing corridors to interstate
6 standards so that we can move freight smoothly and
7 efficiently. I think the challenges are well cut. I
8 look forward to working with all of you. Thank you.

9 DR. WALTON: Thank you.

10 Let me again express our appreciation to
11 the judge for hosting this event and to H.G.A.C. for the
12 facilities. Appreciate that very much.

13 As indicated earlier, we have an agenda.
14 We've invited several people to offer testimony. We'd
15 like, if you could, to provide us with that information.
16 If you have written copies, that would be perfectly
17 welcome, as well. We'd ask that you keep your remarks
18 from three to five minutes if possible. We're delighted
19 to have you, and we'll begin with Council Member Holm.
20 Thank you.

21 MS. HOLM: Good afternoon. Judge Emmett,
22 distinguished 2030 Committee members, my name is Pam
23 Holm and I'm a Houston city council member and I appear
24 before you today representing the City of Houston. I
25 also have the pleasure of serving as vice chair of the

1 Transportation Policy Council of the H.G.A.C.

2 The Houston region represents
3 approximately 25 percent of the state's population; and
4 at a time when other economies are lagging, ours
5 continues to flourish by adding more than a quarter
6 million new jobs over the last four years.

7 Our responsibilities as leaders is to
8 ensure we are able to meet the demands that the enormous
9 projected growth will place on our infrastructure and
10 transportation systems. Success of this thriving region
11 is of great importance to both our state and national
12 economies.

13 As a city and a region, we are unique in
14 that our city limits alone span 650 square miles. Nine
15 major U.S. cities fit within our boundaries all at one
16 time.

17 Identifying, maintaining, and building a
18 comprehensive infrastructure system for all citizens of
19 Texas is a necessity, not a choice. In order for our
20 region to adequately address the transportation
21 challenges facing us today, the City of Houston
22 recognizes the importance of identifying and funding
23 regional plans and addressing issues comprehensively and
24 through coordination and in order to have an effective
25 multifaceted transportation program, improve mobility,

1 and maintain a vibrant, strong economy.

2 Mayor White and the City of Houston
3 endorse the Greater Houston partnership support of an
4 index motor fuel tax to the consumer price index. While
5 I personally do not always support additional taxation,
6 I wholeheartedly endorse a 90 percent minimum return to
7 the originating region. Maintaining funding in the
8 originating region provides all areas of the state with
9 a predictable revenue stream.

10 The City of Houston supports local toll
11 primacy, enabling HCTRA, with its incredible track
12 record at building and operating toll roads, to retain
13 revenues within our area for other projects. Tolls paid
14 by the citizens of a region must be reinvested in
15 congestion mitigation in that region, and the City
16 opposes shifting revenues from our profitable toll roads
17 to other areas of the state.

18 Additionally, the City believes regions
19 must be empowered to adequately invest in their
20 infrastructure if our cities want to -- to continue to
21 prosper. Broad-base capitalization of the Texas Rail
22 Relocation and Improvement Fund should not solely be
23 based on fees that could be overburdening to the -- to
24 the cargo transportation industry and lessen the
25 competitiveness of our port, railroads, and businesses.

1 We need to acknowledge the benefits of working with our
2 rail partners to improve all methods of mobility by
3 contributing to improvements needed to grade, separate,
4 and oftentimes relocate rail arteries that paralyze
5 mobility.

6 During the 81st legislative session in
7 2009, general revenue funds need to be committed to the
8 full implementation of Proposition 12, with the goal of
9 providing toll equity funding and sustaining the
10 pass-through toll program. Used in this manner, the
11 5 billion-dollar commitment can leverage billions more
12 in local projects.

13 In conclusion, there are viable options
14 created when local entities are able to manage their own
15 destiny. The unintended far-reaching consequences to
16 the citizens of this state caused by the delay of
17 highway reconstruction is needless. Unabated congestion
18 will choke thriving economies.

19 If we do nothing, in Houston alone
20 congestion is predicted to increase approximately
21 588 percent from the current levels of today by the year
22 2030. It is time that we commit together to prioritize
23 a fiscally responsible investment in our infrastructure
24 so that Texans in 2030 will enjoy the same prosperity
25 and quality of life that have made Texas the best state

1 in the nation to call home.

2 Thank you.

3 DR. WALTON: Thank you very much.

4 Any questions or comments from any member
5 of the committee?

6 MS. HOLM: Thank you.

7 DR. WALTON: We appreciate you being
8 here. Thank you.

9 Judge Fitzgerald, Liberty County,
10 welcome.

11 MR. FITZGERALD: Thank you very much.
12 Thank you for the opportunity to address the commission.

13 I feel like I'm preaching to the choir
14 when it comes to transportation; but when I -- when I
15 got the agenda and the 2030 Committee heading was on
16 there, the first thing that came to my mind was vision.
17 There's been times in our history where our vision's
18 been dimmed by the unknown, but we live in a time where
19 our vision should be very clear based on what's already
20 happened in our area.

21 Originally I'm a native Houstonian, born
22 here and lived my adolescent life here before I had the
23 privilege to move to Liberty County; but during the
24 course of that time, a trip out Katy Road, the only
25 western exit from the city of Houston, was a drive

1 through the countryside looking at cattle and horses on
2 the way to Katy Road, which was the destination of a
3 family farm. And in the course of those 35 years, I
4 think our vision may have been dimmed by the unknown;
5 but in the world we live in today, based on what we have
6 seen, we should have a very clear vision of our future.

7 Liberty County in particular is on the
8 eastern side of Harris County, our neighbor, our
9 friendly neighbor, that has gone through processes that
10 we're about to experience. Our border's 20 miles from
11 one of the largest airports in the country. The cargo
12 in that airport is anticipated to triple in the next 17
13 years, well into the median of your 30-year committee
14 plans.

15 The Port of Houston, as we know, has
16 clear vision that their cargo is going to triple in that
17 same time period, causing tremendous burden to move this
18 cargo and freight around and through our residential
19 areas that we now live in.

20 Our vision should be to utilize every
21 effort that we can in this area; and it rescinds to the
22 regional concept that we just heard about, which becomes
23 a statewide philosophy that we all need to buy into. It
24 is not going to slow down. It's only going to escalate.

25 I think we have tremendous opportunity.

1 I know Liberty County has us speak on their behalf as a
2 rural community that is very instrumental in what
3 happens to our neighbors. I notice we have committee
4 members from Dallas and areas north of our region.

5 We have a tremendous amount of freight
6 coming into our area that has to basically travel
7 north -- and I won't go into every particular project
8 because you probably have hundreds of them through the
9 state that you have to listen to. But our particular
10 area, the Grand Parkway, creates a tremendous cargo
11 bypass for not only Harris County but allowing this
12 cargo to travel through our county unabated.

13 We have the opportunity to move that
14 cargo north to 59 so it can traverse throughout the
15 regions of the United States and that direct --
16 direction, continue on with the bypass concept to 45 and
17 direct that cargo to Dallas as quickly as possible,
18 believing the residential areas are the nucleus of the
19 metroplex unaffected or at least least affected by the
20 movement of this cargo; but we have a clear vision it's
21 on its way.

22 And, so, my encouragement to you is to
23 have a vision beyond anything that you've ever dreamt,
24 like the people traveling Katy Road 35 years ago could
25 have had if they would have had access to the knowledge

1 that we have now about what to expect.

2 And that's my message to the committee
3 today. Thank you.

4 DR. WALTON: Judge, thank you very much.

5 Any comments, questions from any member
6 of the committee?

7 Thank you, sir.

8 MR. EMMETT: Mr. Chairman, we're honored
9 with the presence of a guest who just walked in, TXDOT
10 Commissioner Ned Holmes.

11 Thank you for joining us, Commissioner.
12 Would you like to say anything to this group?

13 MR. HOLMES: No. I'm a happy listener.

14 MR. EMMETT: Well, we're happy if you're
15 happy.

16 DR. WALTON: Tom Kornegay, executive
17 director, Port of Houston. Welcome, Tommy.

18 MR. KORNEGAY: Thank you, sir. I'm a
19 little nervous now my former chairman's sitting over
20 here listening to me. So, if I say anything wrong, I'm
21 in trouble.

22 Spencer Chamber, our legislative affairs
23 manager, has helped me put a presentation together; and
24 he's going to submit that to you in writing.

25 And I'm just going to tell you a few high

1 points, and I'll start with, you know, giving you the
2 overview of the Port of Houston. It a 25-mile long
3 channel, but it's developed -- the channel's a lot
4 longer than that, but it's developed for 25 miles on
5 both sides of the channel. And there's about 150-plus
6 companies out there, private industry companies that do
7 business out there every day.

8 The Port Authority is actually the one
9 that runs the private terminals, and we have over ten
10 terminals ourselves that we run every day.

11 The cargo that most of those private
12 companies deal with is petroleum and petroleum-based
13 products. The Port Authority deals with the cargo that
14 citizens want, need, and buy on a daily basis, such as
15 coffee, automobiles, T.V.s, cell phones, things like
16 that. And from that, you can understand that as our
17 region grows, that cargo base grows.

18 The previous speaker talked about the
19 fact that the Port of Houston expects its cargo to
20 triple over the period that we're talking about; and a
21 friend of mine that gives presentations on this all the
22 time talks about a tsunami of containers coming to the
23 United States.

24 Well, at least part of that tsunami is
25 headed for Houston. We believe, as he said, that our

1 container traffic will triple in this time period. Our
2 general cargo, which is the things that are not put in
3 containers, basically, won't grow quite as fast; but,
4 still, it may have as much as 50 percent or more growth
5 in that same time period.

6 One of the things that's really going to
7 affect us is the Panama Canal. The Panama Canal is
8 going to be widened and deepened and put into service,
9 we think, about 2014; and that will start bringing
10 bigger and more ships to us on a weekly and daily basis.

11 The other issue is that, as already
12 stated, Houston has always been a freight rail center
13 and it will continue to be that. As you know, in the
14 past, Houston was known as the -- where 14 railroads --
15 17 -- excuse me -- 17 railroads meet the sea. I think I
16 got that right. Is that not -- okay.

17 Just -- just like there haven't been any
18 new refineries built over the past few years or the past
19 decade or so, there really haven't been any new
20 railroads built, either; and, so, we are constantly
21 working with the same infrastructure that we've had for
22 a long time.

