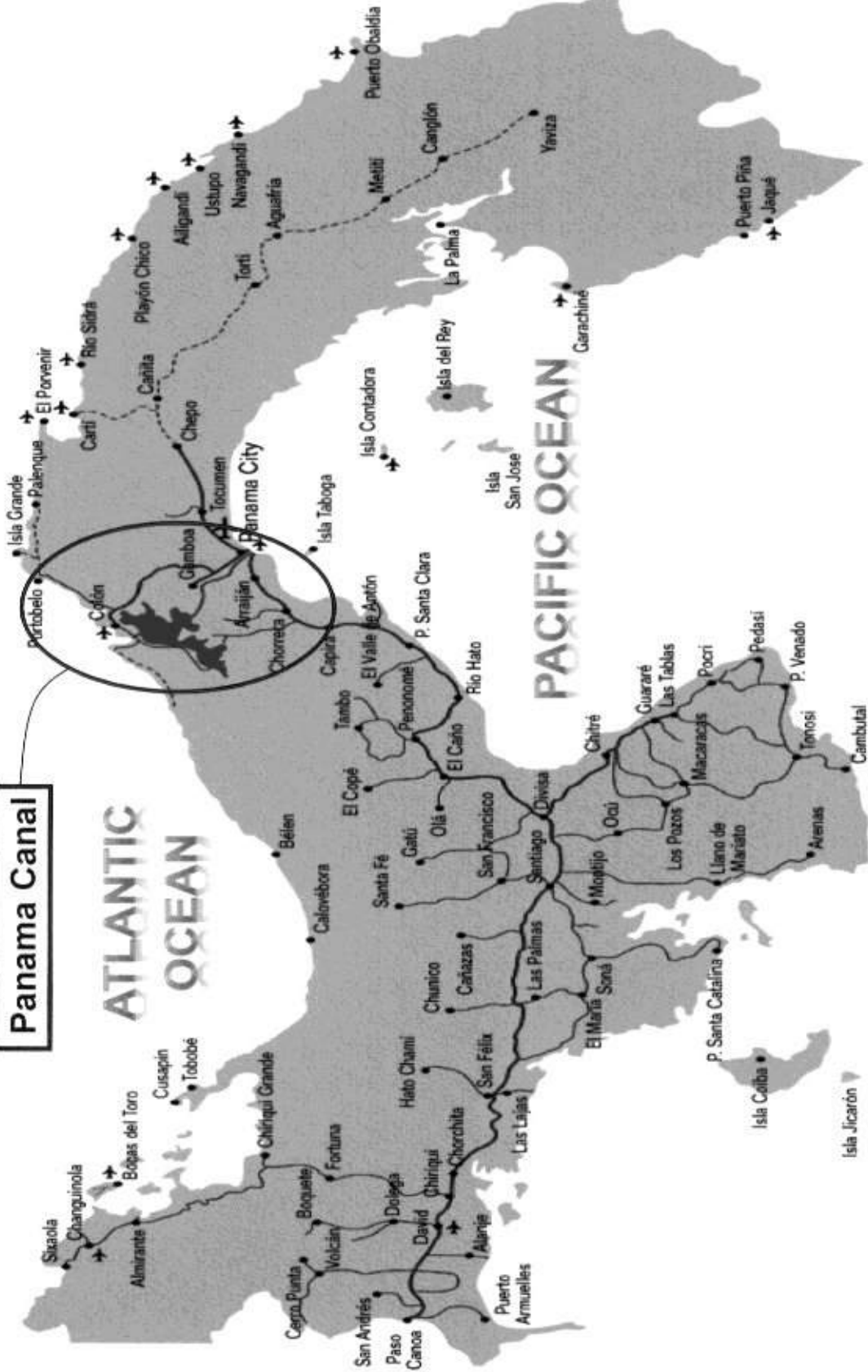


# TEX-21 Panama Fact-Finding Mission

December 1-5, 2013

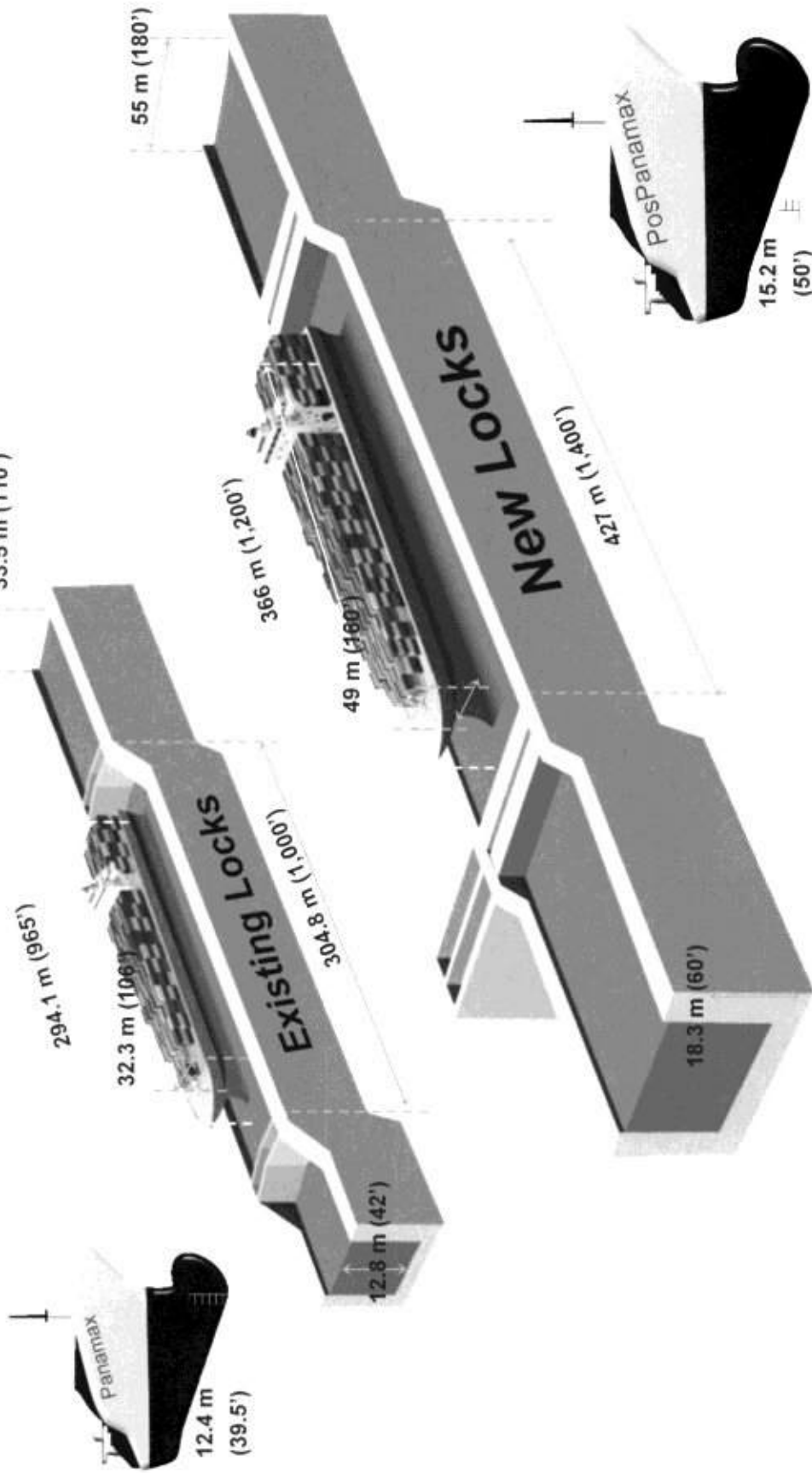
**TEX-21**  
Transportation Excellence  
for the 21st Century

