

**Ports-to-Plains Segment #2 Committee
Meeting #4 Summary
May 13, 2020, 8:00 a.m.
WebEx***

**Note: WebEx was required due to COVID-19 shelter in place orders*

Attendees

Segment Committee Member	Organization	Attendance
Guy Andrews	Economic Development Director, City of San Angelo	Present via WebEx
Mayor George Arispe	City of Eldorado	Not Present
Mayor John Baker	City of Tahoka	Present via WebEx
James Beauchamp	President, MOTRAN Alliance, Inc.	Present via WebEx
Brad Bouma	President, Select Milk	Not Present
Judge Mike Braddock	Lynn County	Not Present
Judge Charlie Bradley	Schleicher County	Not Present
Bobby Burns	President and CEO, Midland Chamber of Commerce	Not Present
Kasey Coker	Executive Director, The High Ground of Texas	Not Present
Judge Bryan Cox	Martin County	Not Present
John Esparza	Texas Trucking Association	Present via WebEx
Judge Steve Floyd	Tom Green County Designee: Commissioner	Designee Present via WebEx: Rick Bacon
Donna Garrett	Executive Director, Sonora Chamber of Commerce	Not Present
Mayor Brenda Gunter	San Angelo	Present via WebEx
Judge Kim Halfmann	Glasscock County	Present via WebEx
Judge Debi Hays	Ector County	Not Present
Major Hofheins	Director, San Angelo Metropolitan Planning Organization	Present via WebEx
Judge Deborah Horwood	Sterling County	Not Present
Mayor Lane Horwood	City of Sterling City	Present via WebEx
Judge Terry Johnson	Midland County	Not Present
H. David Jones	Director, Lubbock Metropolitan Planning Organization	Present via WebEx
Emma Kraybill	President, Scenic Mountain Medical Center	Not Present

Segment Committee Member	Organization	Attendance
Michael Looney	San Angelo Chamber of Commerce	Not Present
Eddie McBride	President and CEO, Lubbock Chamber of Commerce	Present via WebEx
Gloria McDonald	City Commissioner, City of Big Spring Designee: Big Spring Economic Development Corporation	Present via WebEx
Karen Mize	President, Lamesa Area Chamber of Commerce	Not Present
Judge Foy O'Brien	Dawson County	Not Present
John Osborne	Chairman, Ports-to-Plains Alliance Designee: Vice President of Membership and Marketing	Present via WebEx
Judge Curtis Parrish	Lubbock County	Present via WebEx
Mayor Patrick Payton	City of Midland	Not Present
Tim Pierce	Executive Director, South Plains Association of Governments	Not Present
Mayor Dan Pope, Ports-to-Plains Advisory Committee Chair	City of Lubbock	Present via WebEx
Stephen Robertson	Executive Vice President, Permian Basin Petroleum Association Designee: Community Relations Coordinator	Present via WebEx
Mayor Wanda Shurley	City of Sonora Designee: City Manager	Designee Present: Arturo Fuentes
Judge Stephen H. Smith, Ports-to-Plains Advisory Committee Vice-Chair	Sutton County	Not Present
Judge Hal Spain	Coke County	Not Present
Mayor Josh Stevens	City of Lamesa	Not Present
John Austin Stokes	Executive Director, Concho Valley Council of Governments	Not Present
Mayor Shannon Thomason	City of Big Spring Designee: Assistant City Manager	Present via WebEx along with John Medina
Fred Thompson	Director, Sterling City Economic Development Corporation	Not Present
Mayor David Turner	City of Odessa Designee: Assistant City Manager	Not Present
Debbye ValVerde	Executive Director, Big Spring Area Chamber of Commerce	Present via WebEx
Steve Verett	Executive Vice President, Plains Cotton Growers, Inc. Designee: Director of Policy Analysis and Research	Not Present

Segment Committee Member	Organization	Attendance
Cameron Walker	Director, Permian Basin Metropolitan Planning Organization	Present via WebEx
Judge Kathryn Wiseman	Howard County	Present via WebEx

Elected Officials

Marshal Hoak State Senator Flores' Office

Texas Department of Transportation (TxDOT)

Caroline Mays	Steve Linhart
Loretta Brown	Commissioner Alvin New
Blake Calvert	Robert Ornelas
Emily Clisby	Sherry Pifer
Gabriel De Ochoa	Gabriel Ramirez
John DeWitt	Jared Shaffer
Kylan Francis	Randee Shields
Lauren Garduno	John Speed
Cliff Hallford	Akila Thamizharasan
Krista Jeacopello	Trent Thomas
Carl Johnson	Steve Warren
Mark Jones	Neil Welch
Julie Jerome	Casey Wells

Consultant Team

Wendy Travis	Garver	Michael Penic	WSP
Leigh Mercer	Garver	Rachel Lunceford	HG Consult
Tracy Michel	Garver	Lena Camarillo	PCI
Sean Wray	Garver	Kari Sutton	PCI
Joe Bryan	WSP	Ray Green	Blanton & Associates
Sophie Cohen	WSP	Robert Ryan	Blanton & Associates