23 We need -- the port needs adequate
24 highways, rail, and ports in order to continue our
25 business. We need this study. We need to make the

1 people aware that discount store shelves are full
2 because the trucks, the rail, and the ships bring the
3 cargo to their community. In other words, the ports
4 deliver the goods. Thank you.

5 DR. WALTON: Thank you, Tom.

6 Questions, comments, anyone?

7 MR. BONILLA: Might have a couple.

8 With regard to the Panama Canal opening
9 in 2014, do you think that most of those vessels that
10 come through are going to do transshipments off the
11 Caribbean; or is it likely that a fair percent will come
12 straight into the Gulf Coast ports?

13 MR. KORNEGAY: I think it will be some
14 combination of that. It's really hard to predict how
15 that will ultimately work out.

16 One of the companies that comes directly
17 to us right now through the Panama Canal is -- talked to
18 me last week about the fact that they're looking at a
19 transshipment issue. It's not because they're not going
20 to come through the Panama Canal anymore. It's because
21 they're going to do some of their other business that
22 way, and they may take part of our ships and do it
23 through that transshipment and cart directly.

24 So, I think it's -- it's hard to say
25 exactly how that's going to wind up, but it will

1 probably be a combination of both.

2 MR. BONILLA: Which will affect the
3 capacity -- container capacity, the low cargo where
4 there will be no effect, depending on how they come,
5 whether there's transshipments or they're coming
6 directly?

7 MR. KORNEGAY: No, I -- I don't think
8 that really affects the amount of cargo that comes.
9 It's just the manner in which it gets here. If -- you
10 know, the amount of cargo that comes depends on how much
11 we're buying, I mean.

12 And I have to say -- and I should have
13 said during my presentation -- that everything that I
14 said to you about all the numbers and all the numbers
15 that are in our submission to you are basically
16 straight-line projections over the next 22 years.
17 There's a lot of things that could happen in 22 years to
18 change those projections. So, you have to understand,
19 that's what we did, just straight-line projections.

20 MR. BONILLA: I'm not sure how much
21 knowledge or information we have on what Lasso Paris
22 (phonetic) is doing on the western coast of Mexico, but
23 you talked about building -- potential building new
24 railroads. And there's an effort up there to improve
25 the existing K.C.S. line --

1 MR. KORNEGAY: Right.

2 MR. BONILLA: -- and bring these Chinese
3 containers from Lasso Paris on into Texas and perhaps up
4 to 35, which may increase congestion, some perhaps going
5 to Houston, some to Corpus Christi.

6 MR. KORNEGAY: Right.

7 MR. BONILLA: Do you think that's a
8 feasible plan, and do you think that there can be that
9 collaboration between K.C.S. and the Mexican government
10 in making that a rail freight line before 2030?

11 MR. KORNEGAY: Well, I was -- I was with
12 you until you said the timeframe because my answer was
13 going to be that -- that, you know, I think it's a
14 doable project. The timing is the issue, is how long
15 will it take them to get that done? And that's --
16 that's the part that I cannot predict, is how long it
17 will take them to get that done.

18 Twenty-two years is an awful long time,
19 and they certainly might be able to get it done by then;
20 but I would hate to try to predict exactly when they're
21 going to try to get that done.

22 They've been working on some other
23 transportation projects in Mexico that I thought that
24 they would have done by now that aren't done; and, so,
25 it seems that they have a lot of issues to deal with to

1 try to get those transportation projects done.

2 MR. BONILLA: Just one last question: In
3 terms of our advocacy that we're talking about, mobility
4 plans, the smoothness and efficiency of the
5 transportation schemes, what have you, but if we were to
6 all in this room remove our cards and hats and consider
7 the free trade agreements that are out there -- been in
8 touch with one in Colombia that's met some not hostility
9 but some resistance in Congress, even NAFTA as we see in
10 the presidential campaign, CAFTA.

11 As stewards of ports, I assume that you
12 have a policy statement that free trade is in the best
13 interests of economic development for the state of Texas
14 and, if that's the case, do you think it's a genuine
15 policy consideration for this committee to make some
16 type of statement on the importance of developing and
17 supporting free trade agreements across the board,
18 particularly as concerns the Americas?

19 MR. KORNEGAY: Well, since -- since my
20 understanding of your charge is talk about the
21 transportation, I think you have to address it in -- in
22 that vein, that if those -- if those policies are put
23 into place, that will absolutely impact the
24 transportation issues.

25 MR. BONILLA: Thank you very much.

1 MR. KORNEGAY: You bet.

2 DR. WALTON: Judge Emmett?

3 MR. EMMETT: Tom, I have a quick
4 question. Since we are talking about 2030 --

5 MR. KORNEGAY: Yes, sir.

6 MR. EMMETT: -- and we are talking about
7 the Texas Department of Transportation all-encompassing,
8 not highways, not just rail --

9 MR. KORNEGAY: Yes, sir.

10 MR. EMMETT: -- what are your thoughts on
11 the future of short-sea shipping as it might affect our
12 area and the coast of Texas, including Corpus Christi,
13 the Port of Victoria, all of them?

14 MR. KORNEGAY: Right. Does everybody
15 know what short-sea shipping is?

16 MR. EMMETT: Can you say it real fast?

17 MR. KORNEGAY: I can't say it real fast.
18 I tried to say Shubert short-sea shipping, and they
19 laugh at me.

20 MR. EMMETT: That's why I'm considered an
21 expert on it: I can say it fast.

22 In all seriousness, short-sea shipping,
23 for the audience, is coast-wide shipping.

24 MR. KORNEGAY: Right.

25 MR. EMMETT: Basically they're taking to

1 calling it marine highways, if you will.

2 MR. KORNEGAY: Right. And -- and -- and
3 I think that's a very good definition, marine highways,
4 because I think short-sea shipping has to be a part of
5 the solution because I don't think that we can build
6 enough highways, build enough rail, and build enough
7 port facilities, frankly, to make this happen by 2030
8 unless something drastic happens between now and then.
9 And, so, I think it absolutely has to be a part of the
10 deal.

11 And we are already working on that,
12 Judge. You know, we already have barge traffic --
13 container barge traffic between Houston and New Orleans.
14 We're working with Brownsville. We're working with
15 Victoria and others to -- to put those things into
16 place.

17 MR. EMMETT: Thank you.

18 DR. WALTON: Thank you, Tom.

19 Next, John Haley, Metropolitan Transit
20 Authority.

21 MS. SLAUGHTER: I hate to disappoint you,
22 but I'm not John.

23 Good afternoon. My name is Kimberly
24 Slaughter with the Metropolitan Transit Authority of
25 Harris County, and I am the --

1 MR. EMMETT: Time out just a second.

2 DR. WALTON: Yes, please.

3 MS. SLAUGHTER: That's okay.

4 I'm the associate vice president of
5 planning for Houston Metro. And I did bring typed
6 copies of my comments; and I'm not sure if I give them
7 to you or who we leave them with, the written version of
8 our comments.

9 MS. HERNANDEZ: I'll take them.

10 MS. SLAUGHTER: Okay. There you go.

11 First of all, I would like to thank the
12 2030 Committee for inviting us to be a part of the
13 public hearings today. We're happy to share our opinion
14 on good transportation for the state and for the Houston
15 region.

16 It is our opinion that transportation is
17 directly tied to the economic viability of a community,
18 the regional, national, and global competitiveness of a
19 community, and the quality of life of a community. And
20 these issues, of course, are no exception for the
21 Houston region.

22 The U.S. Census Bureau has declared that
23 the city of Houston was the fastest growing city in the
24 nation for 2007, followed by Phoenix, San Antonio, Fort
25 Worth, and New Orleans. This designation was given

1 based on growth within the city limits; but as we all
2 know, the increase in regional growth in our area is
3 equally significant.

4 The access to good quality transportation
5 system will certainly enhance our region's ability to
6 retain existing jobs, create new jobs, and support a
7 growing, diverse population. However, I would like to
8 emphasize that the residents of the Houston region need
9 the access to multiple transportation options to improve
10 their quality of life and their ability to move freely
11 throughout the region.

12 As the regional transit provider, Metro's
13 intent is to provide more transit options to more people
14 in more places throughout the Houston region. The
15 public demand for transit is increasing daily as gas
16 prices increase and our residents increasingly dread the
17 thought of their commute to work.

18 Metro recently implemented the first
19 major fare restructuring in 13 years. Despite this
20 change, we're projected to finish the fiscal year with a
21 record-setting ridership on our fixed route system of
22 approximately 98.8 million annual boardings.

23 In addition, the Metro rail system
24 continues to set record ridership -- ridership records.
25 Excuse me. On approximately three out of the five

1 weekdays, Metro rail ridership exceeds 40,000 daily
2 boardings. This is notable because the 7 and a half
3 mile light rail line was projected to carry these loads
4 in the year 2020 and we're carrying them in 2008.

5 Residents of the Houston region should
6 have access to various types of bus service to serve our
7 local and communal markets, light rail to serve the more
8 densely traveled urban areas, commuter rail to serve our
9 growing and densely traveled regional corridors, and
10 possibly high speed rail to allow regional residents
11 more flexibility in where they live and where they work.

12 The Metro Solutions' long-range plan
13 approved by the voters in 2003 builds a footprint for
14 diversifying and expanding the transit options in the
15 Houston region. Metro's currently implementing Phase 2
16 of the Metro Solutions program to bring more light rail
17 and introduce commuter rail and bus rapid transit to the
18 region by the year 2012. Metro will continue to work
19 with the regional community to ensure that Phase 3 of
20 Metro Solutions continues to reflect the vision and
21 needs of our growing and changing region.

22 None of these visions of transportation
23 options for the Houston region will be possible without
24 regional inter-agency collaboration and cooperation.
25 Metro values the ability to build upon our existing

1 relationships with our transportation partners in the
2 region to deliver good quality transportation to the
3 Houston region. We are also committed to helping to
4 bring new partners to the table as the region continues
5 to grow and the demand for transit options increase.
6 Thank you.

7 DR. WALTON: Thank you, Kimberly. My
8 apologies.

9 MS. SLAUGHTER: That's okay.

10 DR. WALTON: Any questions or comments
11 for Metro?

12 Thank you very much.

13 Art Storey, executive director of Harris
14 County Public Infrastructure. Thank you. Welcome.

15 MR. STOREY: Dr. Walton and members of
16 the committee, Judge Emmett's staff suggested that I
17 write this down, keep it to three minutes, and turn it
18 in. I wrote it down, turned it in. So, to the extent
19 that it's repetitive, think of it as emphasis; and at
20 the very, very best it's a little shorter than it might
21 have been otherwise.