**Panama Canal**



# Panama Expansion

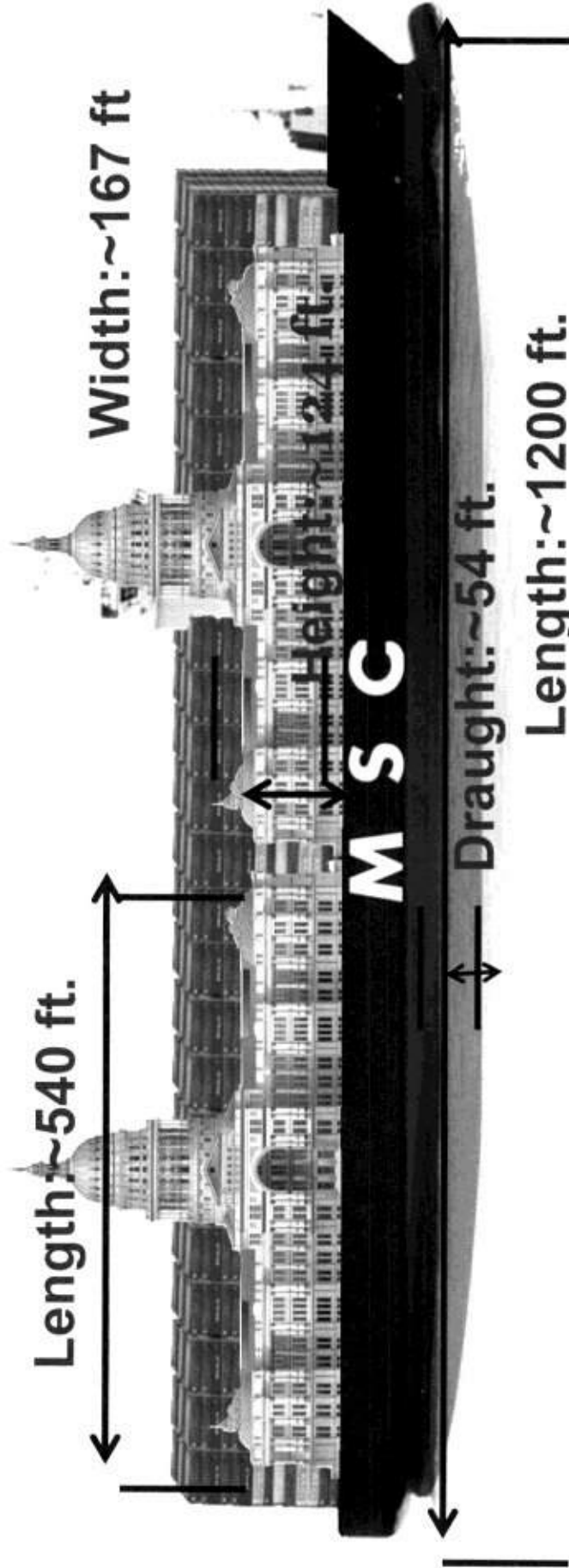
**Existing Locks Max Vessel size: 4,400 TEU's**



