



**TEXAS
FREIGHT
ADVISORY
COMMITTEE**



Freight Advisory Committee

May 11, 2017, 8:30 a.m.

IBC Bank, Austin, Texas

Attendees

Committee Member	Organization	Attendance
Judge Ed Emmett, Chair	Harris County	Present
Steve Boecking, Vice Chair	Hillwood Properties	Present
Ron Beeson	Lubrizol Corp.	Not Present
Randy Brogoitti	Brogoitti Construction	Present
Russell Boening	Texas Farm Bureau	Designee Present (Glen Jones)
Paul Cristina	BNSF Railway	Present
Drew Crutcher	Landgraf, Crutcher & Associates	Present
Bryan Daniel	Governor's Office of Economic Development and Tourism	Present
Michael Dyll	Texas International Freight	Not Present
John Esparza	Texas Trucking Association	Not Present
Roger Guenther	Port of Houston Authority	Present
Luis Hinojosa	Uni-Trade Forwarding, LLC	Not Present
Judge Clay Lewis Jenkins	Dallas County	Designee Present (Martin Molloy)
John LaRue	Texas Ports Association, Port of Corpus Christi	Designee Present (Jennifer Stastny)
Brenda Mainwaring	Union Pacific Railroad	Present
Kevin McIntosh	Kansas City Southern (KCSR)	Not Present
Jeff Moseley	Texas Association of Business	Not Present
Rolando Ortiz	Killam Development, Ltd.	Present
Keith Patridge	McAllen Economic Development Corp.	Not Present
Juan-Carlos Ruck	HEB	Present
K. Alan Russell	The Tecma Group of Companies	Not Present
Carlton Schwab	Texas Economic Development Council	Not Present
Todd Stewart	Gulf Winds International	Present
Jack Todd	Trinity Industries, Inc.	Not Present

Texas Transportation Commissioners		
Laura Ryan	Texas Transportation Commission	Present
Victor Vandergriff	Texas Transportation Commission	Present

Ex-Officio Members		
Chris Evilia	Waco MPO	Not Present
Judge Erin Ford	Houston County - Retired	Present
Senator Sylvia R. Garcia	Texas State Senate, District 6	Not present
Clark Greer	Coca-Cola	Present
Rep. Armando Martinez	Texas House Member, District 39	Not Present
Rep. Sergio Munoz, Jr.	Texas House Member, District 36	Not Present
Rep. Poncho Nevarez	Texas House Member, District 74	Not Present
Mayor Pet Saenz	City of Laredo	Present
Gerry Schwebel	IBC Bank	Present
Danny Smith	UPS	Not Present
Paul Treangen	TNW Corp.	Present
Matt Woodruff	Kirby Corporation	Present
Staff		
Barbara Koslov	Judge Emmett's Office	Present
Bruce Mann	Roger Guenther's Office - POH	Present

TxDOT, TTI, UNT, and FHWA			
Lauren Garduño	TxDOT	Peter Smith	TxDOT
Caroline Mays	TxDOT	Kale Driemeier	TxDOT
Roger Beall	TxDOT	Eduardo Hagert	TxDOT
Norma Y. Garza	TxDOT	Dan Harmon	TxDOT
Pete Alvarez	TxDOT	Marty Boyd	TxDOT
Diana Vargas	TxDOT	Arielle Carchidi	TxDOT
Jessica Butler	TxDOT	Eric Clennon	TxDOT
Mark Werner	TxDOT	Peter Espy	TxDOT
Darcie Schipull	TxDOT	Megan Campbell	TxDOT
Tim Ginn	TxDOT	Chad Coburn	TxDOT
Emily Clisby	TxDOT	Tim Juarez	TxDOT
Deborah Richmond	TxDOT	Travis Milner	TxDOT
Steve Linhart	TxDOT	Manuela Ortiz	TxDOT
Charles Airiohuodion	TxDOT	Mary Aparicio	TxDOT
Allan Rutter	TTI	Bernie Fette	TTI
Michael Bomba	UNT	Georgi Ann Jasenovec	FHWA

Freight Plan Consultant Team			
Paula Dowell	Cambridge Systematics	Isabel Victoria	Cambridge Systematics
Kelsey Ahern	Cambridge Systematics	Elizabeth Welch	Cambridge Systematics
Jolene Hays	Cambridge Systematics	Will Walter	Cambridge Systematics
Joe Bryan	WSP/Parsons Brinckerhoff	Mario Medina	WSP/Parsons Brinckerhoff
Kim Sachtleben	Atkins	Janna Rosenthal	Atkins
Lindsay Wood	WSP/Parsons Brinckerhoff	Marie Lewis Adams	Nancy Ledbetter & Associates, Inc.

Other Attendees			
Linda Alvarado-Vela	AAMPO	Allison Blazosky	AAMPO
Hans-Michael Ruthe	H-GAC	Jeffrey Van Schaick	GWRR
Bryan Elliott	TxDMV	Grady Meyer	TxDMV
Sam Bohluli	C&M Associates	Gary Bushell	Alliance I-69 TX
Julie Montgomery	CAPCOG	Cliff Nelson	TxDMV
Lucas Bathhurst	HDR	Jay H. Knight	Liberty County Judge
Nishant Kukadia	CH2M	Cristina Womack	Pasadena Chamber
Eduardo Calvo	HNTB	Clayton Kendall	TNW Corp.
Chris Sallese Engineering	Dannenbaum	Marcus Goering	CMC Railroad
Sam Bohluli	C&M Associates	Joel Garza MPO	Harlingen-San Benito
Carlos Contreras	C&M Associates	John Haney	
Kenny Day	GWRR	Jeff Hathcock	NCTCOG
Jorge Canavati	Canvati & Co. LLC	Tyson Moeller	UP
Losa Wilson	Florida DOT		

Meeting Action Items:

- Project team will provide a full-size railroad map for TxFAC members.
- Project team will provide the Texas Highway Freight Network scoring process as an “appendix” page so the TxFAC can reference it as necessary.
- Project team to review DFW critical urban miles to make sure all designated corridors are included.
- Project team will add TFMP project list to the TxFAC online portal.
- Project team and Judge Emmett will determine a strategy and timeline for asking TxFAC members to provide recommended Critical Rural Freight Corridor maps.

1. Welcome & Introductions

Judge Ed Emmett welcomed the group, and recognized the attendance of Texas Transportation Commissioners Ryan and Vandergriff. He believes Texas is ahead of much of the nation in terms of planning for freight. TxFAC members introduced themselves.

Commissioner Ryan introduced herself and reiterated the importance of freight to the state’s economy. She said she had been catching up on the committee’s activities over the past few months. The TxFAC has done great work, but there is a lot more to be done. Public and private investment can accomplish many great things.

