



## Dallas Regional Mobility Coalition Minutes of Meeting October 7, 2011

The Dallas Regional Mobility Coalition Board of Directors met on Friday, October 7, 2011 at the call of Chair Rob Franke. The Board met in the NTTA Offices, 5900 West Plano Parkway. The meeting commenced at 11:10 a.m.

### Treasurer's Report

The Treasurer's Report for September 2011 was accepted as presented.

### Chair's Report

Chair Rob Franke recognized former Board Member Ron Natinsky, Dallas City Council Member for his many years of service to DRMC. Mr. Natinsky was presented a commemorative obelisk on behalf of DRMC.

The keynote presentation was to be made by State Senator Tommy Williams, Chairman of the Senate Transportation and Homeland Security Committee. Senator Williams had a 10:30 departure from Houston Intercontinental Airport on Continental Airlines. The aircraft developed mechanical problems and had to return to Houston where it was towed to the gate due to a lack of steering. Senator Williams' Committee Director had arrived in Dallas and was en route to the meeting. As a result, other Agenda items were considered first.

### Federal View

There are three fundamental pieces of legislation pending in 112<sup>th</sup> Congress that affect transportation. First, is the Surface Transportation Program which has been extended. Second, is the Continuing Resolution that funds the U.S. Department of Transportation. Third, is the Appropriation Bills for Fiscal Year 2011-2012.

A copy of the *Congressional Record* (CR H6106; Sept. 13, 2011; pg. 1) is provided. The *Congressional Record* excerpt relates to "Floor Comments" during the passage of HR 2887 by Mica. HR 2887 is the eighth extension of the Surface Transportation Program (SAFETEA-LU; Public Law 109-59) and extends the Program until March 31, 2012. The Federal Aviation Administration (FAA) is extended until January 31, 2012. (pg. 7)

HR 2887 is a "clean extension" avoiding the FAA labor issues encountered by Congress during summer recess. FAA receives its 22<sup>nd</sup> extension.

Although HR 2887 is ultimately passed with a Rules Suspension (requires two-thirds vote) by voice vote, there is a sharp exchange between Chairman Mica and Ranking Member Rahall in the *Congressional Record*. (pg. 14)

The partisan debate is expected to continue with all three substantive pieces of legislation. One emerging area of consensus, even with the President's Jobs Act, is the investment needed in transportation infrastructure. Twenty CEO's of the nation's leading companies authored a joint letter to Congress dated September 21, 2011 calling on Congress to reach a consensus on funding transportation infrastructure. Some of the company signatures included: BNSF, Caterpillar, Corning, Honeywell, Kiewit, Dow Chemical and UPS among others. (pg. 15).

The House and the Senate have now passed separate Appropriation Bills. The House Appropriation for Transportation, Housing and Urban Development shows a significant funding reduction for the Department of Transportation. FHWA funding is reduced from \$41.8 billion in FY 2011 to \$27.7 billion. A reduction of \$14.1 billion. Likewise, Federal Transit Administration Formula and Bus Grant funding is reduced from the FY 2011 \$8.3 billion amount to \$5.2 billion. (pg. 21).

The Senate Appropriation Committee continued FHWA funding at their FY 2011 levels or \$41.1 billion. The full Committee also added back \$100 million for High-Speed Rail (HSR) and \$550 million for TIGER grants, both of which were zeroed out of the House Appropriations Bill. (pg. 30).

The Senate Bill will deplete the Highway Trust Fund and requires \$12 billion in general revenue supplementation to be feasible.

The President and his Jobs Act proposed a National Infrastructure Bank. His proposal was similar to one previously offered by Senator John Kerry (D-MA.) and Senator Hutchison (R-TX.) called the BUILD Act. (S. 652). The infrastructure bank would be funded with \$10 billion to create additional leveraging.

Chairman Mica is opposed to a National Infrastructure Bank primarily due to its funding requirement. The states currently have 33 State Infrastructure Banks that are functioning. Mica would propose strengthening the TIFIA program instead. (pg. 36).