**New Locks Max Vessel size: 13,000 to 14,000 TEU's**

# Panama Canal Expansion

## Ultra-Large Post-Panamax Container Ship



MSC Beatrice: 13,798 TEUs

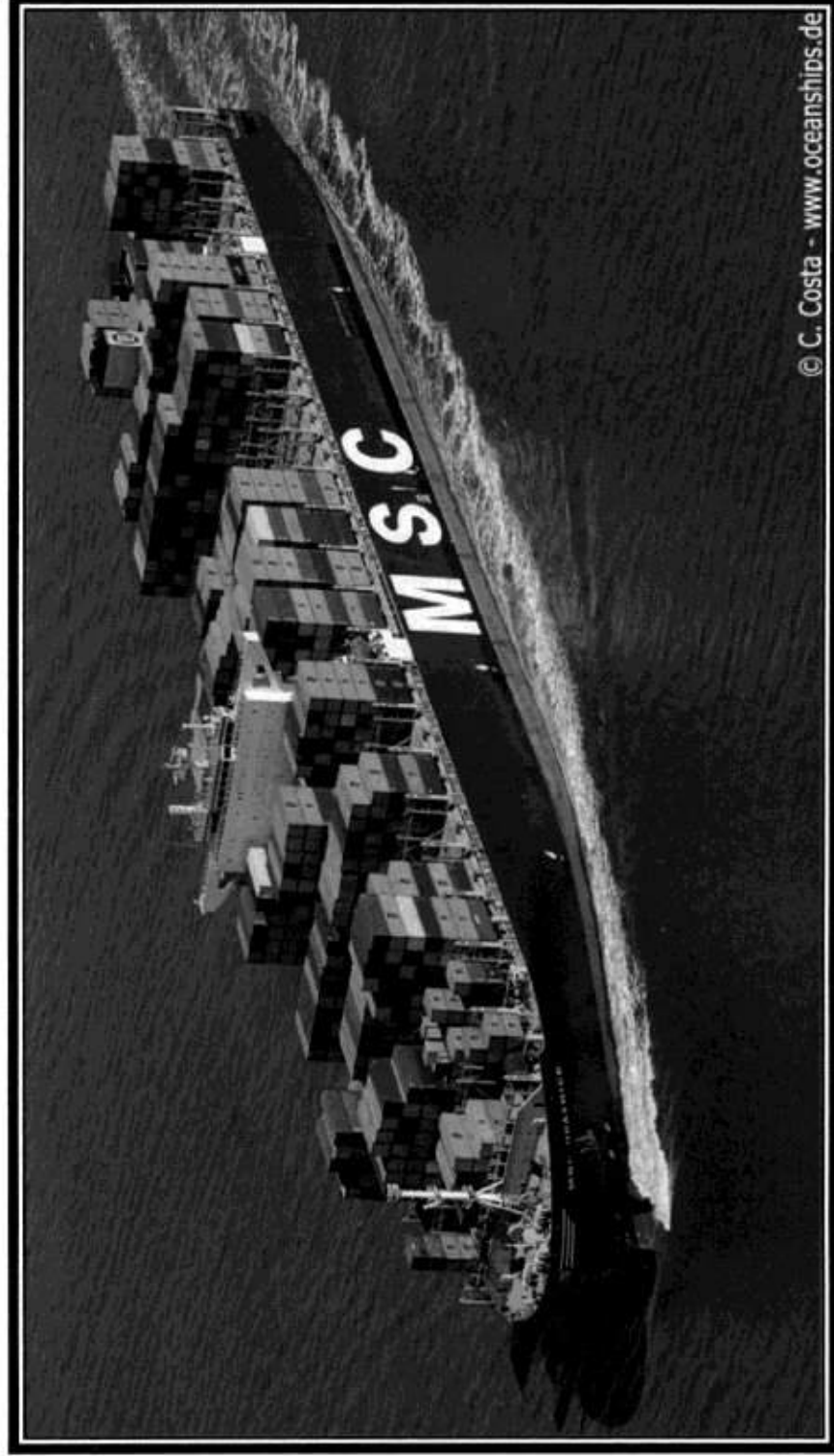
MSC: Mediterranean Shipping Company

\*35- 1.5 mile long double-stacked unit trains to unload

Capitol Space: ~9845600 ft.<sup>3</sup>

Space in TEUs: ~7239.5 TEUs

# Panama Expansion

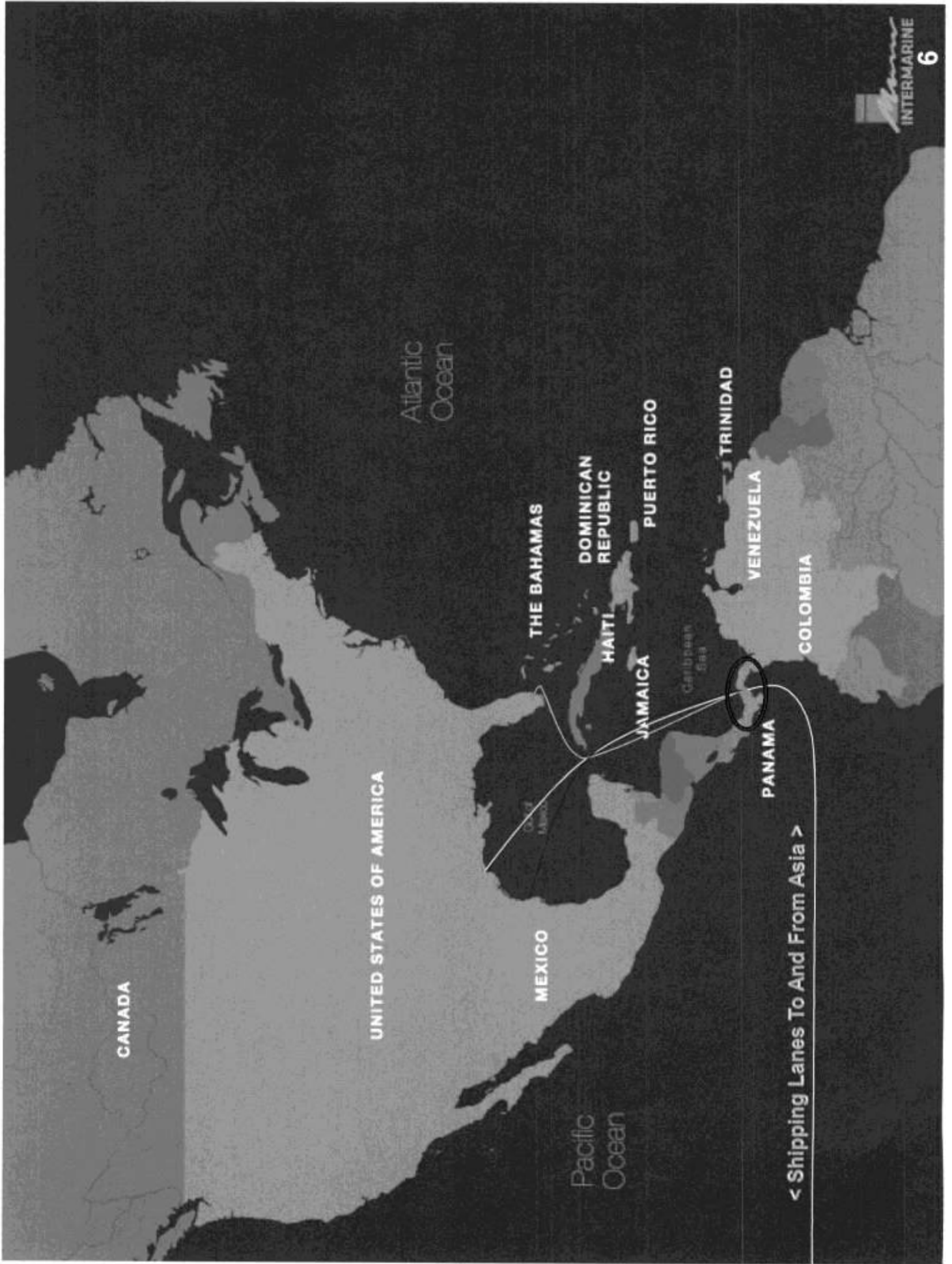


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**MSC  
Beatrice**

**A  
Super Post-  
Panamax  
13,500 TEU  
Vessel,  
1,200 ft. long  
167 ft. wide**

**Post Panamax vessels lower shipping costs from smaller ones by 30 – 40%. Even larger ships are now being designed**



CANADA

UNITED STATES OF AMERICA

MEXICO

Atlantic Ocean

THE BAHAMAS

DOMINICAN REPUBLIC

HAITI

PUERTO RICO

JAMAICA

Caribbean Sea

TRINIDAD

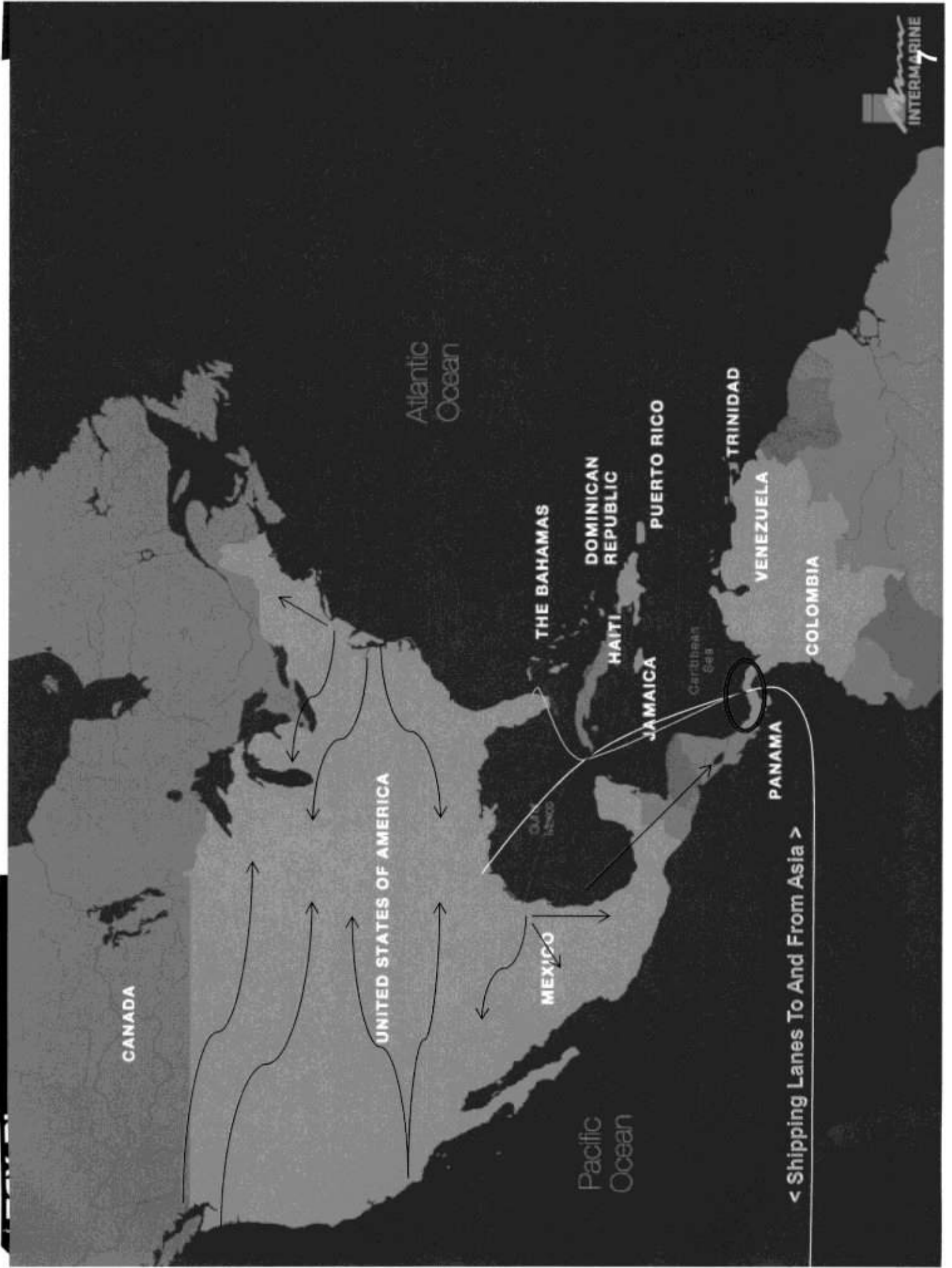
VENEZUELA

COLOMBIA

PANAMA

< Shipping Lanes To And From Asia >

Pacific Ocean



CANADA

UNITED STATES OF AMERICA

MEXICO

Atlantic Ocean

Pacific Ocean

THE BAHAMAS

DOMINICAN REPUBLIC

PUERTO RICO

TRINIDAD

VENEZUELA

COLOMBIA

HAITI

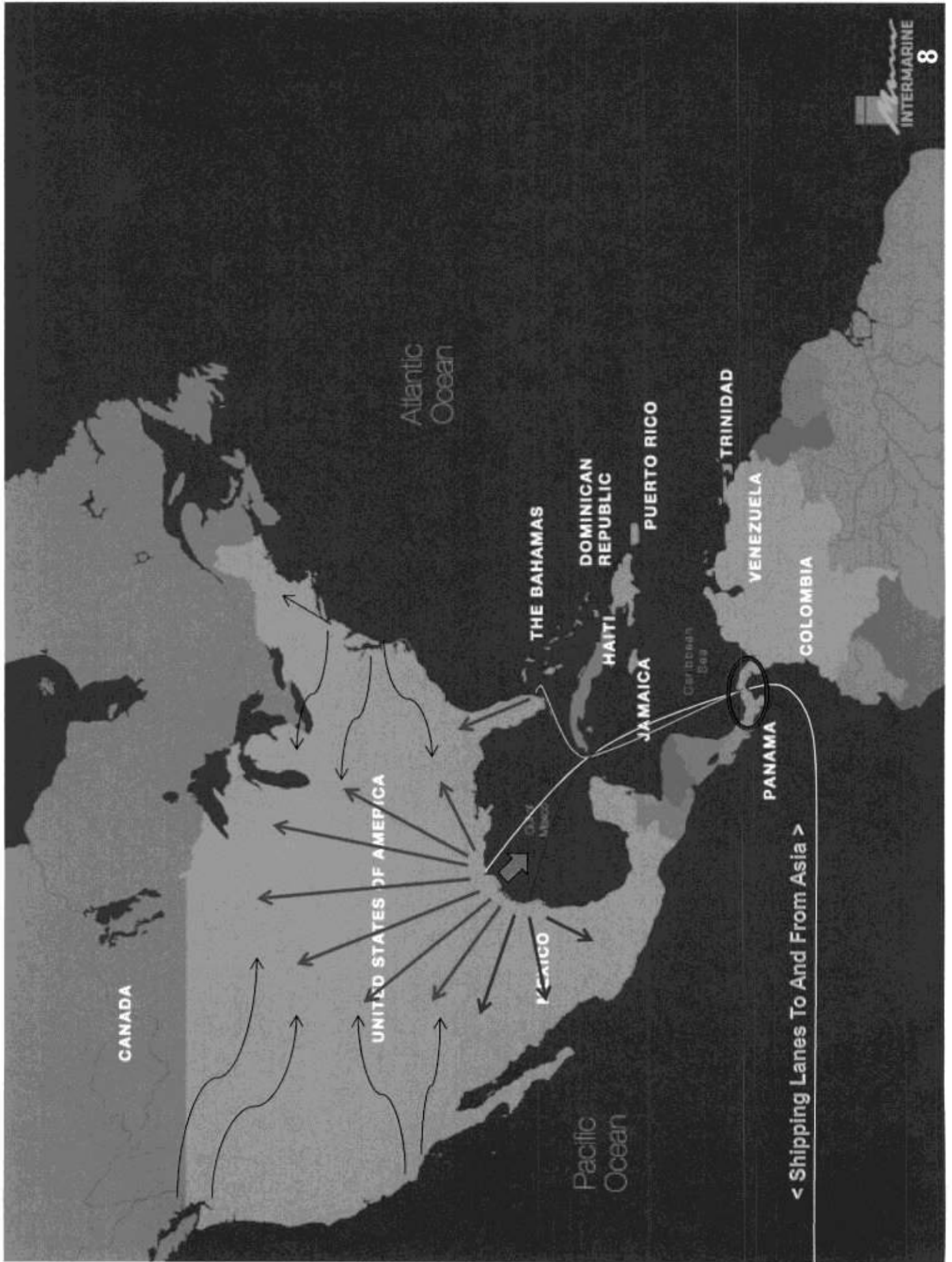
JAMAICA

Caribbean Sea

PANAMA

< Shipping Lanes To And From Asia >

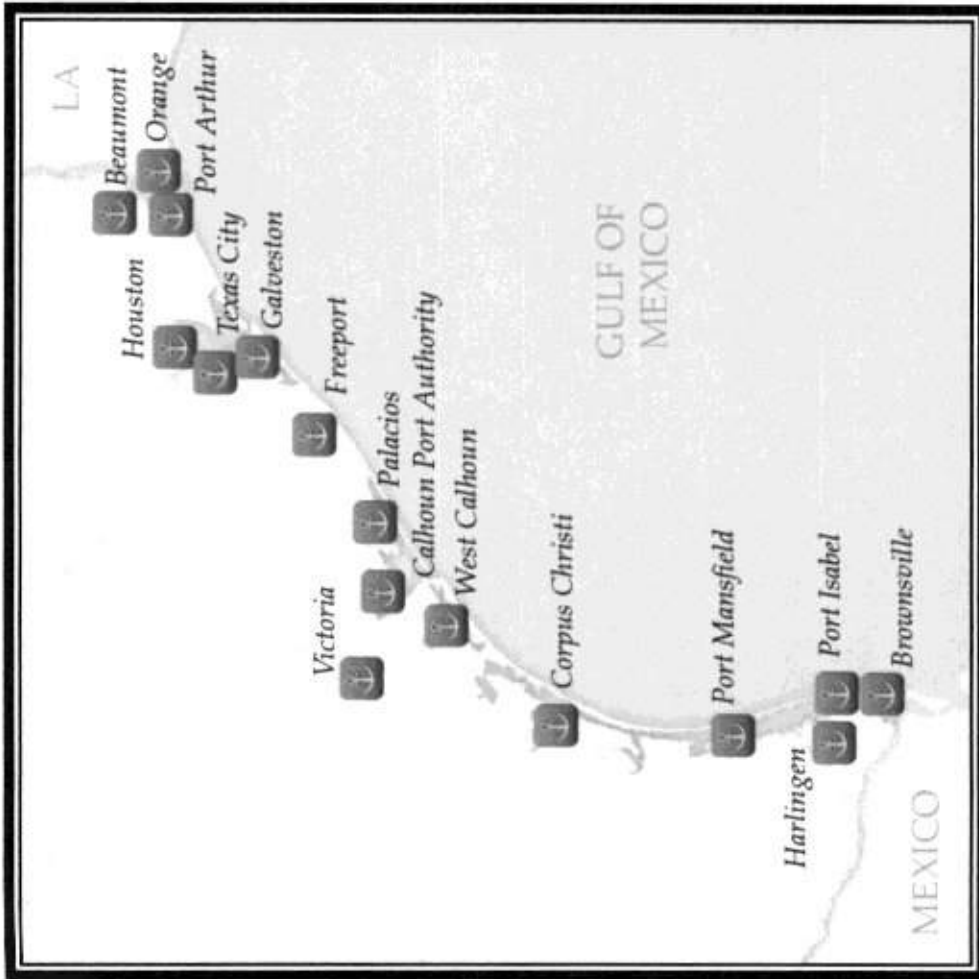






# Are Our Ports Ready?

Post Panamax ships require a depth of 55 feet or more.



Port	Classification	Port Owner/Facilities	Connecting Railroads
Beaumont	40 ft	Port of Beaumont Navigation District	KCS, UP, BNSF
Brownsville	44 ft	Brownsville Navigation District	Brownsville & Rio Grande International switching with UP, BNSF, KCS
Corpus Christi	45 ft authorized to 52 ft	Port of Corpus Christi Authority	KCS, UP, BNSF
Freeport	45 ft	Brazos River Harbor Navigation District	UP
Galveston	40 ft current deepening to 45 ft	Port of Galveston	UP, BNSF
Houston	45 ft	Port of Houston Authority	UP, BNSF, KCS (via trackage rights)
Orange	30 ft	Orange County Navigation Port District	UP, BNSF
Port Arthur	40 ft	Port of Port Arthur Navigation District	KCS, UP, BNSF (via trackage rights and switching)
Port Lavaca - Point Comfort	36 ft	Calhoun County Navigation District	Port Lavaca via UP, Point Comfort via Point Comfort & Northern
Texas City	40 ft	UP, BNSF	UP, BNSF
Victoria	12 ft	Victoria Navigation District	UP

TxDOT action on Texas ports is of major urgency to enable Texas and TEX-21 communities to take advantage of new opportunities

# TEX-21 Panama Fact-Finding Mission

December 1-5, 2013

**TEX-21**  
Transportation EXcellence  
for the 21st Century

TEX-21  
Third Coast Initiative

**Mission:** To further strengthen and diversify the Texas economy through job creation, innovation, and investment with improvements to the State's transportation infrastructure readying it to take advantage of the Expansion of the Panama Canal

**Vision:** For the Texas Gulf Coast to become the "Third Coast" of the United States, the importing and exporting hub for the central part of the Nation, from east of the Rockies to Chicago

**Goals and Objectives:**

- Create and implement a world class multimodal transportation system involving maritime, rail, and highway infrastructure, connecting the Texas seaports with inland ports
- Retain, expand, and recruit businesses to Texas through an enhanced and efficient transportation system and effective economic incentives
- Make the Texas ports competitive on the world economy by making them ready to handle Post-Panamax vessels
- Create and implement funding mechanisms to encourage growth and development for the multimodal transportation system linking seaports and inland ports