Commissioner Vandergriff echoed the importance of freight. The foremost thing is to be able to identify the funding necessary to move the plan forward and to identify crucial projects. The process put forward by TxDOT in March was very promising; the question will then come down to money. He is looking forward to that discussion.

Judge Emmett mentioned that the committee has some new members. Former Secretary of State Carlos Cascos served as vice chair, but is no longer a member of the committee.

Therefore, committee needs a new vice-chair. Committee bylaws require a vote. Judge Emmett had talked to Steve Boecking about the role and asked if someone wanted to nominate either Mr. Boecking or someone else.

Rolando Ortiz nominated Steve Boecking and Matt Woodruff seconded the nomination. All committee members in attendance voted affirmatively for Mr. Boecking to serve as vice-chair.

2. Committee Membership

Caroline Mays introduced the five new TxFAC members:

- Jeff Moseley is a former Texas Transportation Commissioner and is the CEO of the Texas Association of Business, who could not attend the meeting;
- Bryan Daniel is Governor Abbott's chief economic advisor and the Executive Director of the Governor's Office of Economic Development and Tourism
- Todd Stewart leads Gulf Winds International and will take the place of Steve Stewart on the committee, who recently passed away.
- Randy Brogoitti represents the Kilgore/Tyler area and heads Brogoitti Construction.
- Drew Crutcher is a registered engineer who co-founded a civil engineering firm and is an active member of the community in Odessa, Texas.

Ms. Mays also introduced five additional ex officio members. The TxFAC can only officially have 24 members. Ex-officio members have the same responsibilities as regular members. The new ex-officio members are:

- Chris Evilia, Executive Director of the Texas Association of MPOs (TEMPO) and Director of the Waco MPO. Mr. Evilia was not in attendance.
- Matt Woodruff of Kirby Corporation;
- Clark Greer of The Coca-Cola Company;
- Danny Smith of United Parcel Service (UPS). Mr. Smith was not in attendance; Paul Treangen, the CEO of TNW Corporation and President of the Texas Short Line & Regional Railroad Association. Mr. Treangen also served as lunch speaker.

3. Recap of March 9th Meeting and Summary of Today's Meeting Agenda Objectives and Expected Outcomes

Peter Smith welcomed the group and provided an overview of the TxFAC's mission and goals. Its mission is to "advise TxDOT on freight issues, priorities, projects, and funding needs for freight improvements, and elevate freight transportation as a critical component of the state's economic vitality and competitiveness." Goals include:

- Ensure the participation of private sector freight stakeholders in TxDOT's transportation planning process
- Ensure that freight transportation needs are addressed in TxDOT's transportation planning, programming, investments, and implementation processes
- Provide input into the development of the Statewide Freight Plan
- Help TxDOT identify and target freight investments
- Assist TxDOT in prioritizing freight investments by identifying high priority and strategic freight transportation projects that facilitate safe and efficient movement of freight throughout the state
- Develop TxDOT's Freight Transportation Action Items on key freight issues

Mr. Smith continued, noting that today the project team will focus on the Freight Plan Update, presenting the recommended freight network and asking for input, as well as presenting potential Freight Plan projects. There will be a technology transfer in terms of identifying key needs. The team will review the Unified Transportation Program process and Category 4 funding for connectivity corridors.

Caroline Mays discussed "housekeeping" issues such as the Wi-Fi password, restrooms and safety information. She noted that at the last meeting, the discussion centered on the highway network. The committee provided input, which was very helpful. Today, the project team wants to finalize designation of the highway network, which is critical because the team is going to start identifying projects. The meeting will also focus on non-highway freight modes.

4. Class 1 Railroads

Union Pacific Railroad (UP) – Brenda Mainwaring

Brenda Mainwaring delivered a presentation on Class 1 railroads. She noted that this was the first time the railroads had presented at a TxFAC meeting. The presentation was divided up between Union Pacific (UP), BNSF Railway and discussion of public-private partnerships (P3s). She noted there is a general lack of knowledge, even among transportation professionals, about how freight railroads really work. She provided an overview of the industry as well as UP.

Brenda Mainwaring noted that UP owns over 140,000 miles of railroad track throughout the U.S. Their customers include suppliers of coal, chemicals, paper and lumber, consumer goods, motor vehicles, and agricultural and food products.

Judge Emmett reminded the group that there are no “dumb” questions. He asked Ms. Mainwaring to clarify what TEU meant: twenty-foot equivalent, because containers used to be 20 feet long. Now they are 40 feet long.

Ms. Mainwaring added that UP is the largest railroad in Texas. Texas is #1 in spending, track miles, and full time employees. It would take 23 million trucks to handle the 412 million tons of freight that originated in, ended in or passed through Texas by rail in 2014.

Judge Ford asked about the current truckload in the state; Caroline Mays replied it was around 180 million tons, or possibly more.

Ms. Mainwaring talked about rail investment. Railroads are privately owned; freight railroads invest six times more than the average US manufacturer. Since regulations were reduced in the 1980s, the industry spent considerable sums on capital projects and maintenance. Railroads invest for the long term. They need to have confidence in those investments for their shareholders.

Commissioner Ryan asked if those investments included improving existing infrastructure, or adding capacity; Ms. Mainwaring said they included both.

Ms. Mainwaring said that UP invested \$27 billion in expansion, \$9.7 billion in maintenance and \$37.8 billion in operating in 2015.

Not all investment is about putting iron in the ground. UP needs to make sure it maximizes use of its resources. Ms. Mainwaring provided the example of “Machine Vision” – a highly advanced imaging process that is akin to an MRI for a rail car. Rail cars are regularly scanned and images are reviewed for soundness/consistency with previous scans. Instead of individual workers inefficiently checking rail cars, they can focus on those flagged by the Machine Vision process. UP utilizes various technological enhancement to make sure flaws do not cause derailments, which are extremely expensive.

Ms. Mainwaring provided an overview of US railroad history. She noted that yesterday, May 10, was Golden Spike Day, marking the completion of the first transcontinental railroad. Congress wanted to build a railroad from east to west; it found businesses to invest in the railroad, with Congress providing the land. As a condition of providing some funding, Congress stipulated that the railroads had to provide some direct benefit for the public, including hauling public goods (e.g. mail) at reduced rates. Land value increased near railroads as well; towns grew around rail stations. Much of the regulatory framework persists to this day; the industry is privately owned yet subject to federal regulations. UP is still a “common carrier” which is obligated to haul freight as long as it meets certain standards. The only major change is UP no longer hauls passengers, since Amtrak took over that obligation in the 1960s/70s. The U.S. rail system is different from the rest of the world. Most are predominately passenger rail – we are mostly freight.

UP has grown significantly through mergers. Key rail facilities include manifest hubs, ports, intermodal hubs and automotive distribution centers. UP also has interchange partners for

when freight crosses service area boundaries. UP interchanges with all Class 1 railroads in the United States. For example, providers are mainly divided along the Mississippi River, since it is expensive to build bridges. UP has operations at most border crossings and ports in Texas; Texas is critical to UP.