One Congressional response to a lack of consensus regarding reauthorization of the Surface Transportation Program has been to allow states to opt out of the Federal Aid Highway Program. U.S. Rep. Lankford filed HR 1585 (pg. 40) which will allow states to opt out and receive allocations based on their federal motor fuel collections from the Highway Trust Fund in lieu of participating in the Federal Aid Highway Program. The states would have to agree to assume all maintenance on the federal highway system within the state.

A similar Bill (S1446; pg. 53) has been filed in the Senate by Senator Coburn (R-OK) (Texas Senator John Cornyn is a co-sponsor). Although the opt-out federal provision for the motor fuel tax and direct allocation to the participating states is unlikely to become law, it does point out the wide division in Congress concerning transportation reauthorization.

### Keynote

At this time, the Agenda is suspended due to the arrival of Ryan LaRue, Director of the Senate Transportation Homeland Security Committee. Dallas District TxDOT Chief Engineer Bill Hale is recognized to discuss options provided to TxDOT by the 82<sup>nd</sup> Session of the Legislature. Senate Bill 1420 authorized several comprehensive development agreements (CDA) projects statewide. In the Dallas area that included IH-35E and State Highway 183.

In June of 2011, a Request For Information (RFI) was issued for IH-35E. Eleven responses were received. Each respondent was separately interviewed by the I-35E Stakeholder Committee. The Senate Bill 1420 Committee which must issue a report prior to the issuance of Request For Qualifications (RFQ) will be formed in November 2011.

State Highway 183 (SH 183) is phased approximately ninety days behind I-35E. That will allow "lessons learned" from I-35E to be incorporated as well as give respondents time to participate in the SH 183 RFI.

Michael Morris, Transportation Director NCTCOG spoke to the regional approach taken to Proposition 12 funding. At this time last year, there were no Proposition 12 funds available. The region has moved forward expeditiously and will have all of the approved projects under construction in two years.

Prior to the session, TxDOT announced \$436 million was available for the initial segment of SH 99 (Grand Parkway) in Houston. Recognizing the importance of this project, the region did not complain and was awarded a disproportionate amount of the Proposition 12 funding of approximately \$856 million. \$753 million will be spent in the eastern sub-region to address the traditional east/west split.

Morris then noted several significant occurrences from the 82<sup>nd</sup> Session. First, the new Chairman of the Senate Transportation Committee took time after his initial appointment to meet with leaders of the region. Second, the Senate Committee asked for and received testimony from the region regarding several policy issues. Third, the Committee recommended language in SB 1420 providing formula allocation of funds, as opposed to discretionary spending. Fourth, it crafted the expenditure schedule for the Proposition 12 revenues which were included in the Budget (HB 1). Fifth, the Conference Committee for HB 1 maintained the Proposition 12 language in the Budget.

The Horseshoe Bridge renovation is an innovative approach by COG. There are eight separate funding sources that are being used to advance the project. At the American Public Transportation Association annual meeting in New Orleans, DTCA had on display their new A-train car built by Stadler. Morris states that the A-train vehicle will change the way commuter railcars are developed in the United States.

Senator Williams was unable to reschedule the flight due to his Continental mechanical problems. Ryan LaRue, Director of the Senate Transportation and Homeland Security Committee, makes the Senator's presentation. The Proposition 12 issuance of \$3 billion in bonds was important to continue funding transportation projects in the State of Texas during the ensuing biennium. The Proposition 12 funds are most likely the last bond issuance by TxDOT until the existing debt levels are reduced by debt payments or redemptions.

In a recent poll related to the sustainable sources for transportation, 61% of those polled opposed a 10¢ increase in the gas tax. Interestingly, 74% opposed a 5¢ increase in the gas tax. An increase in the vehicle registration fee from \$60 to \$90 was opposed by 66%. The increase of \$30 for the vehicle registration fee would raise approximately \$747 million statewide. The 82<sup>nd</sup> Legislature had little appetite for any tax increases. The 83<sup>rd</sup> Legislature will likely have the same ideological opposition. The \$747 million annual revenue stream would sustain \$9.95 billion in revenue bonds.