**Strategies and Tactics:**

- November 2014 Transportation Funding proposition needs to be passed in order to allow ports access to the mobility funds included therein
- Creation of authorizing legislation for a "Mega Port" – a unique district combining seaports and inland ports with a funding mechanisms to improve the transportation facilities to and from the ports
  - Will use a multitude of funding tools including
    - TRZs
    - Rail Districts (need City authorization and not only County)
    - Public Private Partnerships and Comprehensive Development Agreement Authorization
    - Texas Trunk System reevaluation, reclassification, and enhanced funding
    - State Infrastructure Bank
  - Identification of innovative financing techniques to lessen the burden on the State and encourage private sector investment through local and regional participation
  - Infrastructure of International Importance (I-3) designations that would be designated by the Legislature and separately listed in the TxDOT Unified Transportation Plan and given priority funding for these facilities that would link sea ports to inland ports

- These districts will designate a sea port (or sea ports) and an inland port (or inland ports) as strategic partners
- Identification and designation of Manufacturing and Industrial Centers (MIC) within the State of Texas and the prioritization of infrastructure needs from these facilities to inland and sea ports
- A designated fund of a billion dollars over a biennium to be used for 1-3 projects and matching funds for projects funded by TRZs in Mega Port districts (this is similar to the County Energy TRZs)
- Create and maintain a systematic list of infrastructure improvements necessary, developed, let, and completed that will be needed for the Panama Canal Expansion Readiness
- Develop and implement an effective strategy to retain and recruit business through tax incentives, special districts, and trade zones, making Texas the most attractive place to import and export in the nation



# **TEX-21**

**Transportation EXcellence  
for the 21st Century**

The Third Coast Initiative:  
A New Opportunity for Texas

January 13, 2014

The Third Coast Initiative:  
TEX-21's Plan for Texas

**Panama Canal History**

The Isthmus of Panama has been a prized gem for nations. The nature of its name expresses this clearly. Panama, meaning "The Abundance of Fish", was once a source of division for the world, and has now united it through the illustrious Canal.

The Pacific side had three sets of locks known as the Miraflores Locks. The vessels then travel across Gatun Lake to the Atlantic Locks where they are lowered to sea level.

Through the tremendous investment of France and the United States, the movement of people and goods from around the world changed dramatically. This was a tremendous victory for the United States. The Canal made the voyage from New York to San Francisco shorter by over 8,000 miles or 30 days, opening up the West Coast for further development.

In 1977, President Jimmy Carter signed a treaty with the leader of Panama, Omar Torrijos. This treaty initiated a process that would give Panama free control of the Canal Zone as long as they remained permanently neutral. With this treaty, full control of the Canal was seceded to Panama on December 31, 1999.

The Republic of Panama and the Panama Canal Authority, once they had control of the Canal Zone, changed the policy from a revenue neutral facility to revenue producing. This new policy direction, coupled with the change in vessel construction and supply chain practices,<sup>1</sup> created a need for a third set of locks to keep up with growing world demand.