UP's business mix is balanced in terms of commodity flows. Coal has decreased and is unlikely to recover. Texas is UP's top state in terms of track miles, employees, and capacity spending. Railroad mergers have occurred frequently in the past, but they are federally regulated in order to maintain competition. If a merger happens, the owner needs to allow a competitor to operate on that track so customers have a choice of rail providers. These trackage rights help maintain competition.

North-south route is critical as it serves land border port and seaports which very important to UP and they maintain close relations. Plastics are a big market for rail growth. UP serves four Texas border crossings. Twelve percent of business originates or terminates in Mexico. The compound annual growth for the rail industry is 12 percent, while the trucking industry is 8 percent. Rail freight business at border crossings is growing faster than trucks, mainly because of rail investment in infrastructure. UP has invested \$51 billion overall since 2000 (approximately \$3 billion per year). Mexico accounts for 12% of UP business by revenue and capacity. Texas receives 1 trainload of beer a day from Mexico.

Ms. Mainwaring broke down UP's 2017 investments – Positive Train Control (PTC), technology, infrastructure replacement, etc. In the last 3 years, half of capital expansion has occurred in Texas. UP spends more on infrastructure capital than many state departments of transportation (DOTs). They measure velocity, freight car utilization, freight dwell, etc. to make sure investments are worthwhile. Safety is the top priority; derailments are at an all-time low. Crossing accidents are now a larger issue due to distracted driving. Many projects in Texas were completed in 2015/2016.

BNSF Railway – Paul Cristina

Paul Cristina provided an overview of BNSF Railway and P3s. He noted there are three different Class 1 railroads in Texas – UP, BNSF, and Kansas City Southern (KCS). Tracks are private businesses. He said BNSF has similar investment strategies to UP, and investment is counted in the billions.

Judge Emmett asked Mr. Cristina to clarify the name of his company. BNSF stands for Burlington Northern Santa Fe, but the company's official name is BNSF Railway.

The BNSF network is the result of many mergers and acquisitions over the years, the most recent being Burlington Northern and Santa Fe railroads. BNSF operates on some UP corridors. It moves about 25 percent of rail freight in the US via approximately 1,300 trains per day. BNSF is headquartered in Fort Worth. Of \$3.5 billion in investment in 2017, \$2.5 billion went towards maintenance, \$440 million for new equipment, \$410 million for expansion, and \$100 million for PTC. In 2008, Congress required that railroads to install PTC; it does make networks safer, although it was an unfunded mandate.

In Texas, BNSF owns 50 percent of its track miles, and operates on others' tracks for the other 50 percent. Many jobs have been created through freight facilities. Port connectivity is important, as are border crossings. BNSF is highly dependent on UP trackage rights to access Texas ports. Railroads also share haulage rights; BNSF can pass off freight to haul on UP trains, etc.

Railroads' investment plans are somewhat opaque; they do not want to broadcast their strategies to their competitors. BNSF has market managers that work to understand demand patterns and evaluate investments needed to ensure that BNSF can continue to meet future demands. Information is rolled up to create capacity recommendations. Ideally, these recommendations are implemented when needed and meet demand as well as return-on-investment goals.

If railroads are private and manage their own investment, why would they participate in a forum like the TxFAC? Railroads have an interest in policy; they want to make sure multimodal voices are heard; and they want to be good partners in the public domain. They want to participate in projects that are mutually beneficial. If a Public-Private Partnership (P3) includes something that the railroad wants to do (but cannot get to right away), and it provides something the public wants, that could make a good P3. Tower 55 is a good example of a rail P3. It was the most congested railroad crossing in the U.S.; citizens were often delayed while trains were idling. There was both a public and private benefit to trains moving faster. All parties came together to apply for a TIGER grant.

Paul Cristina outlined three ideas for freight rail investments in future:

- DFW is a place where public and private benefits could combine. BNSF uses DART and Trinity Railway Express (TRE) tracks. There is a demand for more passenger service on those rails; it needs a combined approach.
- In Houston, the rail network is very complex. The port needs a port terminal railroad. There is also more interest in moving passengers on rail. Houston presents an opportunity for a refreshed rail vision.
- The Texas/Mexico border is an opportunity for a P3 discussion. Caroline Mays leads the Border Trade Advisory Committee (BTAC). That discussion could be brought into the TxFAC as well, such as what are the most effective investments railroads could make to improve freight flows across the border? Likewise, what are the policies that make freight movement difficult and how can they be streamlined?

Brenda Mainwaring echoed that P3s only make sense if there is a public benefit. She clarified that while trackage rights are a facet of the U.S. rail system, the railroads do not like them – they are federally mandated. She did not want to give the idea that having railroads share more track was a viable solution to freight issues.

Peter Smith asked how railroads re-capture investment costs with trackage rights; Ms. Mainwaring said she could not talk about that in a public forum.

Judge Emmett asked TxDOT to make sure every committee member gets a full-size railroad map.

Caroline Mays noted that Paul Cristina outlined three potential opportunity areas for BNSF. She then asked Brenda Mainwaring if UP have similar ideas to share with committee? Ms. Mainwaring said UP was looking at Laredo, Houston and the DFW area as well. Paul Cristina added that those areas have constrictions that are outside of the railroads' sole capacity to fix. If improving rail traffic would improve transportation as a whole that conversation needs to happen from the public side.

Rolando Ortiz stated that having different border regulations at different crossings makes no sense. Improved efficiency would help a lot.

Randy Brogoitti asked what type of technology improvements might help safety at at-grade crossings. Brenda Mainwaring said the industry is looking at autonomy and how that will affect safety. Trains cannot stop quickly, so the emphasis would be on trains communicating with and stopping cars.

Judge Emmett thanked the railroad representatives. There will never be enough money to fund all the freight projects in Texas. Railroads might be able to provide an alternative to trucking, but they are restricted in what they can say. The freight community needs to always be aware that the railroads are there. If a project can be done on rail, it would be better to spend their money than ours. The rail industry is always changing; they are in the business to make money.

Todd Stewart asked about the schedule for on-dock rail in Houston. Roger Guenther replied it has always been a part of the plan but has not moved forward. The difficulty is that the port already has a rail facility at Barbours Cut, which is very much unused. We do not want to build another terminal until we know what the business will be. In addition, much of the freight coming in has a nearby destination. Brenda Mainwaring reminded the group that the railroads now do short haul; some trips are less than 10 miles.

Todd Stewart also asked about improvements between Houston and Dallas. Ms. Mainwaring said she expected that the rail corridor will expand and become a good alternative to I-45.

