



The cost of moving people and goods efficiently  
and how we deal with it now, will have a  
profound effect on the future of our state.

## How Will Texans Pay?

January 26, 2011



**C. Michael Walton, Chair**  
Austin

**David Marcus, Vice-Chair**  
El Paso

**Ken Allen**  
San Antonio

**Drew Crutcher**  
Odessa

**The Honorable Ed Emmett**  
Houston

**Judy Hawley**  
Corpus Christi

**Tom Johnson**  
Austin

**Cullen Looney**  
Edinburg

**Roger Nober**  
Fort Worth

**Gary Thomas**  
Dallas



## Committee Goals

- Develop scenarios to describe possible “futures”
  - Transportation infrastructure – roads & bridges
  - Urban and rural mobility
  - Assess the effect on economic competitiveness & quality of life
- Identify possible funding options
- Develop guiding principles for projects/programs
- Identify components of how Texans will pay for transportation

**2030**

## Texas Transportation Action Program

### Priorities

- Local and state officials in the best position to choose mobility projects.
- Preserve infrastructure first
  - Enormous penalties if maintenance is postponed.
- Ensure maximum “bang for the buck.”
- Display results and be accountable.

### Approach

- Involve everyone in the solution – commuters, employers, carriers, shippers, manufacturers, etc.
- Attack problems, but also seize opportunities that support economic development.
- Users pay for services they “consume.”
- Make timely decisions & react quickly to avoid greater expense in the future.

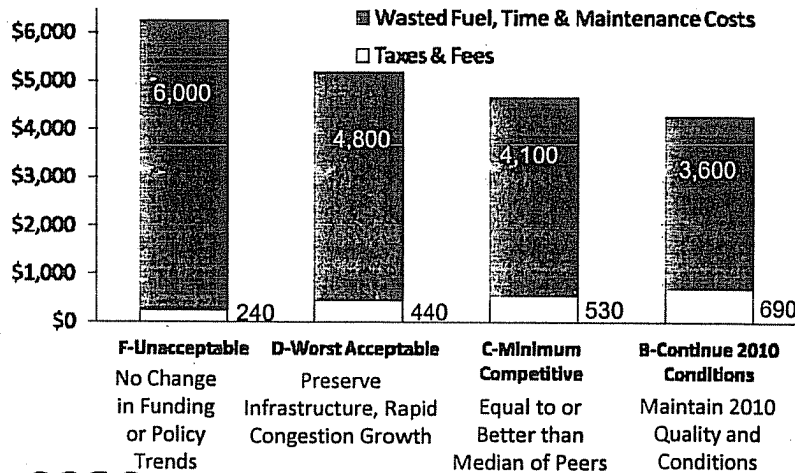
**2030**

## Committee Scenarios Conditions, Funding and Letter Grade

- *F-Unacceptable Conditions* – What will happen if policies do not change? Conditions deteriorate and congestion grows rapidly.
- *D-Worst Acceptable Conditions* – Preserve the enormous infrastructure investment, but congestion grows rapidly.
- *C-Minimum Competitive Conditions* – Conditions equal to or better than median of peer cities and states.
- *B-Continue 2010 Conditions* – Maintain current quality and congestion levels.

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## Average Annual Transportation Costs per Household, 2010 to 2035



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## Total Annual Investment 2010 to 2035

Scenario & Grade	Investment \$Billion (\$2010)	Cost per Household
F-Unacceptable Conditions	3.4	\$240
D-Worst Acceptable	6.7	\$440
C-Minimum Competitive	8.2	\$530
B-Continue 2010 Conditions	10.8	\$690

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## Additional Annual Taxes & Fees, Savings per Household -- 2010 to 2015 (Near-Term)

Scenario & Grade	Investment \$Billion (\$2010)	Taxes & Fees per Household	Savings per Household
F-Unacceptable Conditions	--	--	--
D-Worst Acceptable	1.3	\$135	\$1,400
C-Minimum Competitive	1.8	\$190	\$1,990
B-Continue 2010 Conditions	2.7	\$280	\$2,560

**2030** 

## Examples of Revenue Options

- Capture existing revenue
  - \$90+ million each year from oversize/overweight truck fees
  - Transfers to DPS: \$600 million per year
- System-wide sources
  - Fuel tax
  - Vehicle registration fee
- Targeted options
  - Toll roads
  - Project-specific incentives
- Area approaches
  - Local option vehicle registration fees
  - Local option fuel tax

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## Committee Conclusions

- Certain -- Texans will pay more for transportation in the future.
- Uncertain -- the answer to "how?" and "how much?"
- Local and state officials should select mobility projects.
- Transportation Action Program principles should guide investment decisions.
- Many funding options are available.