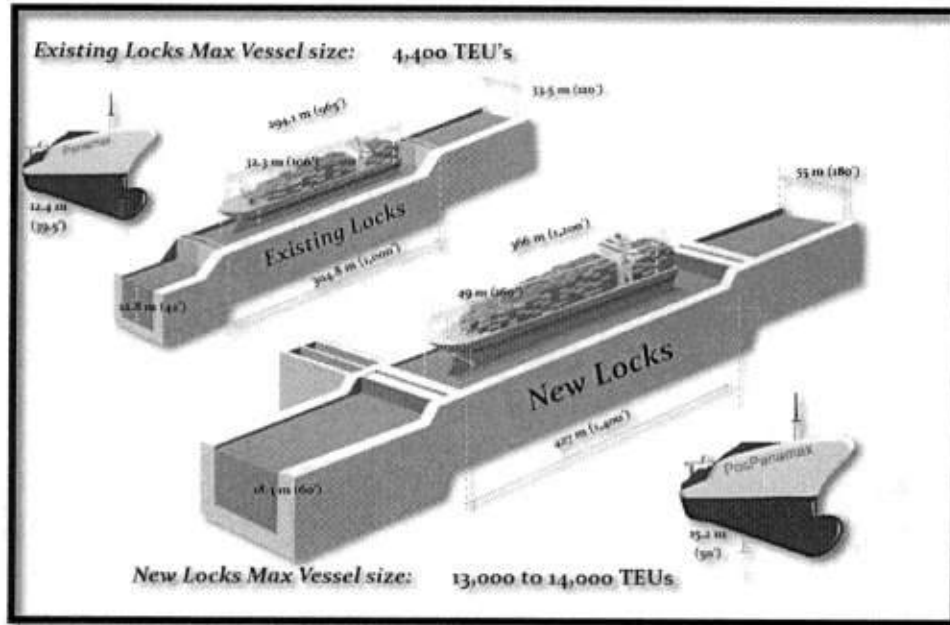
**Panama Canal Expansion**

Today the canal services an average of 35 to 40 vessels a day. Even though the infrastructure of the canal has stayed strong for almost a hundred years, freight cargo and container ships have grown too large to go through the canal. Approximately 75% of the world's cargo and container ships are too large to utilize the current canal. On October 22, 2006, the citizens of the Republic of Panama approved a 5.25 billion bond referendum to expand the Panama Canal to handle larger vessels, so that it

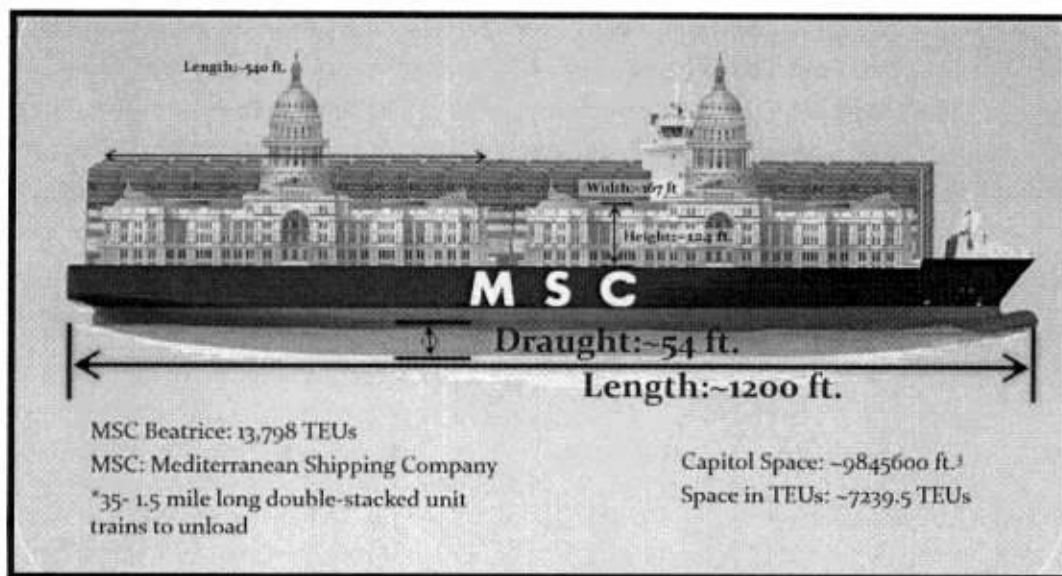
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<sup>1</sup> I.e., the beginning of the Post-Panamax vessels being launched and creating new logistic patterns where larger vessels travel from Asia to the West Coast, unload their cargo onto freight rail, and ship it across to the various market. This supply chain is crystalized and with only few exceptions, is the norm for goods traveling to US markets from Asia.

could accommodate larger container ships. The bond is seen as a point of national pride for the Panamanians, as they position themselves as innovators and world changers. The French failed in building the Canal in Panama, and the American's triumph has set the stage for Panama. Now it is time for the Panamanians to become not just world players, but as world leaders. The Panamanians are preparing themselves for what is to come and it is time for Texas to do the same.



The existing locks are 1,000 feet long, 110 feet wide and 42 feet deep while the new locks will be 1,400 feet long, 180 feet wide and 60 feet deep. This is an average of



48% increase in size. To give an illustration of the sheer size of these vessels, on a 13,000 teu container ship, two Texas State Capitol buildings can fit on the deck.

The Panama Canal is relevant to Texas as a whole because of the location each respective to one another. The expansion will allow for an increase in freight and it will need to be transported out via several freight routes. Texas is the southern center of the U.S. and our key geographic location makes us the ideal hub for distributing freight out to the rest of the country. If Texas takes advantage of the situation, then its gulf coast can become the “Third Coast”.

The new third lane of the Canal that is capable of handling Post-Panamax ships in excess of 13,000 teu’s as well as LNG vessels (Q-Max Vessels) creates limitless opportunities for Texas. The supply chains created by increased trade from Asia to the West Coast of the United States after the first Post-Panamax vessel was launched will shift because of the substantial decrease in shipping cost through the Panama Canal.

### Texas Ports

Texas Ports have greatly contributed to the Texas economy and are one of the main reasons why the State has continued to be a thriving center of commerce and industry.

According to a Martin Associates study, in 2011, 546.7 million tons of cargo moved through the eleven primary Texas ports – the second largest in the nation. This large volume had immense impacts on the economy and impacted the State of Texas in the following ways:

- 112,100 jobs were directly generated by marine cargo and vessel activity at marine terminals in Texas
- 159,683 jobs were induced through the local and regional purchasing activity of those 112,100 jobs
- 109,193 jobs were supported indirectly through the \$9.9 billion in purchases from suppliers at the marine ports and terminals
- 1,059,969 jobs were supported through the port via importers and exporters and supporting businesses using marine ports and terminals
- 1,440,945 jobs were directly or indirectly created through the Texas ports<sup>2</sup>

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<sup>2</sup> According to this study, \$82.8 billion of total personal wage and salary income was generated through marine activity in 2011.

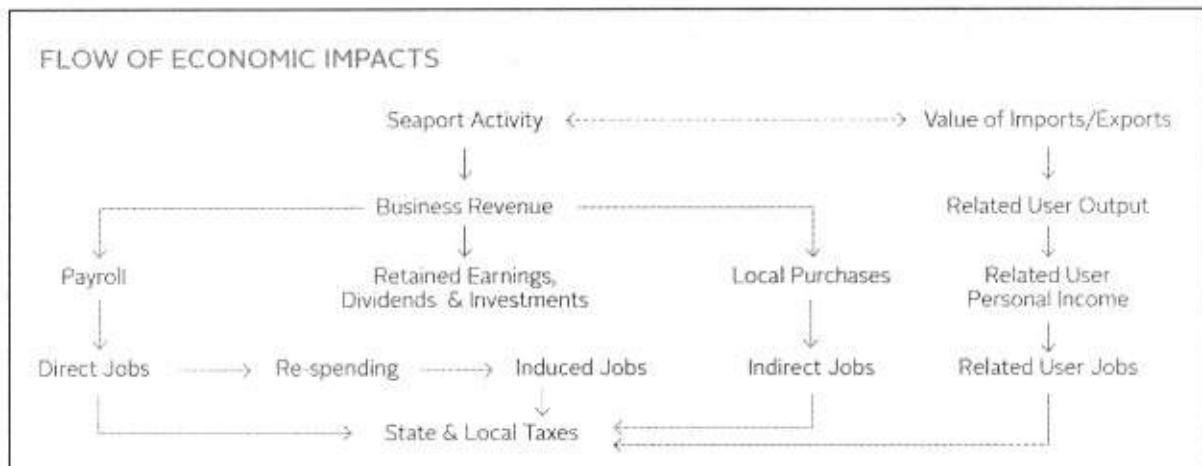


The economy impact of the activity at the ports is even more staggering. In 2011, the Texas ports generated over \$277.6 billion of economy activity in the State.