Mayor Saenz inquired about rail initiatives for Laredo. Ms. Mainwaring stated UP has many efficiency improvements planned. Paul Cristina mentioned BNSF and KCS have a joint initiative for nonstop service from southern Mexico to DFW.

5. Draft Texas Highway Freight Network Designation

Paula Dowell presented information on the Texas Multimodal Freight Network (TMFN) designation process. Designating a key freight network will allow TxDOT to focus its resources in the most critical areas for freight movement. She began by discussing the Texas Highway Freight Network (THFN) designation; the THFN will become the basis of highway freight needs assessment, project identification, recommendations and implementation. The TFMP update will also include the designation of Critical Urban and Rural Freight Corridors, as required under the FAST Act, to become part of the National Highway Freight Network (NHFN).

Rolando Ortiz asked whether Laredo was considered urban or rural in terms of network designation. He thought regions needed a population of 500,000+ to be considered urban, but he believed the Laredo MPO did not submitted critical urban freight corridors because their population is only 250,000. Ms. Dowell replied the Laredo MPO did not submit miles for the urban criteria, because it falls below the 500,000 population threshold. MPOs with more than 500,000 people lead the designation process, however; for areas less than 500,000 people, TxDOT leads the designation process.

Ms. Dowell continued discussing the evaluation criteria and process used to designate the THFN. At the last meeting, the TxFAC provided input on how the four categories of criteria should be weighted. The project team also got feedback on the weighting with the MPOs and TxDOT District Engineers, who had slightly different ideas.

Commissioner Ryan asked Ms. Dowell what the difference was between goods movement and supply chain criteria and asked for an example of criteria in each of the categories. Ms. Dowell responded that goods movement includes overall movement of freight such as truck counts, tonnage, value, etc. For supply chains, the team focused on key Texas industries and used business establishment data such as level of employment or tonnage related to these industries. Economic criteria includes metrics that evaluate the ability of an area to support growth.

Judge Ford inquired about educational attainment and if training requirements for potential employees factored into the analysis. Ms. Dowell replied that the team used high-school diploma and above as an entry point.

Ms. Dowell stated the team combined the overall input and developed a revised weighting strategy – economic criteria at 20 percent, goods movement at 30 percent, supply chain at 25 percent, and market access at 25 percent. She asked if the group was OK with the proposed weights, and no one raised any issues.

She continued to discuss developing THFN scenarios. She showed a map depicting the corridors scoring in the top 3 score ranges and noted that it represented corridors scoring above average. Next, she showed a map of corridors scoring in the top 4 score ranges, noting that it represented all corridors scoring average or above. The scoring ranges were grouped by standard deviations from the mean.

Judge Emmett stated he did not understand the term “top three scores” – does that mean the top three corridors? Ms. Dowell explained she was referring to the top three scoring ranges, in terms of standard deviations from the mean. A score of 64 was the highest possible for a corridor, while 15 was the mean for the system as a whole. Judge Emmett advised the team not to use the term “top three” when describing the analysis to the public – use “top tiers” or something similar.

Judge Ford asked whether below the fourth category (below average) is important or not. Paula said it was not as important from a statewide perspective, but it could be critical at the regional level.

Bruce Mann suggested using score ranges for tiers, e.g. 20-26, instead of Standard Deviations from the Mean.

Drew Crutcher asked how the scores were developed, and Ms. Dowell summarized the process, noting it had been covered in detail at the previous TxFAC meeting. The criteria were determined, then corridors were scored, and those scores were weighted.

Juan-Carlos Ruck recommended the team provide a one-page summary of the scoring process so the TxFAC can reference it as necessary.

Paula Dowell continued, noting the freight network as determined by the scoring process is slightly smaller than the existing THFN. Two revised THFN scenarios were developed. Scenario 1 added in any of missing "Texas Trunk System" to the scored network, eliminated existing THFN corridors scoring below the average and added any rural facilities that scored above average. Scenario 2 followed the same process, but added rural facilities that scored in the top four tiers (average or above).

Judge Emmett noted the presentation alternates between "Texas Highway Freight Network" (THFN) and "Texas Freight Highway Network" (TFHN). It needs to be consistent.

Paula Dowell suggested the group discuss whether they agree with removing some pieces of the existing freight network that did not meet score average or above. Some roadways are also being added, but the team wants to make sure the TxFAC is okay with dropping certain parts.

Juan-Carlos Ruck asked about the impact of dropping parts of the existing freight network.

Paula said that TxDOT has determined that only corridors on the THFN can be eligible for designation to the NHFN, and thus eligible for National Freight Program funding. In addition, the freight network is the basis of TFMP needs assessment and recommendations.

Bruce Mann asked if there is a list of corridors being dropped. Ms. Dowell said the team did not have that yet; the bigger question is whether the TxFAC is OK with dropping corridors, regardless of which ones they are.

Commissioner Ryan said if the TxFAC were going to be asked to weigh in, they would need more information on the impacts. For example, will lower scoring perpetuate those corridors not being recognized as freight routes? The committee needs a gap analysis on the impact of dropping any existing corridors on the system on those areas. .

Ms. Dowell agreed, but reiterated the team mainly wants to discuss if the TxFAC would entertain the idea of dropping corridors.

Judge Emmett asked a procedural question. The TxFAC makes recommendations, but does not officially decide on the direction of the TFMP, correct? Caroline Mays clarified the Texas Transportation Commission (TTC) has the ultimate decision to decide what is on the freight network.

Commissioner Vandergriff reiterated that at the end of the day, much of this discussion comes down to money and funding available. He stated that the UTP has over \$70b over the next 10yrs. However, for planning purpose, what do we need to plan to 2026? He suggested the project team provide:

- The costs of projects
- The timeline in which the projects can be addressed
- Need to understand where freight stands

The UTP process provides MPOs and TxDOT districts with an outline of the funds/projects they can expect, all the way through 2026. The freight network needs to line up with the projects that are already on the books. Matching these up is always a challenge. The UTP is only updated annually, so it is very important that this input be incorporated quickly.

Paula Dowell added that the purpose and benefit of the designation process is defining the system that is most critical for freight movement, so TxDOT can prioritize funding appropriately.

Martin Molloy said in terms of dropping corridors, he was concerned that based on the criteria used, a high-traffic corridor may rank below a more lightly used facility. Paula Dowell noted that the goods movement category, which accounts for overall freight volumes, is actually weighted highest. She noted that it is unlikely that scenario would happen, but if it did, it would be because a corridor has a lot of through trucks but does not necessarily serve many Texas businesses or intermodal centers.

Rolando Ortiz clarified that the map showing the top four score categories represents the THFN (those at the mean or above). He said the team would probably need to start looking at alternative routes to alleviate congestion on the main routes and complete the system.

Caroline Mays stated the first round of the TFMP looked at alternate routes, e.g. US 281, US 83, etc. Some corridors that did not score well were added because of their potential as alternate routes for main thoroughfares.

