



DRAFT

Proposition 1 Stakeholder Committee

Meeting #3 Notes – September 16, 2014, 10:30 am

Welcome and Introductions

Committee members attending in person – Judge Ed Emmett; Judge Woody Gossom;

Committee members attending via WebEx: Committee Chair Johnny Johnson; Judge Carlos Cascos; Commissioner Judy Hawley, Michael Morris

Unable to participate: Judge Mike Bradford; John Esparza; Judge Keith Self

TxDOT Commission and staff: Fred Underwood, Marc Williams, Karen Lorenzini, Trent Thomas, Jefferson Grimes, Doise Miers

Additional attendees: Mark Borskey, TTXA on behalf of John Esparza; Gary Bushell of the I-69 Alliance and US 190 Coalition; Rob Orr of Senate Finance Committee; Brady Franks of Speaker Straus' office

Williams – Called the meeting to order and reminded participants on the phone to mute their phone. Commissioner Underwood briefly stopped in to thank the Committee for their work. Williams took a roll call and mentioned that Judge Self was tending to a family emergency and had previously called in to give comments. Williams then turned the meeting over to Chairman Johnson.

Johnson welcomed everyone and confirmed that they all have the draft meeting notes to review and approve. Johnson asked that meeting notes from meeting two be approved as they are. Judge Gossom moved that the notes be approved. Councilman Jordan seconded the motion. The motion carried.

Presentation and Discussion of the Draft Proposition 1 Committee Report

Williams began laying out the draft report saying that the draft report gives a background of where we are, including the committee formation and its work, and also discusses the committee's recommendations.

Williams then stepped the committee through draft report section-by-section. Committee members made comments on any changes notes as the discussion progressed.

Section 1 – Legislative Background

Williams said the section includes a graphic on Proposition 1 funding and the six guiding principles from the House Select Committee on Transportation Funding. After a brief overview, Williams opened the section up to discussion.

Emmett asked that the asterisk in the second line following \$1.7 billion be cited. Emmett also asked about the definition of “regions” in the Select Committee’s recommendations. Morris said, as he understands the intent can be TxDOT regions or metropolitan regions, to focus on a bottom up type planning. Emmett voiced concern that regions may be too broad. Morris said it may be intentionally broad to avoid unintentional consequences and someone being left out. Johnson said the formula allocation guiding principle should help guide any ambiguity that may come from the “regions” mention. Williams said the principles were taken straight from the Select Committee so the approach was to simply acknowledge these principles.

Section 2 – Committee Formation

Williams said this outlines the formation of the committee and their charge. Williams wanted to ensure the committee members and affiliations are satisfactory. Jordan asked that his affiliation simply be as council member and not also include TML.

Section 3 – Context and Timing for Recommendations

Williams said the committee has had three meetings and the timing was to have a product prior to the November election. The included graphic shows the process of the transfer and expenditure of funds from the Economic Stabilization Fund.

Section 4 – Recommendations

Williams said the committee expressed five key themes and recommendations throughout their work. This section outlines those key recommendations and the subsequent sections layout the committee’s comments on each of these recommendations. There were no comments on the prologue to the recommendations.

Recommendation 1: Williams said this recommendation discusses using a formula based approach and that these are used to align with legislative intent and state and federal guidelines. There were no comments to this recommendation.

Recommendation 2: Williams said this recommendation has evolved since the first meeting, based on comments from the committee. The work of the 2030 Committee and Energy Sector Task Force were the basis for the needs outlined in this recommendation. This recommendation does not follow a 3-1-1 allocation and aligns with the committee’s preference. This recommendation is to be clarified to say “an additional \$5 billion” a year.

Emmett said that this recommendation discusses just needs for the state highway system and that much of the energy sector needs fall to counties. Gossom said that counties may be running up against their needs soon. Williams asked Emmett and Gossom if what is in the report is appropriate, or if the report needs to state that there are needs above and beyond what is included on the additional \$5 billion. Emmett said that there are many needs in counties that don’t even include roads on the state system so he prefers that there is a statement to include those additional needs.

Morris asked if the funding can be used for off-system projects. Williams said because the money will be placed in Fund 6, the interpretation is that this funding can only be used for on-system roads. Morris suggested that this be clarified early in the report, and that Emmett’s suggestion be added to discuss off-system needs too. Johnson asked that the energy-related recommendation include a statement that the committee recognizes the additional needs in energy-related areas and that the legislature needs to also pay attention to these off-system needs.

Williams summarized the changes as: page 1 reference that the funds are for on-system needs; page 3 add a 5th bullet _____; page 4 add that the committee recognizes there are additional off-system needs in energy areas.

Recommendation 3: Williams said this recommendation acknowledges the needs related to drilling and production activities, in addition to the condition of the system that exists today, so the needs out there today won't be left behind. Johnson said he feels that this recommendation covers the intent and thoughts of the committee. Hawley said this recommendation captures the needs well. There were no additional changes to this recommendation.

Recommendation 4: Williams said this recommendation discusses being strategic with the investments and that the formulas adjust for change to align with TxDOT's and regional partners' priorities. Emmett asked about changing the recommendation include "current and future" economic activities. He also asked about changes in demographics and "transportation activities." He asked that the last sentence change from "transportation" to "the economy." Williams suggested that the second area change to "...demographics, international trade, and logistics associated with transportation activities." The committee agreed to this language.

Recommendation 5: Williams said this recommendation drew the most committee comments and that this draft incorporated the various comments. He walked the committee through the various sections of this recommendation and asked if the committee had any concerns or changes to what was captured. Morris was satisfied with the various factors that are outlined in this recommendation and that the language didn't outline specifics as to not bring out opposition and limit what can be done. Jordan was also satisfied with the language in this recommendation. Emmett asked to change the various factors to say "...including but not limited to the following" so as not to infer that these are the only factor to consider.

Morris asked for clarification on "new corridors" and how this is defined so there aren't any unintended consequences. Williams said he heard from the committee that this is to include both roads on new right of way as well as upgrades to existing corridors. Emmett asked that this be changed to "new and existing" corridors.

Section 5 – Next Steps

Williams summarized this section saying that there are no further meetings of the committee and that the committee is available to continue advising the Commission. There were no changes to this section.

Adoption of the Draft Proposition 1 Committee Report

After the review and discussion of the draft report, Johnson said that the report captured the recommendations with minor amendments. Johnson asked that the report be adopted as amended, with the amendments being those changes discussed during the meeting today. He said if the committee has any other changes, that those be sent in by noon Wednesday and that those additional changes would be circulated to the committee.

Johnson then asked for a motion to adopt the report, as amended. Hawley moved to adopt the report as amended. Emmett seconded. The motion carried.

Closing Remarks

Johnson said that at the top of the meeting, Commissioner Underwood thanked the committee for their work and he wishes to also express his thanks for their work in creating a document that can help guide the Commission in their work. Johnson adjourned the meeting.

DRAFT