- \$37.6 billion of the \$277.6 billion is revenue from businesses directly tied to the ports and movement of cargo
- \$9.9 billion is local purchases.
- \$230.1 billion is the State's output value created through the ports

This activity created taxes for the State and Local governments:

- \$2.4 billion of direct, indirect, and inducted taxes
- \$4.1 billion in taxes created via economic activity of related users



From the 2012 Port of Houston Economic Impact Study

Overall, the Texas ports, marine activity, and cargo both imported and exported resulted in a quarter of Texas' GDP. The Texas ports results in one of the most significant aspect of the State's economy. Investment must be made in these facilities in order to go forward.

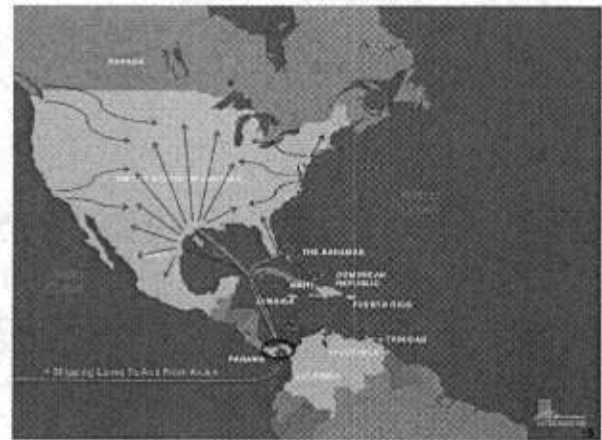
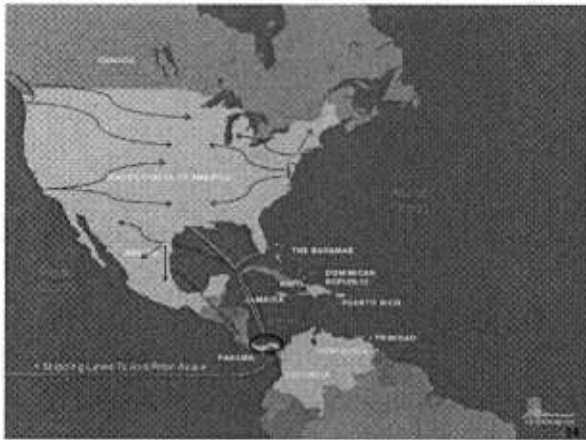
### **The Third Coast**

TEX-21's vision is for the Texas Gulf Coast to become what the West Coast now is for our nation—the importing and exporting hub.

By effectively readying our ports and infrastructure for the increased freight after the completion of the Panama Canal expansion, Texas and the gulf coast will have the important "Third Coast" as a major exporter and importer of goods.

To reach this goal we have some immense issues to overcome. Texas currently does not have ports that are ready to dock such large ships. We have ports that range from

the mid-thirties to the mid-forties feet deep but no port that is deeper than 50 feet, which is what it would take to dock these “Super Post-Panamax Container Ships”. Not only do we have a great need to ready the ports, but once the ships dock, our infrastructure is not yet ready to receive and unload the containers on the ship.



The infrastructure is vital to maximizing the success of the Panama Canal expansion and its effect on the State in an economic climate that is already thriving. Unfortunately, our readiness does not just include the ports preparedness, but also the coordination of the operators at the terminal, the railroads, the State and local planning agencies, trucking companies, inland ports, and distribution centers.

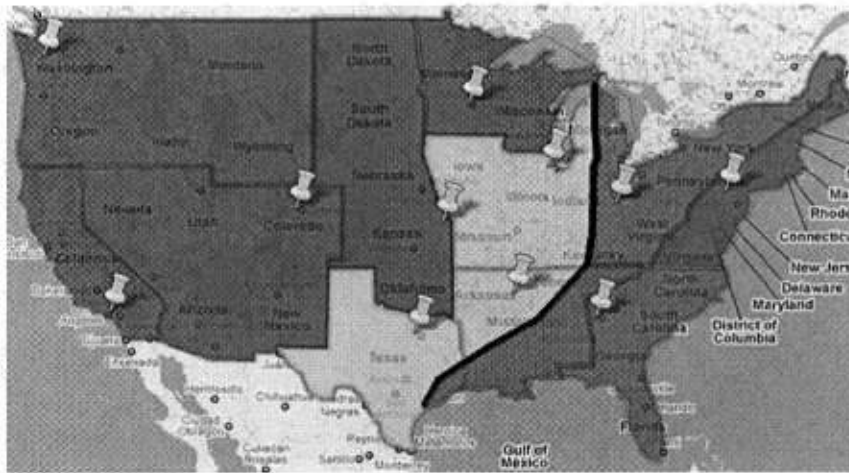
As the economy continues to succeed in the State we will attract more people, and Texas is already expected to double in population by 2040. This makes the urgency of funding the infrastructure extremely important. Texas, due to its location, could be a lynch pin in the supply chain for distribution between the U.S. and the Panama Canal.

As Texas readies itself for the expansion, we will set ourselves up to be a major player in the movement of goods and ultimately in job creation and economic growth. The goal or end of this strategic infrastructure plan is to make the Gulf the “third coast,” which will demand seamless intermodal connectivity across the State from the ship, the dock, the inland/dry ports and distribution centers to manufacturing facilities and back to the ports in order to export.

The more seamless the process of moving goods is, the better for the State. This is the beginning of a strategy that will call for a collaborative effort to create a focused and comprehensive plan.

The idea of Texas becoming the “Third Coast” is not just about imports but also exports. Texas, already, is one of the nation’s largest exporting States, but the State can be the “funnel” for the rest of the nation’s exports. Because of the cost savings of the Panama Canal Expansion, American agriculture (especially corn) now becomes competitive on

the world market – creating additional exporting opportunities for the State of Texas – if, and only if, the State creates and sustains a focus on readying the State’s infrastructure.



**Cost Based on:**  
**4000 TEU Vessel**  
**Canal Tolls proposal January 2011**

This chart represents the current model of cost effectiveness to ship goods. The colors reflect the effectiveness to ships goods through the Panama Canal rather than from the West Coast.

**Cost Based on:**  
**8000 TEU Vessel**  
**Canal Tolls proposal January 2011**

According to one model, Chicago comes into play as well as Houston and the Dallas/Fort



**New Locks, New Markets**

The new set of locks or third lane presents the State of Texas with profound opportunities to develop new markets and dramatically expand its importing and exporting capacity, thereby adding to the economy and creating jobs.

One market that will be greatly expanded is the ability to ship grain out of the central United States. Currently, the Panama Canal is the primary means for shipping grain out of the United States (even more than the west coast). Grain comes down the Mississippi River and down the central portion of the United States to the Gulf Coast where it is shipped through the Panama Canal to Asian markets. Over the past decade, the Nation’s share of the Asian market has been lessening.

After the expansion of the Canal, according to a 2013 Rabobank study, the cost of shipping grain from Minneapolis to Japan, through the Panama Canal, will decline by twelve percent. The substantial decrease in the cost of shipping is due to the larger vessels being used to ship the product through the Canal. Therefore, the primacy hindrance to Texas taking over this market is the readiness of our ports.

According to the USACE, there are over \$20 billion in private funds seeking investment at Texas ports. The major investments are due to the natural gas market in Texas. Natural gas is a major commodity for the State. The maximum size vessel that ships natural gas is called a Q-max vessel and will fit through the new Panama Canal locks (with less than three feet of play). Asian markets sell natural gas at four to five times the cost here in Texas; therefore, Texas has another opportunity to capitalize on the new direction in the infrastructure of the worldwide supply chain.

### **What's Needed?**

In November 2012, the TxDOT sponsored Panama Canal Stakeholder Working Group released their findings from hearings, studies, and activities. The report's findings and recommendations are helpful to cast the overall aspects of the State's needs; however, with even the specific recommendations (cf. Chapter VII, pages 49-55), the report does not identify a funding source nor give enough attention to the essential connection between sea ports and inland ports.

Other than the often discussed notion of dredging for Post-Panamax vessel depths at the sea ports, there are numerous other improvements necessary to improve the ports. Even if the ports were dredged and maintained at the appropriate depth, the docks at the various terminals would have to be lengthened, the quay cranes for container ships would need to be replaced with larger models, on dock rail would have to be implemented with staging areas, enhanced rail capacity from the ports to the inland ports including, but not limited to, augmenting at-grade crossings in metropolitan areas, enhancing switching yards (Tower 55 in downtown Fort Worth, as but one example), and adding double tracking in many areas (including the high-traffic, multimodal facilities in metropolitan areas). Highway facilities will also need to be improved, increasing the level of maintenance due to high truck volumes that will increase the level of wear on the facilities.

Greater corporation between the port authorities, terminal owners, Texas Transportation Commission, TxDOT, railroads, shippers and logistic companies, USACE, and the USDOT will be necessary. Innovative strategies and partnerships to reduce the environmental impacts of such an effort will also need to be considered.