Rolando Ortiz added that it would be useful to look at 2040 projections; the key corridors will become even more congested.

Judge Emmett asked why the scenario maps have legend colors that do not appear on the maps. Ms. Dowell explained that the colors represent the top scoring ranges from the designation process and they were left on the map to demonstrate the corridors selected for the THFN include all corridors scoring in those ranges.

Judge Ford asked when the THFN would be updated. Ms. Dowell replied it would be updated regularly, at least every 5 years, but could be more often than that.

Bruce Mann asked when the THFN was last updated, and Caroline Mays replied the TFMP was only officially approved last year. This process is the first update. Mr. Mann suggested if the network was only created a year ago, the team probably should not remove anything at this stage.

Randy Brogoitti asked why the team would consider removing pieces of the network, if it helps them qualify for funding. Paula Dowell stated TxDOT wants to make sure it focuses its priorities on the most critical parts of the system, because if improvements are spread across the whole network without regard to the role the corridor plays in moving freight, they are less effective.

Caroline Mays noted TxDOT is already using the existing freight network for project selection. It becomes the foundation for the plan and is very important.

Steve Boecking commented that since TxDOT will never have enough money for all its needs, if the project team decides to include marginal corridors, they will probably not get federal funding anyway and therefore it may not matter very much.

Paula Dowell clarified that just being on the THFN does not qualify corridors for national freight program dollars; they have to be part of NHFN.

Commissioner Ryan noted that corridor designation should focus on a tiered thought process – for example, what does point-to-point travel look like vs. pass-through travel? It might be beneficial to include corridors that serve pass-through traffic. Another tier would include strategic corridors from a multimodal perspective that address congestion, connectivity, safety, and economic development. Dropping corridors may result in removing opportunities to look at those corridors more strategically. Projects are important not just because an MPO is behind it, but it must be important to the entire state.

Drew Crutcher said as he sees it, the purpose of the process is to develop the network in a way that does not just cover every line on the map. He stated the importance of making sure the corridors are ranked based on freight movement; it would be a problem to share the network with local authorities, only to find out some non-designated corridors have higher levels of freight travel such as US 83 that is not on the freight network.

Commissioner Vandergriff noted that the UTP funding is like a smorgasbord across the state; the driving factor is MPOs and TxDOT districts and funding is not connected to the system. The TTC ratifies local decisions. Politically, you can't put money everywhere around the state.

Drew Crutcher added that there needs to be a strong justification for why some corridors appear on the map, and others do not such as US 83.

Judge Ford said it looks like only five corridors were seen as non-essential as compared to the current network. Paula Dowell said that the THFN resulting from the designation process includes 87 percent of the existing freight network miles plus a couple of additional high scoring corridors not on the current network. The results suggest the designation process is working.

Mayor Saenz asked if corridors are dropped, is there another window for them to qualify? Ms. Dowell said the network would be reviewed during updates, at least every 5 years.

Bruce Mann asked if there was time to perform the gap analysis. Ms. Dowell replied the team can drill down on these corridors, but should allow local governments to weigh in on strategic

decisions. The timeline is an issue; for the sake of expediency, it may be easier just to add, and not drop, any corridors.

Martin Molloy asked if the team could discuss which corridors were added to the network, such as SH 137.

Clark Greer said he recently read about a new highway breaking ground. Ms. Dowell clarified that once open to traffic; new interstates are automatically part of the NHFN.

Judge Emmett suggested pushing off the UTP discussion so the meeting could get back on schedule. He asked to look at the corridor ranking section; he wanted to know how certain corridors (e.g. SH 225, SH 146) could not make the list. Ms. Dowell and Will Walter (Cambridge Systematics) explained the corridor list only shows the top 25 corridors based on mileage length, but that is not a complete list of the THFN. Judge Emmett stated corridors should not be ranked by mileage.

Mr. Walter said the map he was using is an online tool that is available to the group. He stated there are over 500 corridors in the network, so the table shows the top 25 longest corridors, which constitute the majority of miles on the network.

Bruce Mann suggested if the corridors are ranked, they should be ranked based on score. Judge Emmett agreed.

Paula Dowell said in general, TxDOT would need a very strong case to drop pieces of the existing freight network, and in the interests of time required for necessary outreach, it might be more efficient to leave them in.

Judge Emmett suggested leaving the pieces of the existing freight network in place but showing the actual scoring, so people will know where they fall.

Ms. Dowell then asked if the TxFAC was OK with adding corridors, and Judge Emmett said yes.

Bruce Mann asked if the top 3 or top 4 scoring ranges would constitute the network. Ms. Dowell replied the top 4 – Scenario 2.

Ms. Dowell moved on to discuss the Critical Urban Freight Corridors. She displayed a map of the top 3 scoring categories compared to MPO-identified critical urban miles.

Martin Molloy stated the DFW area was given a budget of slightly over 100 miles, and the MPO submitted 102 miles, but only 93 miles were actually included. They lost about 10 miles. Ms. Dowell said the team had confirmed the corridor selection with the MPO but they will check with them again.

Rolando Ortiz noted that miles were displayed on the map, but he would like to see the scores. Paula stated that the table was based on designations from urban area MPOs and they did not use the point system. Rolando Ortiz also noted that Laredo did not have CUFCs on the map. Ms. Dowell responded that this is only showing the MPOs above 500,000 people who were in

charge of identifying the CUFCs. There is still a portion of miles left (23%) for TxDOT to designate. This CUFC map is just informational and there is nothing to decide here.

Judge Emmett added the interstates are not included because they are automatically part of the NHFN.

The discussion then moved to the identification of critical rural freight corridors.

Paula Dowell reiterated that TxDOT takes the lead on designating Critical Rural Freight Corridors (CRFC). The team identified 2,200 candidate miles, but TxDOT can only designate 745 miles. There are various ways to go about selecting these miles, and Ms. Dowell provided two examples.

- Option 1 took a more regional approach. Corridors were selected in both east and west areas of the state based on score and connectivity to the Primary Highway freight System.
- Option 2 included the top-scoring corridors regardless of where they were located in the state.

Bruce Mann noted each MPO has urban and rural parts. Within the Houston MPO, there were rural sections that were identified as critical, but not whole corridors. If TxDOT takes a whole-corridor approach, they may be ignoring those critical sections.

Caroline Mays stated TxDOT is trying to foster more of a system approach. Urban areas already have urban miles designated; the point of the rural network is to cover rural areas. These critical corridors connect rural areas to the primary network.

Ms. Dowell added that even if these pieces were not part of the critical rural miles, they would be part of the THFN, which is the most important thing.

Bruce Mann argued that these sections might be eligible for more federal funds if they are designated as part of the CRFC.