One of the most frequent complaints to the Senator was the waiting time to renew your Texas Driver's License (TDL) at the Department of Motor Vehicles. Williams proposed a \$6 TDL increase for license renewal fees to be implemented over a 4-year period to provide additional funds for DMV staffing to reduce the wait time to 30 minutes. Even this fee increase to address a very unpopular circumstance of waiting time in the DMV offices was unsuccessful. To address the issue a Floor Amendment was used since the stand-alone bill stalled in the House.

To address transportation funding in the 83<sup>rd</sup> legislative session a consensus among the interests groups must be arrived at. Even with a consensus formed, to be effective the polling numbers need to be impacted to reduce the high negative levels of opposition.

It is noted that 22% of all vehicles in Dallas County are not registered. If the vehicle registration fee is increased, the added cost could cause the unregistered numbers to go even higher.

The TLOTA proposal two years ago had a list of potential fees that were based on local option selections. The measure was passed by the Senate. Senator Williams voted aye even though he thought that the options were disconnected from the project selection. TLOTA floundered in the House because of the large number of options. There was at least one fee included in the list that everyone could hate. As a result the House failed to consider the issue.

The Interim Charges for the Senate will be released sometime in January 2013. Charges are being considered by the Lieutenant Governor along with the Interim Charges that DRMC and TAOT has submitted.

Part of the difficulty in developing legislative consensus with the public on the need for increased and sustainable funding is that the cannot associate the funding increase with specific projects or defined improvements. A 5¢ increase in the gas tax does not translate into the specific improvements in a metropolitan area where the voter resides. The polling numbers change when the increase is linked to a particular project and the duration of the tax is stated.

Past federal gasoline tax increases have been tied to deficit and debt reduction. One of our suggestions is to incrementally increase the gasoline tax for a period of five years and use the revenue produced to reduce the Proposition 14 debt levels of Fund 6.

There are other interested statewide groups that could assist with transportation issues such as the realtors and freight brokers. Any proposal should identify specific projects that will be targeted with the funding.

M. Morris believes that for any fee or revenue increases to be successful, leadership by the Governor and Lieutenant Governor will be required. Why would a House member take a

difficult vote on increasing the gas tax if the Governor had already stated that any gas tax increase would be vetoed?

### Agency Reports

*DART.* The High Occupancy Vehicle lanes (HOV) will be closed on IH-635 due to the LBJ Express construction. Due to special events HOV lanes have handled approximately 100,000 vehicles a day.

*DCTA.* The Stadler railcar was viewed at the APTA convention in New Orleans which had 17,000 in attendance. Discussions were conducted regarding manufacture of the railcar in the U.S. DCTA has shown a 40% increase in ridership since service was initiated.

*RTC.* The Phase I Cotton Belt Report has been released. Other information concerning the Region is in their monthly publication.

*TxDOT.* Bill Hale reports on TxDOT emergency response teams that were pressed into service statewide during the recent outbreak of wildfires.

*NTTA.* Ken Barr presided over his first meeting as Chair. The Eastern George Bush Tollway extension will be completed this year. The NTTA Audit required by the four founding counties will be reported to NTTA October 18, 2011.

### Congestion.

There were three reports released last month concerning congestion and its consequences. IBM released its "*Fourth Annual Commuter Pain Survey*" which is a global review of traffic congestion. The world's longest traffic delays are in Mexico City and Moscow and last approximately two hours. Average one-way length of the commute is 12.8 miles nationwide with a delay of approximately 33 minutes. (pg. 69).

The Texas Transportation Institute (TTI) also released its "*2011 Urban Mobility Report*." This year's study incorporates both traffic volume and traffic speed data into its findings. The aggregate data finds that congestion costs are increasing. In calendar year 2010 the cost of congestion was \$101 billion nationally.

That cost includes over 1.9 billion gallons of wasted fuel – which is about two months of unimpeded flow in the Alaska Petroleum Pipeline. 4.8 million hours of extra time are lost which is the average time all Americans spend relaxing over a 10 week period. Congestion also delayed truck operations and added an additional \$23 billion in costs. (pg. 79).