Other Attendees

Paula Dowell	Cambridge Systematics
Dustin Fawcett	MOTRAN
Duffy Hinkle	Ports-to-Plains Alliance
Cheri Huddleston	Hance Scarborough
Joe Kiely	Ports-to-Plains Alliance

Welcome

The Chair of Segment Committee #2 and City of San Angelo Mayor, Brenda Gunter called the meeting to order and took roll call. She thanked everyone for being on the call for the meeting. She

noted there was some terrific information to be presented in today's meeting. She thanked Caroline and the team for getting the information and keeping everyone on task to meet the deadline.

Advisory Committee Chair and City of Lubbock Mayor Dan Pope welcomed Committee Members and said he would like to echo Mayor Gunter's comments. He said there has been sub-committee work done since April that will be talked about today. Leadership of this Segment #2 Committee and the Advisory Committee has met three times. He said they have worked on the economic impact analysis which will be shown in full today. This Segment Committee has one more meeting after today, and there will be some sub-committee work that will need to happen before presenting to the governor and legislature at the end of the year. He noted even in the situation we have found ourselves in today, there is no less compelling argument that in Texas 2045 or 2050, it is going to be essential that we have a north-south interstate. Not only will it serve the western part of the state with agriculture and energy products, but it will serve the U.S. and Canada. The outcome of this pandemic has shown that supply chains will change, and an extension of the Ports-to-Plains corridor will be necessary.

Meeting Recap

Caroline Mays TxDOT Director of Freight, Trade, and Connectivity provided a recap of the April 2, 2020 meeting.

Economic Analysis

Joe Bryan with the consultant team provided the Committee with the economic analysis. He started with the background and objectives, including the HB 1079 requirements. He explained the economic model that was used to determine travel time changes, market access, and new development.

Based on the travel time analysis, an interstate would save 89 minutes in travel time along the entire corridor. Within Segment #2, an interstate would save 26 minutes in travel time from end-to-end. With additional savings in travel buffer time (the time drivers add to their journey to ensure a punctual arrival), a travel cost savings of approximately \$1.4 billion in Segment #2 is anticipated.

Based on the safety analysis, an interstate is anticipated to improve safety and reduce crash rates. These safety improvements are equivalent to approximately \$457 million in savings per year.

With the interstate option, trucks will be able to access major international gateways more quickly, commuters save time, and allow for better job opportunities. Warehouse and distribution sector development is driven by access to interstate highways. The interstate would enhance access to markets for businesses.

Mr. Bryan said the interstate would attract new business, particularly within the food and agriculture, energy and extraction, and warehousing and distribution industries. Return on investment was studied as impacts and improvements will extend beyond the 2050 horizon year. A net return on investment of approximately \$17.8 billion or 76% return is expected statewide. He also explained the benefit/cost ratio would be 2.8 with a net present value of approximately \$49.4 billion.

In Segment #2, there would be projected economic gains of nearly 7,280 jobs and approximately \$0.9 billion in annual Gross Domestic Product. Mr. Bryan ended the presentation by saying that across the state and country, Americans have learned what supply chains are and how important they are due to the COVID-19 pandemic. Food production and transportation is critical, and this project is talking about ways to protect it and help it grow. Within sourcing and distribution sectors, it is likely trade will be domestic and continental, meaning Mexico. The US-Mexico-Canada Agreement could not have come at a better time. They are looking for opportunity.

John Osborne, Ports-to-Plains Alliance commented the information was great and thorough, but the population numbers do not seem to pass the sniff test. He said it surprised him knowing that an interstate will bring a lot of commerce and warehouse generation which brings retail and manufacturing. That leads to population growth.

Mr. Bryan responded there is already strong population growth in the area. A factor that does not show up is automation and there is an effect but may get more businesses but less jobs per dollar.

Mr. Osborne said with the COVID-19 pandemic, there has been a shift in thinking about being in rural areas versus urban areas. We may see a more significant shift to west and south Texas to where this corridor is being developed and having an interstate with other influences may drive more population.

Mayor Gunter commented those are assumptions, but the reality is to look at the cost benefit ratios. 2.8 is a good one, even if it is conservative, is that not a strong enough number to sell the story for the need to be developed? Because that is what we want to do.

James Beauchamp, MOTRAN, asked if there was a breakout of data by county.

Mr. Bryan said there's no specific county data, but most of the numbers have been run as groups for the segments and the corridor. There are benefits to surrounding counties due to an interstate, as it serves a region, not a town.

Ms. Mays commented the baseline for counties have been used throughout the study. The benefits exceed just the corridor county due to the ability to get product to market. It is a regional approach, not a county approach.

Commissioner New commented the process is being done consistently with the way corridors are looked at all over Texas. We must have a consistent process.