Caroline Mays clarified that the federal funding does not represent additional money. It is money that was already allocated for freight corridors, and it is a drop in the bucket. Paula Dowell added that FASTLANE grants may be ranked higher for projects on the NHFN, but that has not been decided yet.

Paula Dowell stated the team does not expect the TxFAC to make a decision on one of these options; they just wanted to present two systematic ways to go about the designation process.

Randy Brogoitti noted Option 2 eliminates several corridors that appear in Option 1.

Judge Emmett inquired at what point the TxFAC would actually make decisions. Caroline Mays said the goal is to make decisions today, because the timeline is short.

Judge Emmett stated the committee needs to see the rankings in order to make decisions. Ms. Dowell said all the rural corridors under consideration scored above the average.

Judge Emmett asked if the corridor designated as “1” in Option 1 connects at Ozona; if so, there are many trucks there, it needs to be on the list. Option 2 shows a corridor along the coastline; if we know that I-69 will be designated, it does not make sense to include a parallel route.

Paula Dowell suggested the team could include a qualifier that if a rural corridor is in close proximity to a major freight corridor, it is ranked lower. In addition, TxDOT wanted to take a whole corridor approach, but Bruce Mann raised the idea of looking at separate sections, so that might also be a discussion point.

Caroline Mays stated her recommendation would be deleting corridor “5” on Option 2; but Option 1 does not cover US 87. There is a better geographic distribution in Option 1. She asked if the committee was OK with Option 1, or at least with the idea of taking a more regional approach.

Judge Emmett asked how many miles were covered in Options 1 and 2. Option 1 includes 747 miles; Option 2 is right at 745 miles.

Bruce Mann said since what really matters is the money, so does the Statewide Transportation Improvement Program (STIP) include projects that TxDOT can use freight money to complete?

Caroline Mays said no; money should not dictate the network. It needs to be about which corridors are critical for moving freight.

Bruce Mann reiterated that the committee needs to see the ranking.

Paula Dowell stated that an overall corridor does not have one overall score; each segment is scored, which would be a lot of information to show on a map. However, she understands that that information would be helpful for the committee, so the team will look into a way to provide an average score for a corridor.

Lauren Garduño explained that these networks (the critical urban and rural freight corridors) are created for the purpose of allocating the existing ~\$100 million in federal freight funding, in addition to potential federal grants. However, interstates are already part of the network; a state DOT could easily use \$100 million improving interstates without ever getting to the other corridors.

Rolando Ortiz asked if TxDOT has already assigned funding for 5 or 10 years via the UTP, how does the freight network line up with funded projects?

Ms. Dowell said the team is working on reviewing how well they match.

Mr. Garduño added that one of the criteria necessary for projects to qualify for Category 4 funding under the UTP is they need to be part of the freight network and noted that the freight network is being used as foundation for prioritizing CAT 4 projects.

Commissioner Ryan stated the committee needs more information to make good decisions; the project team needs to lay out the story and supporting data clearly. There seems to be a lot of missing information, or the information is not being presented in a straightforward manner.

Caroline Mays said the team needs at least some preliminary decisions from the TxFAC soon because of the short timeline. The committee can take a week to review, but it cannot wait until the next meeting in July.

Commissioner Vandergriff added the TTC will be voting on the UTP very soon, so they need input quickly. He understands the need for more data, but they need to move on this.

Paula Dowell asked if the team provided TxFAC members with numerical scores and miles for the rural corridors (all 2,200 candidate miles), whether that would be enough for the committee to provide input. She suggested the TxFAC use that data to come up with networks totaling 745 miles, then the team can compile those networks.

Lauren Garduño asked whether adding the 745 miles of rural network knocks something off the urban network, and Ms. Dowell said no.

Rolando Ortiz inquired whether the criteria were the same for the rural as the urban corridors. He saw corridors in Laredo that could benefit from the \$100 million in federal funding that meet all the criteria, but are not part of the suggested networks. Ms. Dowell recommended Mr. Ortiz add them to his map.

Paula Dowell recapped the discussion, stating the committee had decided to keep all of the current THFN plus additional corridors, and now needs to decide on the Critical Rural Freight Corridors.

6. Working Lunch

Paul Treangen, CEO of TNW Corporation and President of the Texas Short Line and Regional Railroad Association delivered a presentation on short line (Class 3) railroads. Short lines connect rural areas to Class 1 railroads, mainly via tracks that were once branch lines of larger railroads. They bring jobs, economic development and access to major markets. Texas has 43 short line railroads; they help reduce the amount of highway infrastructure needed and heavy trucks on the road. Recent TxDOT studies have confirmed the benefits of short line railroads and the need for financial assistance programs. Right now, there are very few grant, loan or tax credit options for short line railroads in Texas.

Jeffrey Van Schaick of Genesee & Wyoming (GWRR) discussed some of his company's recent short line projects. Safety is always the highest priority. GWRR oversees 11 railroads in North America, but each rail company has to stand financially on its own. Most lines are run on inherited "legacy" infrastructure that is not up to date. He discussed a recent public-private project called ConnectOregon which re-configured tracking through the Rainier, OR city center. Another joint project in Aberdeen, WA replaced three crossings to better separate train and car

travel near a busy shopping center. In Iowa, a government program helped provide funds to rebuild highway/railroad crossings.

Mr. Van Schaick stated House Bill 3566 was introduced in 2017 by Rep. Trent Ashby, which would provide a Texas state tax credit for short line railroad expenditures. The railroads feel it is important to start the discussion, since many state employees/legislators are not familiar with short lines.

Judge Emmett stated unless someone funds TxDOT so they can fund rail projects, the TxFAC is limited to considering rail interaction with other modes. As far as short lines, it would be helpful to have more information on what they are, what they carry, etc. He asked if there are any rail-banked lines in Texas; Mr. Van Schaick said no. There are some out-of-service lines, but not banked.

Peter Smith noted TxDOT does participate in funding for grade separations and other safety projects.

Paul Treangen stated he left some informational materials for the TxFAC to review. He invited attendees to approach him for more information, tours, etc.

Caroline Mays said she has spent a good amount of time lately with short line railroads. TxDOT needs to know more about the challenges and key opportunities for short lines and asked whether there were any key opportunities to be explored that could be included in the TFMP update.

Brenda Mainwaring noted the speakers did not say much about interaction with Class 1 railroads. Paul Treangen stated the short line railroads would not go anywhere without the Class 1s. There is some information in the packet about initiatives the short lines want to explore.

Caroline Mays said TxDOT needs to know more about specific, tangible projects. Paul Treangen replied that right now, the short lines need a framework around how to develop and fund projects in Texas. For example, in Iowa, rail lines can apply for Revitalize Iowa's Sound Economy (RISE) funds for specific improvements. We need a similar mechanism in Texas. We are constantly evaluating projects and it depends on what the customers want. If we have funds and it makes sense then we will do the project. Mr. Van Schaick agreed that the short line railroads could do better at identifying specific projects, but it can be difficult because short lines are not whole corridors – they feed into other networks.