Of the major metropolitan areas, Dallas ranked sixth in worst delay behind Chicago, Los Angeles, New York, Houston and Washington, D.C.

The U.S. Census Bureau also released a report in September "*Commuting in the United States 2009*." The Household Survey Data collected revealed three-fourths of the nation's workers still drive alone to work which takes an average of 25 minutes. Suburban drivers used a single occupancy vehicle 81.5% of the time. Only 5% of workers commuted using public transportation. (pg. 130).

### **Rail.**

Eight cities were the recipient of \$19.4 million in Federal Rail Relocation and Improvement grants. The grants went to projects ranging from the port of San Francisco to rail relocations in Springfield, Missouri. (pg. 147).

The American Public Transportation Association (APTA) released a 2011 survey on the *Impacts of the Recession on Public Transportation*. The findings included: 71% of the public transportation agencies saw flat or decreased local funding; 85% decreased their capital spending, 8 in 10 of the transit agencies either cut service, raised fares or both. (pg. 149).

Fare box recovery is becoming the subject of national debate. One commentator's suggestion was to maintain routes that break even or profit including routes that are feeders to the core routes. Those routes that lose money known as "circulation" or "equity routes" should be scrutinized for elimination. (pg. 161).

In London, fare box recovery has entered the Mayor's race. Candidate Ken Livingstone announced he would drop fares by 5%, but the rate's methodology will include indexing fares to the retail price index plus 2%. In London, fares recovered in 2006 were 43.6%, but now recover 53.7% of operational cost. (pg. 164).

### **Freight.**

The EPA has announced new fuel standards for heavy duty trucks. The standards include a 20% reduction in fuel consumption by 2018 and a 15% reduction for pickup trucks and vans. U.S. petroleum imports accounts for 60% of U.S. consumption. Transportation use accounts for 77% of all domestic oil used. (pg. 170).

The American Transportation Research Institute has released the "*Congestion Freight Monitor Study for 2010.*" In the first 15 most congested freight locations nationwide, Texas registered seven of the locations. (pg. 181).

A feasibility study for truck lanes conducted by Illinois, Indiana and Ohio on Interstate 70 has been completed. The study warranted a dedicated truck lane based on the truck volume. Tolling would probably cover 45-75% of the costs. (pg. 190).

### **State Developments.**

Senior legislative leadership has been impacted by the announcement of several State Senators who will not seek reelection: (i) Senator Shapiro, Public Education; (ii) Senator Harris, Jurisprudence; and, (iii) Senator Ogden, Finance, have all announced they will not seek reelection. This will leave a significant gap in Senate leadership. (pg. 192).

Additionally, the Senate may have a new Lieutenant Governor if Lt. Gov. Dewhurst is elected to the U.S. Senate. Committee assignments could be changed.

Senator Williams indicated that he will proceed in the Interim under the assumption that he will remain Chair of the Senate Transportation Committee.

In the briefing materials, NTTA Resolution 11-146 (pg. 200) is provided whereby NTTA waives primacy for the I-35E managed lane project and expresses support for TxDOT. Based on the NTTA waiver, the Texas Transportation Commission adopted Minute Order 112840 on September 29, 2011 authorizing TxDOT to issue a Request for Qualifications for I-35E. (pg. 204).

The TxDOT organizational charts for both "implementation" and "procurement" as they relate to Comprehensive Development Agreements are provided to the Board. (pg. 207). The Rules adopted by TxDOT for the Senate Bill 1420 "Finance Determination Committee" was published in *36 Texas Register 5951, et. seq.* are included so that DRMC can review the comments made and the responses of TxDOT.

The California Appellate Court decision in *Professional Engineers v. CaDOT* is provided. The Court found that there was sufficient legislative authorization to proceed with the City of Parkway Project as a Public Private Partnership. (pg. 226). Finally, information regarding Phil Wilson, the new Executive Director of TxDOT is provided.

The Minutes of the October 7, 2011 Dallas Regional Mobility Coalition Executive Committee Meeting were approved by the Governing Body on the 4<sup>th</sup> day of November 2011.

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Grady Smithey  
DRMC Secretary