22 Of the seven divisions in my department,
23 three of them are providers of major infrastructure:
24 The engineering division; a flood control district; and
25 most notably for today's discussion, the Harris County

1 Toll Road Authority. We refer to the Toll Road
2 Authority by its acronym HCTRA.

3 On behalf of those divisions in Harris
4 County, I came out this afternoon to urge you to
5 persuade State leaders to seek and provide funding for
6 TXDOT, our state's highway department. Yes, I know
7 they're more than highways; but they're still highways
8 and I wanted -- other people can talk about other
9 things, but I want to talk about highways.

10 My understanding is that your committee's
11 charge is to consider the state's transportation needs
12 through year 2030. In my view, a catalog of those needs
13 is not nearly as critical as is a determination to how
14 we might pay for the facilities that are needed to
15 satisfy those requirements.

16 One of the axioms operable in my world of
17 public works is that if you can't afford it, you can't
18 have it. I have to smile at the talk I hear of the
19 TXDOT sunset considerations. TXDOT's not broken. It's
20 just broke.

21 Yes, I know that the agency still has
22 money and a budget; but they assure me that none of it
23 is for new highways or even new capacity. You cannot
24 imagine how frustrating it is to begin negotiations
25 concerning a TXDOT/HCTRA partnership for a major project

1 when the conversation begins with the TXDOT assertion:
2 We presume that you do understand that TXDOT has no
3 money for this project.

4 The late chairman of the transportation
5 commission, Rick Williamson, knew all about what I'm
6 talking about this afternoon and more; and he tried to
7 address the funding gap between highway needs and
8 highway resources. Rick and I disagreed and debated
9 several issues, but I agreed with him concerning the
10 desperate need to find funding for transportation in
11 Texas.

12 I think he was right about toll roads but
13 wrong about concessions, right about public-private
14 partnerships but wrong about C.D.A.s, a concept which
15 allowed a concession to come between the project and the
16 people who paid the tolls to pay for it.

17 That's where government belongs, between
18 the public and the project, enabling comment,
19 participation, and responsibility to reside with elected
20 officials who answer to the public. There just has to
21 be a way to bring private investment into public
22 projects without ceding the leadership control and
23 unreasonable profits to private entities managing
24 concessions.

25 We in Harris County are going to look

1 for -- are looking for that mechanism, while I hope you
2 on this committee will seek ways to fund our highway
3 department, a proud agency that's demonstrated an
4 ability to deliver but which, like all of us, cannot
5 have what it can't afford, cannot partner when it has no
6 funds.

7 DR. WALTON: All right. Thank you very
8 much.

9 Questions, comments from anyone?

10 Art, I should mention that your point
11 about resources is very well noted and there is another
12 effort that I understand is underway to look at funding
13 sources and revenue and the like in preparation for
14 future events; but that's not the charge of this group.

15 MR. STOREY: Well, they got my support;
16 and let me know how I can help.

17 DR. WALTON: I love your quote there.
18 Thank you very much.

19 All right. Mark Ellis, Gulf Coast
20 Freight Rail District, welcome.

21 MR. ELLIS: Well, thank you for having
22 this committee meeting and giving us the opportunity to
23 testify in front of you.

24 My name is Mark Ellis. I'm the chairman
25 of the Gulf Coast Freight Rail District. I have one of

1 my board members sitting here right to the right of me.
2 Commissioner Holmes serves as an ad hoc adviser to
3 our -- our board.

4 You know, when I talk about rail, I talk
5 about the past, present, and future; and if, you know,
6 at the end of my comments you feel that I'm somewhat pro
7 rail, I am, not only for freight in the future but also
8 for commuter rail in the future, as well. And while
9 we're named the Gulf Coast Freight Rail District, we
10 also have the capability to work with local government
11 entities and the State to forward commuter rail within
12 our community.

13 The Houston region has come full circle.
14 Since its inception, Houston has prospered -- prospered
15 because of rail network. In the mid to late teen --
16 1800s, Houston was the center of the railroad
17 development in Texas. Rail had become such a prominent
18 part of the city that by 1926, after additional lines
19 were laid, Houston advertised itself as the city where
20 17 railroads meet the sea.

21 So, it has a symbiotic relationship that
22 remained with development of the interstate system. Now
23 as the interstate system reaches capacity, the Houston
24 region is again looking to rail to foster its growth for
25 both freight and commuter rail.

1 The Gulf Coast Freight Rail District is
2 tasked with sustaining regional and economic growth by
3 guiding development of the rail network in a way that
4 minimizes impact on the quality of life for host
5 communities.

6 The eight-county Houston region is
7 forecasted to add 3.5 million residents by 2035. With
8 those new residents, their -- and their cars will come
9 increased demand for products. Those goods will either
10 arrive by truck on a -- already congested roadways or on
11 rail by our already congested rail network.

12 The Texas Transportation Institute's most
13 recent urban mobility report listed Houston as the
14 fourth most congested city in the nation. Regional
15 commuters experience an average of 56 hours of delay
16 annually. The annual cost of that delay for the local
17 economy is 2.2 billion and the -- in -- to the
18 community, and for the individual commuter exceeds a
19 thousand dollars.

20 TXDOT's Houston region freight study
21 forecasts that freight tonnage moved by rail will more
22 than triple in this region by 2025. It is important to
23 note here that the significant origin destination
24 activity in Houston sets the region apart from most
25 other areas in the state. The freight is not passing

1 through on its way to some other place. It is -- in
2 excess of 90 percent of the freight moving in the
3 Houston region stays within the region. Within the
4 Houston region, the railroads provide rail service to
5 more than 900 customers. Freight rail plays an
6 invaluable role in our local economy.

7 Today just as the railroad industry faces
8 challenge from deferred maintenance and infrastructure
9 nationally, Houston's rail infrastructure is hindered by
10 similar problems. Outdated rail yards and inadequate
11 infrastructure together with the demands of the
12 petrochemical industry and growing volumes of containers
13 are clogging Houston's rail system, potentially
14 diminishing the competitive position of this region.

15 Rail congestion is impacting roadways;
16 and stops are slow, moving trains -- or slow moving
17 trains increasingly block city streets. There are some
18 1300 grade crossings in Harris County. More than 700 of
19 them are in the city of Houston. Many crossings are
20 blocked on a regular basis. The TXDOT study estimated
21 that these blockages cause 2 million hours of lost time
22 per year. Drivers, students walking to school, and
23 emergency vehicles are all affected.

24 Forecasted external events such as the
25 expansion of the Panama Canal and further growth of

1 container trade hold out to the potential to capture
2 more of the market's share; yet without improvements to
3 the region's rail, much of the potential trade could go
4 to the competing ports or come to Houston and be shipped
5 out by trucks on our already congested highways.

6 Currently 2200 trains travel within the
7 Houston region rail network per week. The Association
8 of American Railroads state that a single intermodal
9 train can remove 280 trucks from the highways. By that
10 standard, the Houston rail network is keeping 616,000
11 trucks off the region's roadways on a weekly basis.
12 That is 88,000 fewer 18-wheelers on our highways on a
13 daily basis.

14 Freight trains move a ton of freight --
15 excuse me. Freight trains move a ton of freight an
16 average of 436 miles on a single gallon of diesel fuel.
17 Trains are more fuel efficient and emit fewer pollutants
18 than trucks. A federal highway administration study
19 found that the damage attributable to each 18-wheeler on
20 the road is equivalent to that caused by 9,600 cars. I
21 got that from the commissioner.

22 At a cost -- at a cost of 10 million per
23 mile for new highways and 1 million per mile for new
24 track, the Houston region cannot afford to focus
25 exclusively on adding roadway capacity. The TXDOT study

1 identified nearly \$3.4 billion worth of improvements for
2 the Houston region rail network. Two-thirds of that
3 total is for improvement to the existing network that
4 will enhance train and vehicle mobility as well as
5 reduce emissions.

6 In addition, public benefit could accrue
7 through optimization of the freight rail network to
8 enable commuter rail. The Houston-Galveston Area
9 Council has recently released a conceptual plan for
10 commuter rail. The fundamental concept of the regional
11 commuter rail activity study is that the commuter rail
12 system will work in concert with the existing and future
13 freight rail system. The baseline system ridership is
14 estimated at 40,000 trips per day.

15 Earlier this week, the Gulf Coast Freight
16 Rail District Board approved a resolution supporting
17 commuter rail development in the region and pledging to
18 assist in that effort. The district was created to
19 establish public-private partnerships for rail projects.
20 Many of the improvements require -- required to
21 implement commuter rail would also benefit freight rail.

22 The Houston region's growth can be
23 sustained in the future with proportionate growth in
24 rail for both freight and commuters. Without it, the
25 region's roadways will quickly exceed capacity. Freight

1 delays will inhibit economic growth and compromise our
2 local economy. Working with TXDOT and others, the Gulf
3 Coast Freight Rail District goal is to enhance our rail
4 network and better incorporate it into our regional
5 transport- -- transportation system. Thank you.

6 DR. WALTON: Thank you. Questions?

7 Judge.

8 MR. EMMETT: Mr. Ellis, first, thank you
9 for taking on the task of the Gulf Coast Freight Rail
10 District. This is one of those questions that hopefully
11 you'll just -- can say "I agree."

12 MR. ELLIS: Okay.

13 MR. EMMETT: We talked about looking back
14 30 years with people, if they knew then what they know
15 now. We look at all the rail lines that were abandoned
16 and unfortunately lost. Do you think that this
17 committee, one of our missions should be to urge the
18 retention of existing rail lines for possible use,
19 either by commuters or even in some cases hike-and-bike
20 trails?

21 MR. ELLIS: Most definitely.

22 MR. EMMETT: I was hoping you would say
23 that.

24 MR. ELLIS: Yeah. I mean, that's a no
25 brainer. And thank you for the easy question.

1 MR. EMMETT: My second one will be a
2 little bit harder, but I think -- I think I know where
3 you'll come out.

4 Judge Fitzgerald talked about Liberty
5 County; and, again, to use your term, it's a no brainer
6 that Liberty County and Waller County are going to be
7 the Montgomery and Fort Bend counties of the future. If
8 we don't get the freight rail traffic along the corridor
9 moving through sooner rather than later, I fear we're
10 going to be losing the opportunity.