## Recommendations

TEX-21 has the following recommendations for readying the State for the Panama Canal Expansion:

- Approving the November 2014 Transportation Funding Proposition (Ports are eligible for the mobility funds)
- Creating the “Third Coast Initiative” for the State of Texas through Joint Resolution
- Creating a Statewide plan cataloging all the necessary improvements needed at sea ports, inland ports, and vital arterials linking the two
- Additional funding for the State Infrastructure Bank to make low cost loans for transportation improvements, encouraging private sector investment in the State
- Encourage the Legislature to identify and implement long-range, sustainable transportation funding options for the State of Texas
- Creating special districts (Mega Ports) within the State of Texas that tie sea ports and inland ports together, allowing for funding opportunities, coordination, and innovation
- Creating inland port TRZs to finance infrastructure for inland ports and industrial and distribution businesses serviced by the inland port
- Creating opportunities for statewide tax incentives for manufacturing and businesses focused on importing and exporting

The Panama Canal Expansion is a worldwide game-changer, and Texas has the opportunity to be the biggest beneficiary. The leadership of the State of Texas needs to invest the time and effort in creating for the people of this State a Third Coast, changing the national landscape forever.



# L•T Latin Trade

## Alberto Alemán Zubieta

Elida Bustos  
Dec 12, 2012



Photo: Courtesy of ACP

The Panama Canal's construction was an epic that pitted the human spirit against nature. More recently, the problems haven't been flies but internal resistance to change and the need to face competition.

Alberto Alemán Zubieta is an engineer, a very feisty one. And very political too, despite his claims to the contrary. Alemán twice headed the Panama Canal Authority; his two terms lasted for a total of 17 years, and in both of them he confronted major challenges.

The US withdrawal in 1999 from the administration of the Canal meant that Panama recovered its sovereignty of the waterway. But the country needed the Panama Canal Authority to generate earnings too. Its non-profit status had to be dead and buried.

The first task was to transform the Authority's management from a statist mentality to one of a company without fear of competition. The next was to solve the problem that two studies of the time had posed: by 2012, the Canal was going to reach full capacity.

"They handed me over a company that had a death sentence hanging over it," Alemán told

Latin Trade shortly before retiring as Administrator of the Panama Canal.

"How was it going to compete? The world wasn't prepared to wait for me." The post-Panamax ships were about to be built. Something had to be done. That "something" was going to be costly and it had to be big, but first the Authority's finances had to be put in order.

During the 85 years in which it administered the canal, the United States never aimed to earn profits. Instead the objective was strategic control of the waterway. Washington had no interest in making money; all that was required was self-sufficiency. "It was a break-even operation," said Alemán. Now it had to be transformed into "a company with profits — which amounts to a 180-degree turn."

This meant transformation of the management objectives. "The new mandate for the canal was to be efficient. We had to bring about a cultural

change in the authority, both from within and outside the organization."

The reorganization began with the management structure the Americans had used. It provided "a very sound foundation in legal and structural terms, as well as procedures and regulations".

As the first step in the change, the Authority had to learn how to manage its resources. It was accustomed to "redundancy—have two, three or four, just in case someone or something was needed." That could no longer go on.

At the same time, Alemán was well aware that one of the battles he faced was his staff's fear of change. The overwhelming mentality was that "if things are doing fine, why change? Don't rock the boat! What I said was 'The opposite is true. We really need to 'rock the boat' so as to make things get better."

Of course, the unions got wind of his plans, and they feared that the drive for efficiency would mean firings on a mass scale.

Alemán had no fear of the unions, and he never closed his office door to them. Instead, he made the unions take part in the changes, while he personally got to know the situation first hand in the various areas of the operation. "I personally negotiated all the practices that were included in the collective agreement," he said. "The leader in the negotiations was me, and that was something that the prevailing mentality didn't understand. 'How come the CEO is negotiating the collective agreement?' It was a message to make sure that people knew that what was coming was a change for real. I was involved. I knew what was going on and they couldn't spin me a yarn. I went to the manual workers, the ones who have to operate the Canal, and with the guys in dredging so I could find out about that line of business—and it's a very complicated one."

While these very fundamental issues were handled, information technology had to be updated. The authority used a DOS-based system. "That was awful. The systems weren't integrated," said Alemán.

At the same time, managers had to keep up-to-the-minute on what was going on in the Canal. "How can it be that I'm supposed to be running

the Canal when I don't know which ship is just around the bend?"

That was how control by satellite was introduced.

Not that everything had to be bought. A lot of the ad hoc solutions came from the experience of the staff.

And there was another thing. Alemán was working on several fronts: management, legal, technological and financial. Now he had to "understand the business".

He got in touch with the Canal's 40 leading clients to ask them what they thought about the service. "That marked a fundamental change: the CEO of one company was talking with another. That was a very big deal," said Alemán. Not once in the 85 years of administration by the US did anyone speak with a client.

The underlying aim behind the efforts to understand the business was the need to tackle tariffs, as part of the authority's mandate to make profits. Alemán reckoned that the key was not to increase the rates but to set up a new scheme of differentiated tariffs.

"The previous way was to charge all the ships the same. There was no segmentation, no understanding of the needs of the business. First come, first served, and that was all."

Alemán thought otherwise. "What's our business about? Is it about the passage of ships or the passage of the cargo that they carry?" Meeting up with the clients was a tough experience, but it created more efficiency and it led to a range of prices based on the type of ship, the type of cargo, containers in vessels with above-deck capacity, and so on.

The revolution in the Panama Canal Authority led Alemán to a second term as Administrator. He had previously served two years during the change from US to Panamanian administration. During those years, the bureaucratic mentality was buried. A year before the transition ended, the authority had a surplus of \$41 million. Last year, 11 years later, the figure came to \$1.2 billion.

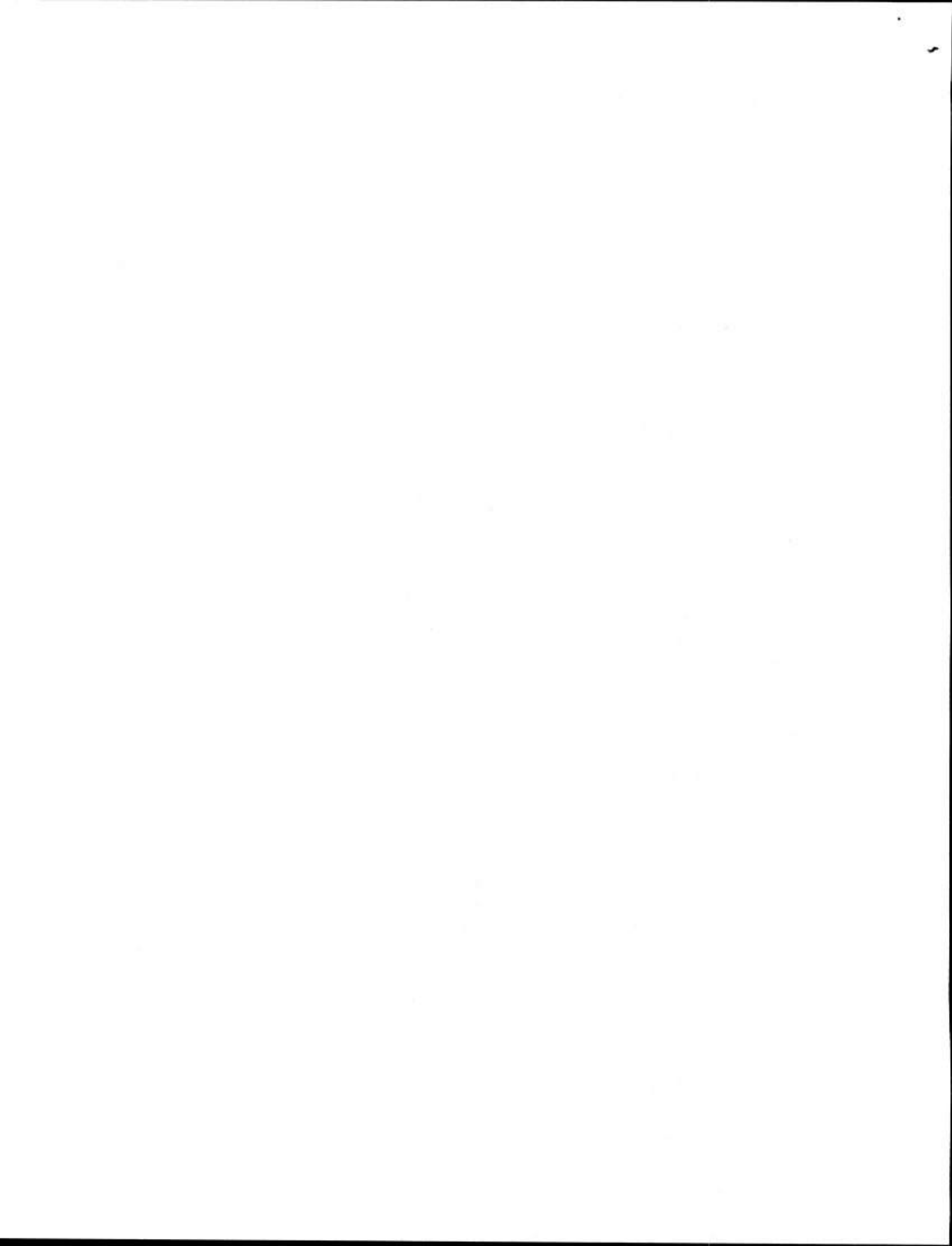
Meanwhile, expansion is prolonging the Canal's life expectancy. And investment of \$5.25 billion



is mainly being provided from the authority's own resources.