Kenny Day of GWRR said he could provide a long list of projects. There are many corridor opportunities – abandoned lines, things that could relieve congestion on Class 1s, etc. He was approached recently by a county interested in reinstating rail, because economic development stagnated since rail was abandoned. If corridors for freight and passenger rail are preserved, highway expansion costs may be avoided.

Judge Emmett inquired how many Rural Rail Transportation Districts (RRTDs) in Texas currently have short lines, and how many still mainly exist on paper. RRTDs create economic development opportunities.

Jay Knight, Liberty County Judge, discussed his region and a planned transportation project. Liberty County (northeast of Houston) is mostly agricultural, but it is changing. There is a rail line running through the county that was founded in 1917 and is still in use; there is also a large rail yard that could be better utilized. Liberty County would like to relocate the rail line outside of Dayton, where today it passes through town largely at grade. Overpasses would be necessary, and it would need to be coordinated with the Grand Parkway project. The project would be a boon for economic development, but the county needs funding to make it happen.

Tyson Moeller of UP explained why the project is a P3 opportunity. Currently there is a 10-degree curve, and trains can back up traffic for a mile or so. UP is looking at a new design for that area that would work operationally. There is a good opportunity for grade separation.

Judge Emmett said he wanted to give Liberty County a chance to present because the committee will start looking at freight improvements and needs to be aware of these types of projects. There are probably many more out there. TxDOT should start compiling a project list.

Caroline Mays said that process has already started, so the projects can be included in the plan update – they do not need to wait until next year. TxDOT is planning more stakeholder workshops in June.

Marcus Goering of CMC Railroad noted grade separation projects are especially important because of all the resin movement occurring in the area. All that traffic is going over US 90 at grade right now, and volumes will continue to grow.

7. Ports, Waterways, Air and Pipelines

Roger Guenther began a discussion on ports by noting that their collective impact on the state economy is tremendous. Ports need many improvements to stay competitive. On the waterside, federal support is needed to allow waterways to handle traffic. On the landside, the State of Texas has the authority and experience to maintain competitiveness, meet demand, etc. Moving goods efficiently is the main thing. The Port of Houston handled 2.2 million TEUs this year, which will likely increase, and we have to figure out how to handle that. It requires all modes of transportation: rail, barge, truck, etc. We need to find ways to use technology to improve efficiency; it would help to incentivize people to use the freight network during off-hours. There is a lot of infrastructure that is unused during off-peak times.

Jennifer Stastny from the Port of Victoria/Texas Ports Association emphasized the importance of connectivity. Bringing materials to port is not very useful if those materials cannot be delivered to the end users. Ports need to look at statewide distribution; rail is critical.

Judge Emmett stated he did not want to let a meeting go by without mentioning the Gulf Intracoastal Waterway. It is very useful in shipping energy products before pipelines are built.

Dan Harmon, director of TxDOT Maritime, discussed the TxDOT Port Connectivity Study. The purpose is to identify port connectivity projects, but the roadway projects need to be on public roadways, which rules out any “inside the gate” projects. TxDOT looked closely at the first mile/last mile from the gate to the primary freight network. Projects need to be compatible with the UTP. TxDOT should have enough information to include recommendations in the TFMP by this summer.

Brenda Mainwaring asked where TxDOT got its rail connectivity information; Mr. Harmon said it came from the ports. This study is road-focused since most of the state funding can only be used for roads, although TxDOT is looking for projects, which might have rail benefits as well. Ms. Mainwaring recommended TxDOT talk directly with the railroads so they can provide input firsthand, and to make sure the projects are reasonable, feasible, etc. Paul Cristina echoed that the railroads need to be asked whether the road projects would have a rail benefit. Tyson Moeller said the conversation can be with both ports and railroads – it does not have to be one-on-one. Caroline Mays suggested having an off line conversation with the railroads and ports. Mr. Harmon agreed to reach out to the railroads about providing input.

Joe Bryan began discussing freight modal updates within the TFMP, starting with ports and waterways. Texas has the largest port system in the gulf and handles about 20 percent of national waterborne trade annually. Mr. Bryan provided information on key trends and market areas. The U.S. is now the largest producer of petroleum; energy-related freight has been a major growth area for ports. Houston, Corpus Christi and Beaumont have seen the most growth. There are many demands on Texas ports, and they all need money for improvements. The reason the ports need investment, however, is growth, which is a positive thing.

Judge Ford asked if the decline in imports is offset by exports. Mr. Bryan said yes; on net, it is probably close to zero.

Kim Sachtleben provided air cargo modal updates. Texas has one of the largest state airport systems in the U.S., including 24 commercial service airports. Six Texas airports rank within the top 50 cargo airports in the nation. The team is proposing to add Laredo to the TFMP list of top airports, because it ranks 52nd, and volumes are growing. Private investment supports maintenance of airport assets; TxDOT is interested in first-mile/last-mile connectivity and congestion around airport facilities in urban areas.

Paula Dowell said the project team is updating the modal profiles because TxDOT is getting new commodity flow data; it has been delayed, but should be available soon. TxDOT wants to know if there are any additional needs, or projects that have already been completed, etc. She provided an overview of the pipeline modal profile update. Texas has the most extensive pipeline network in the country. IEM, an emergency management company, is developing a hazmat model for Texas. Some pipeline challenges include capacity constraints, aging infrastructure, access in congested urban areas, and public opposition to new pipelines.

Gerry Schwebel asked if new refineries come to the governor’s office to talk about key issues. Bryan Daniel said some do, but not all. It is not required.

Judge Emmett stated pipelines could negate the need for other improvements. He also asked about container balance in Houston. Are there enough empty containers to ship all the resin?

Roger Guenther replied that the Port of Houston has been export-heavy for years, but is now about 50/50 between exports and imports. Interests that do not want cargo to go to Houston may say that there are not enough empty containers. They have imported empties in past, but are now more balanced than they have ever been.

8. Critical Rural Freight Corridors

Judge Emmett said the TxFAC could not complete the rural corridor designation today because they need to see the scores. The decision needs a human factor too; that is why TxDOT needs input from committee members.

Roger Guenther asked about a corridor in Houston, US 88, which scored highly. In his experience it is congested, but not because of trucks.

Clark Greer noted trucks travel outside of peak hours; if Mr. Guenther travels during normal rush hour, he might miss freight traffic.

Judge Emmett said the critical rural miles would be a homework assignment. He asked TxDOT how soon the scores could be sent out. Ms. Mays said the scores for the 2,200 candidate miles would be sent as soon as possible. Judge Emmett asked that a narrative be sent along with the candidate miles.