11 Knowing that TXDOT has a rail relocation
12 fund, even though it's not funded -- you may have said
13 this specifically, but I want it clearer on the
14 record -- do you think the legislature should fund that
15 rail relocation fund during the next session?

16 MR. ELLIS: Yes, most definitely, and I
17 think they also should amend it that -- to afford our
18 region more opportune -- opportunity to utilize it. We
19 are -- you know, we want to optimize everything that we
20 have in this region and especially in Harris County and
21 Fort Bend and the city of Houston.

22 As far as relocation goes, there may be
23 some opportunity in the future; but as we look at it --
24 and I think this is the 2030 Committee. So, as we look
25 out to the future, we want -- we would want to study

1 that. But we want funding, but we also want some
2 changes that would afford us the opportunity to do grade
3 separations which would alleviate some of the traffic
4 congestion within our region which is caused by trains
5 coming through.

6 MR. EMMETT: Thank you for that.

7 Mr. Chairman, I'd like to just add a
8 comment for the record that while we're focused on --
9 Mr. Ellis and I are focused on what's going on here
10 regionally, there are many, many other places around the
11 state where this rail relocation would be critical; and
12 one that comes to mind in the Rio Grande Valley, Hidalgo
13 County, for example, the freight rail line currently
14 goes right through the middle of all those towns,
15 Mission, McAllen.

16 And it seems to me that if our purpose is
17 to alleviate future traffic congestion -- the Valley is
18 booming. Getting those rail lines out of the middle of
19 those towns would make a lot of sense and lastly would
20 be a wise use of dollars.

21 So, since I'm supposed to be asking
22 questions, do you agree with that, Mr. Ellis?

23 MR. ELLIS: You know, if we would have
24 done that 30, 40 years ago, we wouldn't be having the
25 problems we have today.

1 MR. EMMETT: Thank you very much.

2 MR. ELLIS: Thank you.

3 DR. WALTON: Thank you.

4 Judge, if you ever become an academic,
5 you and I need to talk about how you do a test. You
6 don't give the answers before the question.

7 All right. Thank you very much, Mark.

8 David Hightower, vice chair of West
9 Houston Association.

10 MR. HIGHTOWER: Thank you, Mr. Chairman.

11 I have a copy -- written copy of my
12 prepared remarks for submittal. And I guess I, too,
13 would be remiss if I did not acknowledge the presence of
14 Mr. Holmes, who is the past -- I should say former board
15 member of the West Houston Association.

16 The West Houston Association would like
17 to thank the committee for the invitation to present
18 these comments on the transportation needs of Greater
19 West Houston, a 1,000 square mile economic powerhouse in
20 the western suburbs of the Houston metropolitan region,
21 which includes portions of Harris, Fort Bend, and Waller
22 counties.

23 The West Houston Association is nearing
24 its 30th year in planning and advocating for
25 transportation and other infrastructure improvements in

1 this area. During the current national economic
2 slowdown, the Greater West Houston economy and job
3 creation engine is growing strong.

4 In 2000, Greater West Houston had a
5 population of 1 million people and approximately 425,000
6 jobs. It is home to two major employment centers, the
7 energy quarter with almost 20 million square feet of
8 office space and 75,000 employees, and Westchase with
9 17 million square feet of office space and 56,000
10 employees.

11 These and other commercial centers
12 contribute to our thriving, growing economy that
13 benefits the entire region and the state, considering
14 that the energy quarter is the energy capital of
15 Houston, and Houston's the energy capital of the world.

16 By 2035, Greater West Houston population
17 will increase to 1 million 834 million [sic] people and
18 employment will increase to 775,000 people. This
19 economic growth translate to -- translates to an ever
20 increasing demand for more and better designed
21 transportation facilities to keep the economic engine
22 running.

23 Greater West Houston is currently
24 enjoying the benefits of a completely reconstructed
25 Interstate 10 West, literally a new backbone to our

1 transportation infrastructure that will serve us well
2 for decades to come. However, major facilities -- other
3 major facilities are in dire need of improvement.

4 U.S. 290 is Houston's most inadequate
5 freeway. It is the region's single most important
6 mobility project; and funding for it must be addressed
7 without delay, recognizing your comments earlier on
8 funding.

9 U.S. 290 is the principal subject of the
10 West Houston Association's U.S. 290 Corridor Mobility
11 Initiative. Northwest Harris County, for which U.S. 290
12 is the most significant mobility element, is expecting
13 population growth of 41 percent by 21 -- by the year
14 2025.

15 The time for improvements to this major
16 facility have passed, and the growth and demand is not
17 just local. The majority of Texas' future population
18 growth will occur in the region commonly known as the
19 Central Texas Triangle. While I-10 is generally
20 considered the bottom leg of the triangle, U.S. 290 is
21 increasingly becoming preferred route to the Greater
22 Austin region, adding increasing intrastate traffic to
23 local commuters. As Austin continues to expand
24 northward, U.S. 290 will take on an ever increasing
25 importance as a prime transportation corridor between

1 Houston and your Austin metropolitan area.

2 Although U.S. 290 Corridor Improvement
3 Program, designed to provide highway, managed lanes, and
4 transit, have completed their major investment studies
5 and is within weeks of finalizing its environmental
6 impact statement, the current funding crisis at TXDOT
7 effectively means that U.S. 290 will not begin
8 construction by its projected start date of 2011.

9 Even if constructed -- construction
10 started in 2011, it would not be completed until 2023,
11 using a 12-year construction schedule similar to that
12 established for Interstate 10 before. TXDOT and Harris
13 County are -- thanks to some people in this room,
14 compressed it to a six-year period by using an
15 innovative financing arrangement. Even this schedule,
16 however, is threatened because we were told that funding
17 for the reconstruction of 290 is not even planned.

18 The citizens and businesses in that
19 metropolitan quadrant cannot wait for relief. Current
20 traffic delays on U.S. 290 are intolerable during the
21 peak hours; and during the remainder of the day heavy --
22 heavy congestion makes it an unviable travel option.

23 We know that the cost of U.S. 290 and
24 accompanying toll road, the reconstruction of 610 -- of
25 the Interstate 610 interchange, and commuter rail are

1 daunting and increasing rapidly. However, these
2 projects must be done and without delay.

3 The only way we know of to address this
4 problem is for each level of government to work together
5 cooperatively and to pool their resources. We believe
6 innovative financing, similar to that employed on
7 Interstate 10, would be well received by the community.

8 TXDOT and Harris County have a -- have
9 worked together over 20 years to bring the citizens of
10 Harris County a first class transportation system.
11 Without this cooperative approach, we would not have the
12 vibrant economy we enjoy today. It is this cooperative
13 spirit and positive approach to solving problems that
14 will get transportation restored in the 290 corridor.

15 The West Houston Association's Plan 2050
16 has a significant list of additional transportation
17 projects, one of which we're advocating is the near-term
18 agreement on the Grand Parkway, focusing on Segment E
19 between U.S. 290 and I-10.

20 As you know, the Grand Parkway is sub --
21 Grand Parkway is subject -- is a subject of the
22 so-called Center Bill 792 Market Evaluation Process and
23 is in negotiations between the State and local counties.
24 Harris County is offering to undertake a portion of this
25 project in advance of concluding those negotiations.

1 We encourage all parties to allow this
2 expedited approach to getting Segment E underway. In
3 some measure, Segment E of the Grand Parkway will allow
4 some traffic that otherwise would use 2-S -- not -- U.S.
5 290 to avoid that congestion by traveling south to
6 Interstate 10. We have other projects that are included
7 in our plan that are listed in our remarks.

8 Our conclusion is that however
9 significant some of the needs of Greater West Houston
10 are, our priority is 290. The West Houston Association
11 has made it our priority. Harris County and Houston
12 have made it a priority; and the State must make it a
13 private, as well.

14 We appreciate the opportunity to make
15 these comments.

16 DR. WALTON: Thank you.

17 Any questions for Mr. Hightower, anyone?

18 Thank you very much. I appreciate you
19 being here.

20 Alan Clark, M.P.O. director,
21 Houston-Galveston Area Council.

22 Alan, as you come up, thanks again for
23 the hospitality of allowing us to use this facility.

24 MR. CLARK: Thank you. And we appreciate
25 the work of this committee.

1 Commissioner Holmes and Chairman Walton
2 and committee members, I'm not going to repeat the
3 excellent comments made by those who just -- you just
4 heard from. Many of them are on my transportation
5 policy council, and I couldn't possibly say it as well
6 as they've already said it. So, I'll try to fill in a
7 few of the gaps that maybe you did not hear about.

8 I am also reminded by family members that
9 I sound like I was born in Texas rather than Tennessee
10 because I have a difficult time in any conversation not
11 talking about how big things are. And certainly our
12 challenge in this region is big when it comes to
13 transportation, but it's critical.

14 A few -- couple of years ago we spent --
15 we had a major outreach effort talking to the citizens
16 of this region about what kind of place they wanted to
17 live in and work in and raise their families, what were
18 the key issues for them that really made this a great
19 place, giving them a high quality of life.

20 And as we talked about it, it became very
21 clear that transportation was a key element to that; and
22 the rising cost of transportation that we've seen in the
23 last two to three years, although it's been going up for
24 sometime now, just underscores the difficulty of
25 maintaining a high quality of life when the

1 transportation costs continue to increase.

2 Whether that's because gasoline's going
3 up, because congestion's more expensive, because a
4 business can't get goods in a timely fashion, all of
5 them are key to what we see as important -- important
6 aspects of our -- our living here in Texas.

7 I'll say just a word about metropolitan
8 planning organizations. I think this committee, many of
9 you know us very well. We are a forum for cooperative
10 decision making on transportation issues in metropolitan
11 areas. As a consequence, the agenda of each
12 metropolitan planning organization has many
13 similarities; but we have the flexibility to focus on
14 key issues.

15 In our region, freight is a key issue;
16 and we have freight representative as a voting member on
17 our policy council for that reason. Transit and transit
18 alternatives are also very important in our region; and
19 they also share a voting seat along with cities,
20 counties, and the Texas Department of Transportation.