Howard County Judge Kathryn Wiseman asked if the 2050 projections were included because the project would not be complete by 2050.

Ms. Mays said yes, a corridor of this size would take 25-plus years to complete.

Commissioner New said it will become clear when other segments are shown, especially Del Rio to Sonora as terrain is an issue and will be time consuming. There will be certain segments that will be

brought forward quicker, but it is still a 25-plus year process due to budget, right-of-way, and environmental impacts, among others.

Members were asked two Mentimeter questions:

Mentimeter Question #1: What future trends may impact the economic profile of this corridor in the future?

There were 26 responses. The number of responses is in parenthesis. They are summarized as: *increased oil/gas activity (5), increased international trade (3), increased population (3), more people moving from urban areas (2), safer roads and impacts (2), increased connectivity (2), sales tax income (2), warehousing and manufacturing growth (2), need for more distribution centers, need for more port-of-entries, increased connectivity to routes outside the corridor, legislative votes due to increased population, increased need for truck parking, changes in global supply chains, changes in transportation planning, and food and energy needs.*

Mentimeter Question #2: How does increased connectivity of the interstate factor into any changes?

There were 15 responses. The number of responses is in parenthesis. They are summarized as: *improves economic opportunities (3), increase in population (2), more jobs (2), increased connectivity (2), freight cost impact, increased connectivity, traffic safety improvements, increase in travel and tourism, and increased traffic.,.*

Revised Cost Estimates

Rachel Lunceford, a member of the consultant team, reminded the Committee that although cost estimates were provided at the last Segment Committee meeting, they were updated based on having frontage roads in some rural locations. The revised estimate for Segment #2 is \$12.048 billion and assumes 236 miles out of 351 miles will have frontage roads. The entire corridor estimated cost for frontage roads in 533 miles out of 718 miles is \$23.516 billion.

Mayor Gunter commented this was a large increase from the last study of \$8 billion.

Ms. Mays said it was more realistic.

Mayor Gunter agreed, and said it was what they needed to see.

Mr. Osborne thanked TxDOT for the process and effort of getting the cost estimates. He said he feels very good about the numbers.

Prioritization of Recommendations

Ms. Mays reviewed the Segment #2 Committee's recommendations that were presented at the April Segment #2 Committee meeting. Committee members were asked to prioritize these recommendations via a survey prior to today's meeting. She then reviewed the results of the survey.

Mayor Gunter commented the TxDOT District Engineers' input would be key to identifying if the prioritizations were realistic.

The Committee decided it would be best to consult with the District Engineers and sub-committee and determine the final prioritizations.

After discussion of the priorities, two Mentimeter questions were asked.

Mentimeter Question #3: Do you agree with the Committee's short-term priority rankings? Are there any you would consider moving to mid-term or long-term priorities?

No responses.

Mentimeter Question #4: Do you agree with the Committee's mid-term priority rankings? Are there any you would consider moving to short-term or long-term priorities?

No responses.

Review and Discussion of Report Chapters 5, 6, and Executive Summary

Ms. Mays asked for any comments on draft Chapters 5 (Public Involvement and Stakeholder Engagement), Chapter 6 (Segment Committee Recommendations and Implementation), and the Executive Summary outline.

Comments on Chapters 5, 6, and Executive Summary from Segment #3 Meeting

Comment	Commenter
Chapter 5 Comments	
None	-
Chapter 6 Comments	
Include benefits to the rest of Texas	John Osborne
The chapter should highlight positive safety and economic impacts	Mayor Gunter
For energy development – this is the heart of oil and cotton – food, fuel, and fiber.	Mayor Gunter
Relieves traffic from Laredo, helps with national security	Mayor Gunter
Executive Summary	
None	-

Next Steps

The draft report will be sent to the Committee for review on Tuesday, May 19th. Comments are due Tuesday, May 26th.

The draft final report will be sent to the Committee for review by Thursday, June 4th, with a final Segment Committee Meeting on Wednesday, June 10, via WebEx for a final page-turn.

Mayor Gunter said she was pleased with the strong numbers and the next part is significant to put the plan together. She thanked everyone for their time and input. She commented this is hopefully the message that we believe in and let's start the project.

Mayor Pope commented we are getting close in terms of the Segment Committee Report and the next six weeks are the most important work to get to the Advisory Committee. This is a compelling case for a north/south interstate that will serve the western two-thirds of the state and beyond. He said there was work to be done and he'd look forward to working with everyone again.

The meeting adjourned at 11:32 a.m.

Action Items:

- Mayor Gunter and Judge Parrish will talk to the sub-committee and Lubbock, Odessa, Abilene, and San Angelo Districts about priorities
- TxDOT will send the draft report on May 19, 2020
- Committee members will send all written comments to TxDOT by May 26, 2020
- TxDOT will send the revised final draft report by Thursday, June 4, 2020
- The next Segment Committee Meeting will be held on Wednesday, June 10, 2020