Pete Alvarez, Laredo District Engineer, noted US 83 along the Rio Grande is part of Ports to Plains and is used by Eagle Ford Shale companies to get to I-35. It is an important piece of the freight network.

Judge Emmett said the committee would vote by email. He also asked whether some of the longer corridors could be broken up into segments.

Will Walter said TxDOT's goal was to connect major primary corridors but we can do it if directed.

Judge Emmett said he would talk with the project team and decide on a specific assignment and timeline from committee members.

Gerry Schwebel asked if TxDOT District Engineers would be aware of this process. Ms. Mays said yes, the information would be shared with them.

Judge Emmett said he was troubled by the significant differences between Options 1 and 2 – there are only a couple of corridors that are the same between them. Are these corridors important or not? TxDOT is asking TxFAC members to put together thoughts on what the 745 miles of CRFC should be from the 2,200 miles. Mr. Walter noted that the scores were close and the reason some longer corridors in Option 2 were not shown in Option 1 was that the miles had to be dispersed regionally. So the top scoring corridors in the west were chosen even if they

had a lower score than a corridor in the east. This also had an impact on the number of miles available for corridors in the east, leading to a higher scoring corridor not being selected because there were not enough miles.

9. Preliminary Freight Plan Projects

Judge Emmett noted he was wearing a purple ribbon for Older Americans Month. For the benefit of new members, he asked the project team to discuss the project selection process. Kim Sachtleben provided a caveat that the project list has not been finalized because the network is not complete. TxDOT needs to develop a fiscally constrained 5-year implementation plan for projects under the FAST Act. The UTP includes all planned TxDOT projects. The team is asking the TxFAC to review that list of projects, determine if the projects are still valid and make sure they identify any needs that are not being addressed.

Drew Crutcher asked where the committee could access the project list. Ms. Mays said it could be accessed via a web link. It is a PDF file, 74 pages long.

Gerry Schwebel asked TxDOT to make sure the MPOs have the list. Ms. Mays stated they should already have the list of projects; they were the ones who developed them.

Ms. Sachtleben said the project team would be going through the list in detail to make sure the project numbers match up, etc.

Paula Dowell added the team would review the projects to make sure they have a true freight benefit. Just because projects are on the THFN does not necessarily mean they will improve freight flows. It is about quality of projects, not quantity.

Judge Emmett asked whether \$16.09 billion total in highway projects was correct, when it was listed elsewhere as \$16.7 billion. Kim Sachtleben replied that \$16.09 billion is correct but noted that the number is still preliminary and will change.

Caroline Mays asked the committee to weigh in on projects that are yet not in the UTP or in MPO plans. The projects in the UTP are not the only needs. How should those other projects be included in the TFMP?

Roger Guenther provided the example of direct connectors; they are not part of the UTP. Can those still be included in the TFMP? Ms. Mays said yes; the 5-year plan is fiscally constrained, but other projects can go into the longer-term “aspirational” plan. Paula Dowell also noted the importance of kick-starting potential projects into the development phase.

Peter Smith explained that the UTP is not a guarantee of funds; it is just a plan. TxDOT tries to get as many projects as possible into the funnel, and then they are ranked. However, until projects are in the STIP, they are not officially funded. Inclusion in the UTP allows TxDOT to put projects into the development pipeline.

Kim Sachtleben stated for other modes, the team looked at refreshing the projects from the current TFMP. She discussed air cargo projects including first-mile/last-mile connections and

highway projects near airports. The team is conducting a survey of major cargo airports to capture ongoing or planned projects.

Paula Dowell discussed rail projects. The team will be reviewing and vetting projects from the current plan, along with input from the railroads.

Judge Emmett asked whether this would be a good point for a rail project like the one in Liberty County to be added to the project list. Ms. Dowell said yes.

Paul Cristina asked about the deadline for projects to be included in the TFMP update. Caroline Mays said TxDOT needs input by June 29, when the last workshop will be held; then all input will be combined into the plan.

Mr. Cristina said BNSF would vet the list internally, look at needs and coordinate with MPOs to make sure the source of the project is a public entity.

Brenda Mainwaring said the railroad project list will not look like it does now. We do not know where many of these projects came from. The railroads need to help manage the list to make sure there are not a lot of fanciful projects.

Paula Dowell confirmed there will be a recommendation screening process.

Caroline Mays said the project team intends to have a sit-down meeting with the railroads about the project list following the June workshops. Ms. Mainwaring said that would be helpful.

Ms. Mainwaring added that for TIGER grants, etc., short lines need to have a letter from Class 1s in order for the application to be viable. TxDOT needs to make sure that project champions have a railroad partner before including them in the plan.

Judge Emmett said ExxonMobil is planning a new facility in Corpus Christi, which will need infrastructure. Those projects are not included in any plan. TxFAC members know their areas best; they need to let TxDOT know what should be included.

Gerry Schwebel mentioned an Eagle Pass/Laredo project for double tracking. Ms. Mainwaring said that project had been completed. Many projects on the current list either have been completed or are no longer relevant.

Judge Ford asked if waterways were included with ports in the study; Paula Dowell said yes.

Paula Dowell discussed port and waterway projects, including system capacity/operations, intermodal and rural connectivity, NAFTA and border/ports of entry, and safety/security projects.

Matt Woodruff suggested TxDOT reach out to the Gulf Intracoastal Canal Association as well as Texas waterway operators to provide input.

Ms. Dowell said the next steps in the process include vetting current project lists; developing and refining strategic projects; comparing projects to TFMP goals; and incorporating input from the TxFAC and other stakeholders.

Juan-Carlos Ruck stated the draft project list was not available on the portal. Ms. Mays said TxDOT would fix this so the TxFAC can review.

10. Open Discussion

Judge Emmett stated the committee had probably had as much open discussion as it needed. He noted this is a working committee, so when TxFAC members get an email, they should respond. TxDOT is way ahead of the curve on planning for freight. Even though state legislators pass bills affecting transportation, they do not necessarily know much about it. There are many vacancies for federal transportation administrators; there is a lot of confusion. If TxDOT has projects ready to go, it could be to our benefit.

Caroline Mays stated the next meeting would be on July 20 in Houston; the location is yet to be determined. The meeting will pick up where today's meeting left off, and will include the UTP discussion. The team wants to discuss identifying projects outside of the UTP as well. She advised members to come prepared if they have ideas. TxDOT wants local entities to develop projects with freight in mind.

Ms. Mays also mentioned TxDOT will be going back to the community in June with another round of freight workshops. She asked committee members to reach out to their networks. TxDOT would like to see a better mix of public and private sector stakeholder during this next round.

Judge Emmett said the committee had a good session, and got many things accomplished. He thanked Gerry Schwebel and IBC Bank, for hosting the meeting.

Meeting adjourned 3:10pm