21 I mention that because when we talk about
22 the challenges of this area going forward, we'll be
23 adding somewhere around a million people every ten years
24 or so. Over the next 30 years we're looking at about 3
25 and a half million folks. That's -- that's at least a

1 million and a half new jobs to the area.

2 You heard -- you heard Council Member
3 Holms talk about the City of Houston, over 600 square
4 miles. Well, in the next 30 years, we'll have -- we
5 will urbanize another 900 square miles in our
6 metropolitan area, one and a third time the size of the
7 current city of Houston.

8 And all -- and although these big numbers
9 mean we'll have big increases, potentially, in travel in
10 our highways, we're expecting a doubling of the -- of
11 the travel during that time period. You've already
12 heard that we're expecting to triple or more the freight
13 activity in this area.

14 So, that comes with significant
15 challenges to figure out how we continue to maintain a
16 high quality of life yet give people the kind of choices
17 that attracted them to this area to begin with.

18 Let me say a little bit about where are
19 we today. Today we have over 130 million vehicle miles
20 of travel on an average weekday. I know it's hard to
21 get your hands around. It's all the way to the sun and
22 about halfway back again.

23 But that comes at a cost. We have about
24 7 and a half hours of peak period congestion. Every --
25 our citizens pay a congestion penalty of over \$2 billion

1 every year. And, unfortunately, we have one of the
2 highest vehicle crash rates in the state of Texas; and I
3 imagine that means that we have one of the highest
4 vehicle crash rates in the country.

5 So, our transportation policy council has
6 laid out several strategies; and, by the way, in my --
7 my print -- printed remarks and the summary of our
8 regional transportation plan, you'll find much of this
9 information.

10 But we will need to expand and grow our
11 system, not just highways but transit especially and our
12 freight systems. We have to manage what we've got
13 better, and that has been a key strategy now for over a
14 decade in our region.

15 That better management of those
16 facilities, better operations of them, and then as we
17 grow -- we cannot continue to grow and expect that for
18 every unit of additional growth we need two more units
19 of transportation infrastructure. We have to find a way
20 to build livable centers where the use of transit and
21 other commute alternatives can be more affective.

22 I, too, want us to go to some
23 recommendations for your committee to consider; and the
24 top on my list, if you're looking at my printed remarks,
25 was the restoration of state transportation funding

1 because, although it's not the largest part of the
2 funding in metropolitan areas in Texas, Houston and
3 Dallas are very similar. Two thirds or more of all our
4 money are generated by our local transportation agencies
5 and governments; but it is a critical piece for the
6 reasons that you heard from Mr. Storey. It's hard to
7 have a partnership when one of the partners has no
8 resources to bring to the table.

9 I think the other thing, of course, this
10 committee is well aware of is that inflation has reduced
11 the value of the dollars that we have for
12 transportation. So, in the midst of having a funding
13 shortfall, we find ourselves with dollars that can buy
14 far less in terms of the transportation services we
15 need.

16 You've already heard my comments about
17 support for transit. I think it's time to consider
18 finding ways for the State to be a greater participant
19 in transit services. It already supports transit in
20 rural areas and to some extent in some urban areas, but
21 maybe we need to think about how we can increase that
22 partnership with our transit providers in the urban
23 market, as well.

24 And then local options, I think we're
25 going to need more ways to bring resources to the table

1 that are flexible so that local governments can decide
2 this is how much more we need, this is how much more we
3 are willing to pay. And it's not 'I'm in the Metro
4 system' or 'I'm not in the Metro system.' We need to
5 give them more opportunities to participate.

6 And then I think the issues of freight
7 can only be addressed if we all work together; and I
8 mean the federal folks, the State folks, the regional
9 folks, and the local people. For one example, high,
10 wide, and over-dimension cargos: It's really hard to
11 get something big around. We're a big state, but it's
12 hard to move big things around. We have lots of things
13 in the way.

14 And I learned a few years ago we have one
15 road in Houston that was critical to moving certain
16 over-dimension cargos in and out of the Port of Houston;
17 and if we had lost that road due to maintenance
18 activities or other kinds of things or someone
19 accidentally strung some telephone wires in the wrong
20 place, we could have tremendous economic impact.

21 We have an increasing amount of very
22 large wind turbines coming into our region. The port in
23 Lake Jackson/Angleton is moving these in. They look
24 like giant convoys. You'll see five semi-trailers with
25 these large wind turbine blades. They have a hard time

1 moving from our region to their destination in the rest
2 of the state. They have to take very circuitous routes
3 to deliver products like that.

4 Hazardous materials have been -- always
5 been a concern in our region and in the state.
6 Unfortunately, we're reminded about that from time to
7 time; but we need to be more strategic in thinking about
8 the routing of haz- -- and the tracking of hazardous
9 materials through our metropolitan areas and across the
10 state.

11 And, then, I want to again echo the need
12 to provide resources to the rail relocation and
13 improvement fund. I think that's a critical asset that
14 we have yet to take advantage of.

15 Safety funding, I mentioned the great
16 need we have; and being just a novice to this area in
17 some ways a few years ago, I thought highway funding was
18 complicated. Safety funding is incredibly complicated.
19 And I think that we need to find ways where we can focus
20 resources on the outcomes, and the outcome is crash
21 reduction.

22 And I think the way to do that is to
23 create greater flexibility. Maybe we need a special
24 urban program. Today it's very stove piped and tends to
25 focus on either the enforcement side, the engineering

1 side, or another specific aspect.

2 Our transportation policy council created
3 a special advisory group. We call it the Regional
4 Safety Council, and they're trying to find ways to
5 cross-pollinate safety resources in our region to create
6 better outcomes.

7 And then we have to -- we have to --
8 we're all very well aware of the cost of transportation
9 and energy cost being a key piece. We have great
10 opportunity. We have energy, environment, and
11 transportation. They're linked together at the hip; but
12 we still tend to treat them as three separate problems,
13 not one problem, not one interrelated problem.

14 I hope that this committee could think
15 about ways in which we could begin to address those and
16 see the synergy in providing new transportation
17 alternatives, whether it's brake movement systems like
18 the folks at T.T.I. are thinking about or whether we're
19 talking about just urban transit or new ways to build
20 our -- our urban environment. We can address, make
21 progress in all three areas, I think, simultaneously.

22 Streamlining project development and
23 delivery, well, that one's been talked about a lot. I
24 think it's more like the weather. We keep talking about
25 it. We don't do a lot. Maybe it is time for us to

1 think about allowing metropolitan areas that have a
2 demonstrated or certified ability to deliver projects,
3 especially off-system projects, to do so. What would be
4 wrong with our state sort of saying, "Well, Harris
5 County, City of Houston, you can do this kind of work.
6 It's your system, your standards. Here's our
7 participation in it. Go at it."

8 Let's think about some new ways to do
9 things. Other states are doing things like this. The
10 state of California has a very successful program where
11 off-system projects are really more of a grant type of
12 relationship with local governments.

13 And even in the work that we do as
14 metropolitan planning organizations, I find there's
15 often a lot of duplicative effort in our planning work.
16 We find the district personnel spending most of their
17 time adding up numbers for travel expenses when most of
18 the state agencies that deal with our organization send
19 their auditing boys down once a year. We have to
20 certify stuff, keep records in a certain way; and they
21 let the audit people talk to our -- to our financial
22 people and they straighten those things out. I'd like
23 to see district personnel get to spend time doing
24 engineering and planning work, not having to wear green
25 eyeshades.

1 Thank you very much for letting me speak
2 to you today, and I'm happy to respond to any questions
3 that I can.

4 DR. WALTON: Thanks, Alan.

5 Questions?

6 MR. EMMETT: I just have one. Since you
7 sort of invited me to join academia, then I'll pick up
8 on that.

9 Alan, can I give you a homework
10 assignment?

11 MR. CLARK: Please. I'll get my pen
12 right now.

13 MR. EMMETT: One of the things that keeps
14 coming up is commuter rail and the question of funding
15 commuter rail. Before this committee completes its
16 work, can you and maybe some of the other M.P.O.s around
17 the state come up with some creative thoughts of how
18 TXDOT can help fund -- maybe it's through this grant
19 process you talked about, because we all realize
20 commuter rail improves the efficiency of the highways.
21 And 290, of course, as we heard Mr. Hightower say, is
22 one of the big ones.

23 And what we're looking at is 20 years
24 from now, if we don't have commuter rail going out
25 perhaps, you know, Hempstead, Waller, Prairie View, at

1 least out that far and maybe even up to -- there's a
2 college up in -- where is it? College Station, maybe
3 all the way up there, make some sense to me.

4 So, if you'd do that, I'd appreciate it.

5 MR. CLARK: I certainly would. And,
6 then, let me see, Judge. I appreciate the way our
7 policy council has approached that. We've looked in
8 several key corridors where there was a need to improve
9 the highway system to take that opportunity to acquire
10 right-of-way that could then be used for transit,
11 particularly human rail kind of purpose. I think -- I
12 think we'll certainly take that on, and I'll talk to my
13 colleagues and see if we can't come up with some ways.

14 MR. BONILLA: Mr. Clark, aside from
15 TXDOT, I sort of got the impression the past few years
16 that the M P.O. is probably the most important, most
17 strategic transportation planning body in the state of
18 Texas. Do you agree with that, in terms of
19 implementation --

20 MR. CLARK: I would certainly say that
21 the people I work for around the policy council table
22 have that kind of experience.

23 MR. BONILLA: In a lot of your key words
24 here were talking about expanding and supporting growth
25 and preparing for growth, better freight management,

1 developing key strategies and so forth.

2 Is there a mechanism by which the M.P.O.s
3 across Texas meet in collaboration on a quarterly basis
4 or more frequently?

5 MR. CLARK: We do. We have the Texas
6 Association of M.P.O.s, and we do meet at least
7 quarterly. Right now we've been engaged in a number of
8 subcommittees with TXDOT trying to deal with things like
9 how do we handle the rescission of money from
10 Washington, how do we allocate the resources that we do
11 have and find ways to bring those dollars to the
12 strategic needs of our areas.

13 MR. BONILLA: How about the -- that's
14 primarily within the staff director -- executive
15 directors and some of the team leaders?

16 MR. CLARK: Yes. Yes, working -- working
17 with TXDOT, sometimes additional stake holders.

18 MR. BONILLA: Is there such a mechanism
19 for the policy members of the M.P.O.?

20 MR. CLARK: You know, we haven't
21 formalized anything like that; and I believe that I can
22 speak for all the directors in saying that we think that
23 would be a wonderful idea.