Pay more to suffer OR Pay less to solve?  
Doesn't seem like a difficult choice.

**2030**

## 2030 Committee Report

### DESCRIPTION:

The 2030 Committee, a committee of state business leaders and transportation experts, has updated its 2009 report to examine the transportation needs of the state through the year 2035. The committee has also evaluated the user costs of various investment scenarios (including the existing funding trend) and suggested a menu of funding options for future highway system investments. The committee has utilized Texas A&M, UT-Austin, and the UTSA to research, develop analysis methodologies, and perform computations to assess Texas' transportation needs.

The committee will report on their findings and it is expected they will provide an estimate of the resources needed to address congestion, pavement maintenance, bridge maintenance and replacement, and rural connectivity and the related household user costs at the various investment levels.

### ISSUES:

- Congestion hampers economic opportunity.
- Under-investing in maintenance results in higher costs later for reconstruction.
- Bridges require maintenance at safe levels and replacement when deteriorated.
- All priorities come with a cost.

### REFERENCES:

The commission chair established the 2030 Committee by letter dated May 14, 2008. The chair later reconvened the 2030 Committee by letter dated July 27, 2010, asking them to update their previous report and provide additional information on the economic effect of under-investment. The July 27, 2010 letter is attached.

### DESIRED RESULTS:

The committee is seeking commission concurrence with their findings.

### FURTHER ACTIONS

Department staff proposes that the commission formally adopt the 2030 Committee report at the March 31, 2011 commission meeting.

### OTHER:

Texas A&M and UT systems, under the guidance of the 2030 Committee, produced this report independently of TxDOT. TxDOT provided funding for the universities and data upon request of the researchers and committee.



# Texas Transportation Commission

125 E. 11TH STREET • AUSTIN, TEXAS 78701-2483

July 27, 2010

Dr. C. Michael Walton, P.E.  
 Department of Civil, Architectural and Environmental Engineering  
 The University of Texas at Austin  
 1 University Station C1761  
 Austin, Texas 78712

Dear Dr. Walton:

As chair of the 2030 Committee, you led an historic collaboration of business and transportation experts in the development of a comprehensive update of Texas transportation needs through the year 2030.

The report and findings of your independent group have served as a guide for the Texas Transportation Commission and the Texas Department of Transportation as we develop and implement our state's transportation projects and infrastructure.

However, as our transportation funding challenges grow at the federal and state levels, I feel that work remains for the 2030 Committee. I urge the 2030 Committee to reconvene, and assist us as we face our state's transportation challenges.

We seek your leadership and assistance in developing a forecast for recommended levels of service and the economic effects of under-investing in our transportation system. An update of the funds required to maintain levels of service for Texas' mobility, pavement maintenance, bridge quality, and rural connectivity, would provide necessary insight. And, as we update the analysis of potential sources of transportation revenue, we seek your coordination and counsel.

We would also appreciate your continued service as chair of the committee, and would like you to begin the process of contacting your fellow 2030 Committee members to ensure their continued willingness to serve on the committee.

We remain grateful for your hard work and commitment on behalf of our state, and we hope you will continue your important work to address these issues for future generations.

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*An Equal Opportunity Employer*

Dr. C. Michael Walton, P.E.

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July 27, 2010

Thank you for your continued service to our state. I look forward to working with you in this and many other important transportation issues. If you have questions you can reach me at (512) 305-9509.

Sincerely,



Deirdre Delisi

Chair

Texas Transportation Commission

cc: Texas Transportation Commission  
Ken Allen, HEB  
Ruben Bonilla, Port of Corpus Christi Commission  
Jon Cannon, FedEx Kinko's  
Drew Crutcher, Landgraf, Crutcher & Associates  
Judge Ed Emmett, Harris County Commissioners Court  
Tom Johnson, Associated General Contractors of Texas  
David M. Laney, Law Office of David M. Laney, PC  
Cullen Looney, Attorney at Law  
David Marcus, Marcus, Fairall, Bristol + Co., LLP  
Drayton McLane, McLane Group  
Roger Nober, Burlington Northern Santa Fe Corporation  
Gary Thomas, Dallas Area Rapid Transit