



AGC of TEXAS



Highway, Heavy, Utilities & Industrial Branch

JENNIFER WOODARD, Executive Vice President

September 18, 2020

The Honorable Terry Canales
Chairman
Texas House Committee on Transportation

Dear Chairman Canales:

On behalf of the Associated General Contractors of Texas – Highway, Heavy, Utilities, and Industrial Branch (AGC of Texas) thank you for leadership on the House Transportation Committee. AGC of Texas is an organization comprised of over 800 member companies across the state and one of the more than 32,000 networking firms comprising the Associated General Contractors of America. AGC of Texas member companies specialize in the construction and maintenance of state, city, and county roads as well as civil projects such as airports, bridges, dams, and municipal utilities. Your leadership on key issues before the Transportation Committee are of significant importance to this industry, the state and the economy.

Key decisions made by the Legislature and voters of Texas, such as the approval of Proposition 1 in 2014, Proposition 7 in 2015, and the Legislature's commitment to not diverting transportation dedicated funds for other purposes, have helped improve the quality of Texas' civil and transportation infrastructure as well as support the state's economy and create jobs. Innovation in transportation planning and technology necessitate the need for further discussion on infrastructure funding and how to prepare our state for the future. We are very grateful for the opportunity to provide input on these important issues through our written submission on your committee's interim charges.

Thank you and your colleagues for all that you do to improve the lives of Texans and the vitality of businesses in this state. Please do not hesitate to reach to out to AGC if we can ever serve as a resource to you or your committee.

Respectfully,

Robert Adamson
President
Associated General Contractors of Texas

Study the state's seaport infrastructure and the infrastructure at land ports of entry to facilitate international trade and economic growth. Examine seaport infrastructure and the auxiliary rail and roadway needs connected to each port as well as the port's ability to keep pace with oil and gas production. Make recommendations to maximize the economic flow of goods and products to and from seaports and study the feasibility and economic impact of dredging and widening Texas ports in order to remain competitive in international trade. Examine the infrastructure at international border ports of entry in Texas and identify transportation-related impediments to international trade that negatively impact the state. Make recommendations to reduce border wait times, facilitate economic growth, and expedite trade.

According to the Governor's Office of Economic Development, Texas has been the nation's top exporting state for 18 years with exports valued at over \$328 billion in 2019. Texas, and its ability to be a leader in exports, is well served by its road and rail infrastructure, 19 ports (11 deep draft and 8 shallow draft), 28 international border crossings, and multiple inland ports. Investment in port infrastructure is vitally important to Texas' continued success in a competitive global market.

In recent years Texas has received approval for federal US Army Corps of Engineers (USACE) funded dredging projects and other important port improvement projects. However, special attention should be paid to the infrastructure "outside the gates." This term is generally used to describe the infrastructure leading to and going away from a port. Getting products to ports for export and imports to market as quickly and safely as possible should be a priority of the legislature. Strategic investment in port access roads and heavy truck corridors will help ensure Texas ports and international ports of entry continue to facilitate international trade and drive economic growth.

Heavy haul truck corridors are a tool that can be used to allow exceptionally heavy trucks, for a fee, to quickly and safely access points of entry by traveling on specific previously approved routes. Heavy haul corridors are generally administered by local transportation entities, such as a Regional Mobility Authority or a local county government. Permit fees are assessed on overweight vehicles using the corridor. Fee revenue is used to pay for maintenance on the roads along the route. Increasing the usefulness of infrastructure near the ports by utilizing this tool can help ensure port commerce moves more efficiently.

This same concept can be applied on routes leading to and from international border crossings. Designating specific truck routes enables trucks to bypass congested and populated areas. Use of this tool may decrease border wait times and provide a safe and efficient route for trucks after crossing the border as they head to a distribution center. In both of these examples it is important that the permit fees assessed are sufficient to cover the exponential road consumption or damage caused by vehicles weighing over 80,000 pounds.

Another tool available to the legislature is the Port Access Improvement Program. Originally funded through TxDOT rider 45 in 2015, this program authorizes TxDOT to use existing funds, up to an amount specified by the legislature, to improve access roads to ports throughout the state. Since 2015 this program has received \$100 million in funding, including \$40 million approved by the 86th legislature. According to TxDOT this program has improved access to ports through

improved and widened public roadways, added truck queuing lanes in high-traffic areas, improved signage and gates at rail crossings, and upgraded intersections near Texas ports.

A unique feature of this program is that funding is not limited to “on system” roads meaning both TxDOT and non-TxDOT roads may receive funding if approved by the Texas Transportation Commission. Recognizing that funding needs for the state highway system exceed available revenue, AGC of Texas supports the position that funding for the Port Access Improvement Program be limited to “on system” infrastructure. This well intentioned and successful program should receive consideration for state general revenue or local revenue for “off system” port access projects.

AGC of Texas recognizes the substantial contribution Texas maritime ports and international ports of entry make to our state’s economy. Investment in port access infrastructure will remain an important issue facing the legislature. Utilization of existing tools such as heavy haul corridors and the Port Access Improvement Program, with supplemental state general or local revenue, should be continued to ensure the safe and efficient movement of commerce to and from Texas ports.