24 MR. BONILLA: One of the interesting
25 experiences of this committee is the opportunity to

1 travel across trade -- across the state, learn
2 transportation needs; and what we see is a certain
3 amount of overlap. Many of the components of your
4 presentation along with the others that preceded you can
5 be heard in Austin, Corpus Christi, and Dallas; and yet
6 I bet that the average citizen, say, in my hometown,
7 Corpus Christi, doesn't have a good understanding of
8 your needs and certainly our policy members do not.

9 Do you think that -- would you have a
10 recommendation that you could make to this committee for
11 adoption that we entertain some type of process by which
12 the policy members of these M.P.O.s can meet so that we
13 can voice some of the pitfalls we experience as a result
14 of not having this cohesive planning statewide, leaving
15 it all burdened on Commissioner Holmes here in his
16 charge?

17 MR. CLARK: I'd be happy to work with my
18 counterparts to make that kind of recommendation,
19 whether that's something where we have -- meet
20 semi-annually a couple of times a year, whether we have
21 an exchange program and maybe we'd have a joint meeting,
22 especially with our neighboring M.P.O.s, or take a
23 quarter approach, even. I think that that collaboration
24 is extremely helpful.

25 I can tell you this: Not all -- not all

1 good ideas are born in any one part of the state, and
2 we -- I always learn a lot from my opportunity to have
3 exposure with my -- my fellow M.P.O. directors.

4 So, if you'd like, I could take that back
5 to Tidwell and we'd make a formal proposal on that -- on
6 that --

7 MR. BONILLA: I think that will be
8 helpful, although policy members, there is a revolving
9 door, right, depending upon the position of leadership;
10 but most have continuity and stability. And we wouldn't
11 be working in such a vacuum.

12 The issues of freight are as important at
13 the point of the Texas-Mexican border. We should be
14 talking about seamless borders and how that freight from
15 Mexico will reach into these areas. And then we need
16 to -- we see, based upon your comment, improve the
17 infrastructure; but we can't just do it in Houston
18 regional corridor. We need to link that with areas
19 south because of the freight movement starting to
20 move --

21 MR. CLARK: Absolutely right. And I
22 would say the federal, state, and local freight issue
23 just doesn't understand any kind of political boundary.

24 MR. BONILLA: I'd appreciate you taking
25 that into advisement.

1 MR. CLARK: Thank you very much.

2 DR. WALTON: That's an interesting idea.

3 Any other questions or comments for Alan?

4 Alan, thank you.

5 MR. CLARK: Thank you, Mr. Chairman.

6 DR. WALTON: I believe Jeff Moseley may

7 be in route. So, we will go to Mike Ogden, Bay Area

8 Transportation Partnership. Welcome.

9 MR. OGDEN: Thank you, Mr. Chairman and
10 committee members. Miss Coletta Castleschouldt is our
11 executive director and president of BayTran; and through
12 her work and the board of directors of BayTran, we're
13 able to bring a regional focus to transportation issues.

14 And as our board of directors and
15 executive committee, myself, were thinking about how to
16 address the issues here before the committee, we realize
17 y'all are focusing on the statewide perspective.

18 Judge Emmett said it best that we need to
19 think regionally. All of the previous speakers were
20 very eloquent in talking about the needs that they have
21 from their perspective but also thinking about the
22 regional issues and so forth.

23 I've prepared -- or we've prepared a
24 cover letter with some bat links justification projects
25 and items, but we all have to act and think about our

1 local perspective. So, with that, I'd like to talk just
2 a little bit about BayTran and come back to some of the
3 statewide initiatives.

4 BayTran encompasses all of southeast
5 Harris, Brazoria, and Galveston counties; and we have
6 over 70 members, which include most of the folks that
7 have come up to speak with you already and various
8 others. We have over 30 municipalities. So, we
9 represent them from a transportation standpoint. And we
10 were formulated as a formal transportation management
11 organization back in 1990 by H.G.A.C. So, we're a
12 nonprofit organization but trying to focus regionally on
13 sound transportation solutions.

14 One of the critical things for the
15 BayTran area and this area that we're talking about is
16 highlighted with not only all the ports -- Port of
17 Houston, Texas City, Galveston, and Port Freeport -- all
18 the cargo and the freight and everything that's coming
19 that Mr. Kornegay had talked about, but also from the
20 standpoint of the freight rail district, all the cargo
21 and so forth that has to be moved inland, not only for
22 the state of Texas but for the nation.

23 And when you combine that with the issues
24 and I think the -- from a hurricane evacuation
25 standpoint, that hasn't been spoken about just yet. We

1 deal with that quite a lot from a BayTran standpoint and
2 certainly along the entire Gulf Coast of Texas.

3 When you combine that, the economic
4 development and infrastructure, the commercial
5 development, the energy corridor, all of the petrochem,
6 the ports, you add that -- to that the population growth
7 that's expected in addition to evacuation needs, not to
8 mention Homeland Security issues, it makes for an
9 interesting region to live within and to also think
10 about how we handle our transportation needs.

11 From an emergency evacuation standpoint,
12 Judge Emmett as well as the other county judges in the
13 offices of emergency management have done a great job;
14 but we do need the transportation infrastructure to help
15 in those evacuation needs.

16 And that's where the issues come about as
17 far as what BayTran would like to propose. There's a
18 detailed list of projects. I'm not going to waste your
19 time to go through all that. It's here submitted for
20 record; but I would like to add that, you know, funding
21 will take care of a lot of things. I know that's not
22 the task of this committee. Our board of directors in
23 our long-range planning committee will follow up with
24 some added text and documentation for this committee to
25 consider.

1 But we would like to consider such things
2 as continuing the tolling primacy for the Harris County
3 Toll Road Authority. Those type of facilities are
4 greatly needed in this region, including the completion
5 of the Grand Parkway. That will provide a lot of relief
6 in congestion and so forth.

7 We've got our friends at TXDOT who have
8 projects such as State Highway 146 that, with those
9 improvements and direct connectors to the Bay Port
10 Terminal, would alleviate a lot of the congestion issues
11 that we're all dealing with.

12 I highlight those two examples as major
13 transportation initiatives that need to be considered
14 and would hope, as the rest of the state and the other
15 regions are looking at those items, that you would
16 consider that.

17 Funding is certainly a major component
18 that will be dealt with in the legislature, but
19 certainly how we stop projects that our partners had
20 agreed to fund and then try to move forward is part of
21 the complexity and challenge.

22 So, with that and in the essence of time,
23 we will follow up with some more definitive measures for
24 the committee to consider. And, again, I appreciate
25 your time, and be happy to answer any questions.

1 DR. WALTON: Thank you, Mike.

2 Questions, anyone? Comments?

3 It was a great list. Thank you, Mike.

4 Robin Holzer, Citizens' Transportation
5 Coalition. Welcome, Robin.

6 MS. HOLZER: Good afternoon. I
7 appreciate the opportunity to speak before you this
8 afternoon.

9 My name is Robin Holzer; and I chair the
10 board of the Citizens' Transportation Coalition, which
11 is an all-volunteer, grassroots, nonprofit advocacy
12 organization based here in Houston. Since 2004, C.T.C.
13 has worked with neighborhood groups to help them
14 participate in the planning of transportation projects
15 that affect their neighborhoods.

16 This 2030 Committee is tasked not only
17 with identifying state transportation needs but also
18 with prioritizing those needs in the context of today's
19 economic reality. Just a few of the most important
20 aspects we think of our current situation include: Fuel
21 costs are rising and are likely to continue rising.
22 Construction costs are rising and are likely to continue
23 rising. Transportation funding is shrinking and access
24 to transportation capital is limited.

25 And, finally, a demographic note: One in

1 five adult Texans cannot drive; and in Harris County
2 alone, more than a hundred thousand households have no
3 car. All of these Texans must travel by some other
4 means.

5 Up to now, TXDOT's mission has remained
6 narrowly focused on finding ways to build more expensive
7 highways despite rising costs and shrinking funds; but
8 given rising energy costs and changing demographics, we
9 challenge you to reconsider what TXDOT is charged to do.

10 To hear just three big ideas that we
11 would urge you to focus on going forward: First, TXDOT
12 must invest scarce transportation dollars where the
13 people are. Nearly three quarters of our state's
14 population live in the Texas triangle of Houston,
15 Dallas-Forth Worth, Austin and San Antonio. And that's
16 where the majority of state tax revenue is collected.

17 TXDOT can better serve taxpayers by
18 investing time and money on good cost-benefit projects
19 within these busy metro areas rather than boondoggles
20 like, say, the Trans-Texas corridor.

21 Second, TXDOT must recognize that land
22 development follows transportation infrastructure; and
23 then TXDOT must prioritize projects that will steward
24 land use strategically and responsibly.

25 Texans are demanding housing and

1 transportation options that allow them to live closer to
2 where they work. Texans want to spend less time and
3 less money on commuting.

4 TXDOT has the potential to help all of us
5 do that; but for decades TXDOT has operated on an
6 if-you-build-it-they-will-come philosophy. But in
7 practice, while residences invariably follow new
8 roadways, most businesses tend to cluster together in
9 job centers for efficiency as they have since the dawn
10 of civilization.

11 If TXDOT would begin focusing on the
12 locations of existing employment centers and investing
13 in projects that make them more livable, TXDOT could
14 dramatically reduce congestion and give Texans more time
15 and better access. But, instead, TXDOT has pursued
16 projects that induce thousands of Texans to live ever
17 further from employment centers.

18 We urge TXDOT to stop squandering our
19 resources on remote new highways for land speculators,
20 in particular, like, Segments C and E of the proposed
21 Grand Parkway, and solve real access problems for
22 taxpayers.

23 Third, TXDOT must become a multi-modal
24 transportation agency. Rising fuel prices are changing
25 the ways that people travel, and Texans need new

1 options.

2 In the northeast, Houston-based
3 Continental Airlines is booking airline customers on
4 connecting train segments because they know that
5 electrified rail uses one-sixth the energy of air travel
6 for trips under 600 miles. But at home in Texas, we
7 don't have inter-city passenger rail connections. So,
8 as airlines are forced to cut routes, Texas travelers
9 will be stuck unless we do something about that.

10 Rising fuel prices are also changing the
11 way freight moves between our cities. Consider that
12 J.B. Hunt, one of the largest trucking companies in the
13 nation, now moves more than half of its freight business
14 by rail. Freight rail is more fuel efficient and
15 releases fewer toxic emissions than trucking; but our
16 freight rail network, especially here in Houston, is out
17 of capacity and out of date. TXDOT is uniquely
18 positioned to address the inter-city rail needs of both
19 passengers and freight; but so far they lack any
20 commitment to do so.

21 To wrap up, our transportation choices
22 matter today more than ever. When most Texans wake up
23 in the morning, they don't think, "I want to drive
24 30 miles today." Instead, what they think is, "I need
25 to go to work" or "I need to take my kids to day care"

1 or "I need to get to school."

2 It's -- it's not about traveling. It's
3 about access to places and destinations. TXDOT must get
4 out of this highway-only travel sort of oriented box and
5 start working on how to provide efficient access in a
6 world of high energy costs that are only expected to get
7 higher.

8 As this committee considers our state's
9 transportation needs, we urge you to focus on how the
10 state's transportation infrastructure needs are changing
11 and charge TXDOT with building for a realistic future.

12 DR. WALTON: Thank you.

13 Questions, comments?

14 MR. EMMETT: First, I thank you and your
15 group for what you do for the community. You know, it's
16 well thought out; and certainly Points 1 and 3, I
17 probably agree with you on.

18 I would -- again, back to my academia
19 role: When my wife and I decided to move to Kingwood,
20 we moved out there not because I wanted to drive
21 25 miles to come into work but because that was the
22 school district that we wanted our children to go to
23 school in.

24 I don't expect you to answer that right
25 now. But part of the planning of transportation has to

1 do with the reality of where people are going to go
2 live; and, you know, families are going to move out to
3 Pearland and to Kingwood and to Cypress and places like
4 that to have access to the schools and to the lower cost
5 housing. So, that's just part of what we're going to
6 have to deal with.

7 MS. HOLZER: I have two very specific
8 reactions to that.

9 MR. EMMETT: Okay. Good.

10 MS. HOLZER: The first is -- has to do
11 with the way features are changing. The rising fuel
12 prices is changing consumer decisions daily. And we see
13 that, for example, here in Houston along the Richmond
14 Avenue corridor, right in the center of the city, a
15 place where a new light rail line is going, there were
16 more new housing units built along Richmond in the last
17 year than in all of The Woodlands entire sort of
18 suburban area, that a whole lot of people are making
19 choices to live closer to work because the environment
20 we live in today is different than it was in just 1995.
21 I mean, in just 1995, the average gas price was \$1.15
22 and that's very different and it's going to continue to
23 be different.

24 The second thing is that I would -- I
25 would push this committee and -- to think of this on a

1 policy level of how we estimate growth and where growth
2 will happen; but looking at the growth forecast provided
3 here for our region, we have sort of one estimate of
4 what's going to happen. And there are two, I think, key
5 limitations of that estimate.

6 The first is that it assumes that every
7 highway project that we've put into the regional
8 transportation plan will be built, which means that
9 we're sort of assuming there's going to be growth out
10 there as a result; and it's easy to point to the growth
11 in a very circular way and say, therefore, we need the
12 roadways.

13 Right now we don't have an ability to
14 model different growth scenarios and say, 'Okay, if we
15 didn't build, hypothetically, Segments C or E of the
16 Grand Parkway, how would that change the growth?'

17 The second limitation of those models is
18 that they don't take things like price of fuel into
19 account. And I'm not saying there should be one right
20 answer; but scenario planning calls for looking at a
21 couple of scenarios. And right now, at least in this
22 region, we don't get to do that. And I think that
23 that's sort of an Achilles' heel for -- for the job
24 you're trying to do to estimate what we need 20 years
25 from now. So, those are my thoughts.

1 DR. WALTON: Anyone else?

2 MR. BONILLA: Mr. Chair, just I want to
3 comment, more to play a devil's advocate, not
4 necessarily to ask you a question, but to rebut Point 1.
5 And I don't wish to get adversarial; but because I think
6 I'm the only committee member here from south of San
7 Antonio or from southeast of San Antonio. I'm not sure.

8 I think it's a mistake to suggest and for
9 this committee to hear without counterpoint that TXDOT
10 should invest scarce transportation dollars where people
11 are because the fastest growing population centers are
12 actually along the Texas-Mexican border. McAllen has
13 had unprecedented growth in the last decade. At one
14 point McAllen and Laredo were the fastest growing cities
15 in America next to Las Vegas.

16 We recognize that there's still 10,000
17 trucks crossing the border at Laredo daily. Laredo is
18 marker one in the United States interstate highway
19 system. H.B. Zachry has just entered into an agreement
20 in consortium with A.C.S. -- I believe it's A.C.S. from
21 Spain to elevate Highway 77 to interstate standards to
22 cope with the increasing freight that's coming out of
23 Mexico and even points of Central America.

24 If we simply invest in areas of
25 congestion, then we're assured of just more congestion;

1 and even west Texas is seeing this increase in traffic,
2 as discussion presented earlier with the windmills.

3 So, I just wanted to set the record
4 straight in terms of my humble opinion and invite you to
5 visit areas south of this corridor so that you can fully
6 understand the tremendous growth as well as the
7 increased freight and new opportunities for all Texans.

8 MS. HOLZER: I don't mean to suggest that
9 no money should go to the Valley by any stretch of the
10 imagination. So, I meant no disrespect, though.

11 MR. BONILLA: That's fine.

12 DR. WALTON: Thank you.

13 Anyone else?

14 Robin, thank you very much. Appreciate
15 you.

16 At this time I'd like to recognize
17 William Paul Thomas. Is he here? Chief of staff for
18 council member Sue Lovell.

19 Okay. And let's see. Jeff Moseley, has
20 he arrived yet?

21 MR. MOSELEY: Yes.

22 DR. WALTON: Welcome, Jeff.

23 MR. MOSELEY: Thank you.

24 DR. WALTON: The Greater Houston
25 Partnership, welcome.

1 MR. MOSELEY: Thank you, Chairman,
2 members. Good afternoon and thank you so much for being
3 here. I appreciate Judge Emmett inviting you to bring
4 the 2030 Committee to Houston. We're so pleased that
5 you're here.

6 My name is Jeff Moseley, president/C.E.O.
7 of the Greater Houston Partnership. The Partnership is
8 the primary advocate of Houston's business community,
9 and we are dedicated to building regional economic
10 prosperity.

11 The Houston region offers tremendous
12 opportunities for residents and businesses alike. I'm
13 really pleased that Kiplinger's has reported recently
14 that Houston is the No. 1 place to live; and according
15 to forbes.com, we're the best place to buy a home. And
16 "Business Week" rates Houston at the top when it comes
17 to earning a comfortable living, and that's all good
18 news.

19 The reality is that we are a dynamic
20 region and we are growing. And because of all this good
21 news, we expect 3.5 million to vote with their feet and
22 move into the region over the next 20 years.

23 And therein lies the challenge. Our
24 capacity on our transportation system and the demand for
25 that capacity is going to exceed, clearly, the

1 capability of the existing infrastructure.

2 To accommodate our projected growth, we
3 feel like there should be an additional 1,800 lane miles
4 to our freeways, 6,000 additional lane miles to our
5 arterial roads. And that's an increase of 30 percent
6 for freeways and 52 percent for arterials.

7 Over the next 20 years, the cost of
8 expanding and maintaining our region's roadways is
9 projected at 112 billion; and that's the 2035 regional
10 transportation plan projection. A shortfall in
11 infrastructure funding may have detrimental impacts on
12 our economy.

13 The partnership has stepped up and we've
14 supported initiatives to index motor fuel taxes, reduce
15 transportation diversions, and increase motor vehicle
16 registration fees as a means of revitalizing funding
17 streams.

18 We cannot fully address congestion issues
19 by expanding our roadways. In addition to that,
20 improvements to our mass transit system will also aid
21 mobility. Metro's light rail expansion will soon be a
22 reality; but we also look forward to the day when those
23 who reside in the far reaches of our region can benefit
24 from the efficient commuter rail system.

25 And beyond our immediate region, an

1 innovative high-speed rail system is the next step to
2 connecting Texas's major metropolitan areas. We support
3 further review of a model to connect the Houston region
4 to Dallas/Fort Worth and Austin/San Antonio via high
5 speed rail.

6 Houston's fortunate, of course; and you
7 don't have to take my word on this. I'm sure Mr. Holmes
8 would be pleased to confirm and agree to say we are,
9 indeed, fortunate to be the home of the Port of Houston.
10 The Port's a major economic contributor to Houston and
11 to the entire state. The Port generates over
12 117 billion in economic activity for the state. In
13 addition, the Port generates over 3 billion in state and
14 local taxes.

15 To that end, we believe that an efficient
16 rail system is critical to moving goods into and out of
17 this port that serves the whole state. Improvements to
18 our regional rail infrastructure are needed to improve
19 the efficiency of goods movement and enhanced safety for
20 vehicles as well as pedestrians.

21 The Gulf Coast Freight Rail District has
22 identified projects totaling 176 million. We recognize
23 the need for freight rail improvements, and we believe
24 the time to invest in this system is right now. And we
25 think there's a strong return on investment to the

1 entire state by investing in this region's freight rail
2 district.

3 The Partnership's board of directors has
4 endorsed capitalization of the Texas Rail Relocation and
5 Improvement Fund. The State's gross -- the Texas gross
6 state product was more than 1 trillion in 2007; and, of
7 course, if we were a standalone nation, our economy
8 would rank among the ten largest in the world. And our
9 highway and freight rail systems working together with
10 our deep water port contribute mightily to the strength
11 of this state's economy.

12 Regional mobility is crucial to the
13 Partnership's mission of making Houston an attractive
14 place to live and work. Infrastructure that sets
15 Houston apart is a key initiative in our ten-year
16 strategic plan.

17 Dr. Stephen Klineberg of Rice University
18 in his 2008 regional survey, one he's been doing for
19 about 26 years, indicates that the No. 1 concern among
20 area residents happens to be traffic. The partnership
21 shares this concern. Texas ranks 43rd in per capita
22 highway spending. Our motor fuels taxes have not kept
23 pace with inflation since the last increase in the early
24 Nineties.

25 And I don't have to tell you we're in the

1 bottom quarter of the nation in terms of our state motor
2 fuels tax. The Partnership believes firmly that motor
3 fuel taxes should be indexed to a rate of inflation in
4 order to preserve purchasing power.

5 The Partnership also supports an increase
6 in motor vehicle registration fees to generate
7 additional revenue for state and county road projects.
8 Registration fees were last increased in 1984. An
9 increase to compensate for inflation since '84 would
10 generate more than a billion in annual revenue for TXDOT
11 state highway funds and approximately 450 million per
12 year for county road projects.

13 If no action is taken, the effects of
14 inflation will further erode the level of available
15 funding and we'll experience increasing difficulty in
16 maintaining our road system.

17 We encourage members of the upcoming
18 legislative session to adopt legislation indexing the
19 state motor fuels tax and increasing the registration
20 fees. And, of course, this is only part of the puzzle.
21 They won't completely solve this funding crisis; but we
22 think it would be significant.

23 We're committed to working with you.
24 Again, we thank you, Chairman and members, for being
25 here to talk about the future. And that concludes my

1 remarks. Thank you, Chairman.

2 DR. WALTON: Jeff, thank you very much.

3 Questions, comments from anyone?

4 Thank you very much.

5 MR. MOSELEY: Thank you, Chairman.

6 DR. WALTON: At this particular point in
7 time, we'd like to open it up to anyone else who's
8 present who would like to make any remarks before the
9 committee, and ask that you state your name and
10 affiliation and if you would endeavor to keep your
11 remarks to about three minutes. We do have a traffic
12 signal over here that will help you. Anyone?

13 Yes, sir.

14 MR. HOLMES: Thank you, Mr. Chairman.

15 I'm Ned Holmes, TXDOT Commission.

16 I've had an opportunity to serve on a few
17 of these organizations that have made presentations
18 today; and I know that they, along with I, appreciate
19 very much you being here and your service in this
20 endeavor to help identify the needs of the state.

21 And my guess is that as you go around the
22 state, you're going to hear pretty much the same thing
23 everywhere you go. Whether it's Corpus, it's the
24 Valley, it's the Metroplex, it's pretty universal around
25 the state. It's going to be pretty hard to contain the

1 comments to just the type of projects that are needed.
2 People are going to really be focused upon funding, as
3 you hear. And I know that's not really your charge; but
4 we're kind of hoping that somewhere along the way, that
5 will creep in.

6 DR. WALTON: Right.

7 MR. HOLMES: Just as a comment, Robin
8 Holzer made a couple of comments about TXDOT that I
9 thought were -- that she might be comforted in knowing
10 that TXDOT happens to agree that it needs to be the
11 multi-modal transportation agency as opposed to just
12 highways.

13 One of the efforts that is also underway
14 is a group called the T2 Group that is a group of state
15 departments of transportation, the Port of Houston,
16 ports, shipping companies, et cetera, that are working
17 on the new federal highway bill. And one of the efforts
18 would be to break down some of the silos and funding
19 requirements and give much more flexibility.

20 How that will work is anybody's guess
21 because I'm not sure I know the makeup of the new
22 congress or senate, but that is clearly one of the
23 efforts that would give TXDOT more flexibility in
24 allocating federal funds across different modes of
25 transportation with quite a lot of input from the local

1 regions, M.P.O.s around the state that are, quite
2 frankly, very critical in the allocation of
3 transportation resources. And, so, I thought it would
4 be useful to point that out.

5 We appreciate all that you do. I guess
6 your next stop is Dallas. Is that correct?

7 DR. WALTON: Correct.

8 MR. HOLMES: And, you know, in listening
9 to the -- some of the comments that Mark Ellis made
10 about -- and others, I've observed Tower 55 up in your
11 part of the world, Chairman Laney. That's really an
12 unbelievable problem that you confront there. I'm not
13 sure I know what the solution is, up in the hundreds of
14 billions of dollars.

15 MR. LANEY: We got it relocated to
16 Houston.

17 MR. HOLMES: Thank you very much. We're
18 deeply appreciative.

19 You know, that -- clearly we need an
20 integrated solution that needs to be rail, sea, highway,
21 local transportation areas. And exactly how that comes
22 together, my guess it's going to take awhile. It is not
23 going to come together, though, effectively without
24 additional funding.

25 Appreciate all your time and what you do.

1 DR. WALTON: Commissioner, thank you very
2 much for being here. Not only do we appreciate those
3 remarks that you made, but we also appreciate your
4 leadership. Thank you for being here.

5 We have a couple?

6 Linda Mercer, welcome.

7 MS. MERCER: Thank you very much. Thank
8 you for the opportunity to address you for a couple of
9 moments.

10 I live in a hundred-year-old neighborhood
11 in urban Houston. It's going through increasing --
12 increasingly -- incredible amount, is what I mean to
13 say, of density and redevelopment.

14 And I'm here to assure you that families
15 are absolutely choosing to live in urban Houston and
16 choosing to send their children to public and private
17 schools in urban Houston. I'm going to a board meeting
18 this evening of H.I.S.D. H.I.S.D.'s academic
19 performance has increased a lot in this last year. A
20 lot of elementary schools went from academically
21 acceptable to recognized and exemplary status.

22 So, Houston, as it's growing, it's doing
23 a lot of the things that we do need to do; that is,
24 we're having families living on smaller lots, entire
25 areas and choosing to live an urban lifestyle.

1 So, let's -- let's -- we have to look at
2 transportation planning and realize that there is a
3 change in time that's coming that is here where people
4 are not all going to live in suburban environments and
5 choose to live in outlying districts. It's very
6 important to have a vital city that attracts families,
7 and we need good transportation planning that will
8 respect the urban corridors and respect the quality of
9 life in Houston.

10 I hope that TXDOT in the next 30 years
11 can -- can put people into the planning process and be
12 very transparent about what kind of plans are going to
13 be made. I hope that the engineers and the designers
14 can embrace the challenge of storm water quality and do
15 projects that will reduce the amount of drainage and the
16 negative impact of concrete and pavement and help to
17 return nature to the level of a quality of life and
18 quality of water and the impact on our -- help to
19 improve the environment rather than introduce more
20 pollution than we can manage.

21 My neighborhood is surrounded by
22 freeways, railroads, rail yards; and, so -- and we're in
23 the floodplain of White Oak Bayou. So, we are a perfect
24 storm of all sorts of stuff to think about when we're
25 thinking about the current and the future world.

1 I have one last request in terms of
2 engineering challenges. I hope that people, the
3 engineers, will begin to think about grade separations
4 that do not elevate trains or traffic in the air in
5 urban corridors. We need to go below grade. It's not
6 under -- "It's not over till it's under" is a phrase
7 that we need to use because we cannot afford to elevate
8 a lot of this into the air where it will have a long
9 impact. Noise pollution, air pollution travels far when
10 it's from an elevated perspective.

11 Thank you.

12 DR. WALTON: Linda, thank you very much.

13 Anyone else?

14 As we move to a close, let me call on
15 members of the committee for any closing remarks they
16 might like to make.

17 David, I'll start with you.

18 MR. LANEY: I really don't have any,
19 Chairman. Thank you very much.

20 MR. CRUTCHER: Mr. Chairman, I have a
21 couple. I think if members of the committee didn't know
22 it before but they surely know now the tremendous
23 transportation challenges for Texas. And it's been a
24 great opportunity, I think, for the committee to hear
25 public comments from citizens all over Texas. So far

1 we've got a few other stops to make.

2 And you today probably won't be surprised
3 to learn that everywhere we go, everyone seems to be
4 proud of their own community. And I think that's
5 especially true of all of us that live west of I-35. I
6 think in the future it's going to be a real challenge to
7 balance our transportation funding needs; but I think
8 it's important to note that, even though we have
9 congestion projects that we realize all over the state
10 are badly needed in our major areas of major cities of a
11 state, that there's also some -- still some mobility
12 problems that need to be addressed in some of our
13 smaller metropolitan areas.

14 And I think that's going to be a
15 challenge for us to try to tie those things together
16 because we certainly do understand the huge congestion
17 problems that you see here in Houston and Dallas, but
18 there are some mobility problems that are still out
19 there.

20 MR. ALLEN: Thank you.

21 MR. BONILLA: I'd just like to thank
22 Judge Emmett for hosting us in Houston. Always a
23 delight to see Commissioner Holmes who's been a great
24 friend of the citizens of South Texas. Thank you for
25 being here.

1 DR. WALTON: Yes, let me second that, as
2 well. Appreciate very much being here and the
3 hospitality.

4 We will close the public hearing. I do
5 have a few announcements that I'd like to go over, but
6 the public hearing is closed.

7 The announcements: The next committee
8 meeting is scheduled for the 21st, noon. Committee
9 meeting will be in the B.N.S.F. building in Fort Worth,
10 and then the hearing will be at 4:00 o'clock over in the
11 dark facilities in Dallas. So, that's on August the
12 21st, a week from today.

13 September the 4th, the hearing will be in
14 Corpus Christi, scheduled for 3:00 o'clock. On the 18th
15 of September, Amarillo; date, time still to be
16 determined. And on October the 2nd, committee meeting,
17 10:00 o'clock, Austin; and committee meeting
18 10:00 o'clock on December the 2nd in Austin.

19 So, that's the schedule that we have now.
20 You should be getting information about the 21st meeting
21 shortly. I know the research study team has been
22 working on some information that I think will be very
23 helpful to us in our deliberations.

24 So, any questions or comments?

25 If not, let me express my appreciation to

1 all of you for coming and participating, your helping us
2 with this effort. And, indeed, let me say at the outset
3 it's a privilege to work with such a distinguished group
4 of committee members. Thank you very much.

5 (Proceedings were concluded)

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2030 COMMITTEE PUBLIC HEARING
HOUSTON-GALVESTON AREA COUNCIL
August 14, 2008

I, BEVERLY ANN SMITH, the undersigned
Certified Shorthand Reporter of the State of Texas, do
hereby certify that the above and foregoing contains a
true and correct transcription of all the proceedings in
the above matter that were reported by me.

I further certify that I am neither attorney
nor counsel for, related to, nor an employee of any of
the parties to the action in which this proceeding was
taken. Further, I am not relative or employee of anyone
involved in this matter, nor do I have a financial
interest in the actions taken, if any.

Subscribed and sworn to on this the ^{20th} 6th day
of August, 2008.

Beverly A. Smith.

Beverly Ann Smith, CSR
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