Nobody yet knows which ship will be the first to open the expanded Canal within a couple of years, but Alberto Alemán Zubieta, who dedicated 17 years of his life to the Canal Authority, deserves to be on the deck..

*Élida Bustos reported from Panama City*



## Widening Panama Canal signals new era

BY JULIETTE KAYYEM  
November 17, 2012

PANAMA CITY, Panama — When it opened in 1914, connecting the Atlantic and Pacific oceans, the Panama Canal not only changed how goods move across the world: It defied gravity.

In the late 19th century, the French had tried building a sea-level canal through Panama that ignored water's inevitable flow downward. It was aborted after 22,000 Frenchmen died of tropical diseases; their burial sites still line the outer ring of the canal. The United States finally built it nearly right, thanks to President Theodore Roosevelt and some U.S.-backed rebellions that helped Panama gain independence from Colombia.

Now, a massive \$5 billion infrastructure project is attempting nothing less than to master gravity again, and, in the process, to tame the flows of globalization. The 26,000 Panamanian workers who are now making the canal deeper and wider designate the Atlantic as North and the Pacific as South. For ships to rise or fall with these waters, the canal has a complicated system of locks where vessels are isolated and water flows in or out to move them up or down.

The locks will be made more modern and streamlined; huge slabs of concrete mark the eventual home of these steel compartments.

Panamanians, who gained control over the canal after a politically bruising fight in the U.S. Senate in the late 1970s, overwhelmingly voted for the expansion in a 2006 referendum. But the United States is a close partner. The two countries are still inextricably linked. There is no continental waterway in the United States; Panama is our cut-through. With 65 percent of

canal cargo traffic originating in or destined for the United States, the changes here are being carefully followed by American industries looking to speed up transport of goods. The expansion is all about eliminating "dwell time."

To make that happen, the canal has to get bigger. It is narrow on both ends, and wide where the artificial Gatun Lake opens. Men, all men, look like flies against the backdrop of an excavation that will make the canal deeper in parts, much wider, and much more efficient. There are dumpsters everywhere, hundreds of them moving dredge and dirt and clay to new mountains — called Panama's Pyramids — every hour of every day. The skyline looks like a crane festival. Large trucks, with wheels that would crush an SUV, and, according to the proud guide, whose tires cost over \$20,000 each, rush in all directions, moving land to make way for water.

[Work is underway at the Port of Miami to accommodate the new generation of bigger ships.]

All this activity is because of a basic math problem. Ships used to be built to cater to the size limits of the 50-mile-long canal; they are known as "Panamax" vessels and are often over 105 feet wide, leaving just a few feet on each side to get through the narrowest parts of the canal. It isn't much, and the Panamax boats, carrying up to 5,000 steel containers, known as TEU (for 20-foot equivalent unit) boxes that are the measure of productivity in the world of shipping, barely fit through the cramped space. The process of moving a ship through is amazingly quiet, as if the ship itself were holding

its breath to seem skinnier for a tight-fitting dress.

The Panamax boats limit how much grain, or coal, or retail items, or soybeans, or any other items going to market can fit. Too many small boats made the canal inefficient. When it gets too crowded, or something goes wrong, wait times can last as long as 10 days.

To remain competitive in a global transportation industry where the vast majority of all goods are moved on waterways, the canal had to change. Ships that are too large for the canal take their goods elsewhere: to Suez, or the Straits of Malacca (between Malaysia and Indonesia), or the ports of Los Angeles where cargo is routed on the "land bridge" of railways and highways from West to East Coast. Or the large ships are unloaded at the base of the Panama Canal onto smaller vessels, a process that occurs here every Friday-Sunday.

So-called post-Panamax ships, so big they can exceed 10,000 TEU capacity, are the future of the global supply chain. The vast majority of ships on order are post-Panamax, and by 2030, nearly three-quarters of all shipping will occur on these mega-vessels.

And so they dig, and excavate and alter the landscape here, once again trying to master the waters that connect the world and its economy. History does not tolerate long dwell times.

# Florida Trend

The Issues, People and Ideas that Define Florida Business

## Panama Canal Expansion: A Game Changer?

Here's what you need to know when you cut through the hype about the expanding of the Panama Canal.

Mike Vogel  
12/4/2012

**Florida is that rare state with a trade surplus;** thanks largely to south Florida, it exports more than it imports. Florida's 15 deep-water ports plan to spend \$2.6 billion over five years deepening their channels, adding cranes, dockside rail and other infrastructure to better position themselves to capture the cargo traffic and the good-paying jobs that trade generates. Part of the building boom is focused on giant ships that will begin transiting a wider Panama Canal in 2015. Other spending aims to capture trickle-down traffic that feeds from those larger ships or that's displaced by them. The goal: Attracting cargo that now goes through Long Beach, Calif., Savannah, Ga., or other ports.

### » Takeaway No. 1

The wider canal isn't the only logistical factor in determining Florida's competitive position.

Florida Ports Council President Doug Wheeler points out that Florida is a two-day logistical ride (trains and trucks) to 60% of the U.S. consumer base. That argues in favor of Florida ports, but logistics is a complicated business — cargo ship lines have to analyze how to deploy their fleets; shippers must consider rail and truck rates and balance speed, service and diversification of routes.

Ports must crunch all the numbers to make their case as the best route. "The wider canal is tipping the playing field," says Paul DeMariano, a consultant and former director of Port Everglades. But "you've got to know something more than 'build it and they will come.'"

Ken Roberts, CEO of WorldCity, a Coral Gables company that follows global business, says "shipping lines and logistics companies are pretty agnostic. They want the most efficient and least expensive means to get the goods from beginning to end. It remains to be seen how well

the state can do that. There will be all sorts of calculations the shipping lines will have to make."

### » Takeaway No. 2

Miami sees itself as most likely to benefit from an expanded Panama Canal.

When the wider canal opens in 2015, only three ports on the east coast will have the 50-foot channel depth needed to accommodate the new generation of monster ships that can carry 12,500 cargo containers: Norfolk, Va., New York and PortMiami. Gov. Rick Scott, who is very popular in port circles, saw to it that Miami got the funding necessary to deepen its channel.

Within 18 months, PortMiami will have both the deep water and a tunnel connecting the port to the interstate. "Florida's the center for the hemisphere," says PortMiami Director Bill Johnson. "Miami will be it. Miami will be at 50 feet. That has raised the conversation. It has raised the bar. ... You're either in the game or you're not. Here in Miami, we're in the game. ... Under the leadership of Gov. Rick Scott and the Florida Legislature, Florida has the opportunity to propel itself from the fourth position (in exporting states) to be No. 1 in America."

### » Takeaway No. 3

The Panama Canal isn't the only high-impact trade factor.

Both JaxPort and Port Everglades plan to get to 50 feet eventually to accommodate the super cargo carriers. That said, "the Panama Canal is — I'm not going to say it's not a significant project; it is — but whether it's a game changer is debatable. Is it the game-changing project that people thought it was even five or six years ago? I think not," says Paul Anderson, CEO of JaxPort. "The Suez Canal will be in my opinion

the opportunity to be the game changer for the east coast of the United States."

Anderson argues that as rising Chinese costs drive manufacturing to Southeast Asia and India, a route through the Suez will be attractive for reaching the east coast. JaxPort already has Suez-transited cargo ships calling weekly that are bigger than anything the Panama Canal can handle until it finishes its widening project in 2015. However, such ships can't come in fully loaded because there's not enough depth in the port's waterway.

#### » Takeaway No. 4

Other U.S. ports are making improvements, too. Florida ports will spend big on improvements, but it's a drop in the bucket globally. After a costly labor strike at Long Beach, Calif., in 2002, shippers have been diversifying the ports they use. But how much of a shift will actually play out? "I'm not sure everybody's going to get what they expect," says Port of Tampa senior marketing director Wade Elliott, whose port is joining with Houston and Mobile, Ala., to market themselves as a route for container ships interested in reaching 32% of the U.S. population. "I don't think there's a real kind of simple answer that says, 'OK, these are going to be the winners and these are going to be the losers.' The (U.S.) west coast is not going to stand still. They are not going to let the east coast eat their lunch."

#### » Takeaway No. 5

Florida isn't certain to gain, but it has to build to stay in the game.

"I don't think anybody's throwing out it's a panacea or a guarantee," Florida Ports Council President Doug Wheeler says of the port construction boom. "I think the guarantee is: If you don't do it, they're not coming."

#### » Takeaway No. 6

Florida loses traffic to other ports that it shouldn't.

Florida will gain employment and revenue just by recapturing cargo that now moves through Savannah and other ports outside the state. Some 90% of what Florida's 19 million residents and 86 million tourists consume comes by ocean. Of that, 45% comes through ports outside the state. "If we just recapture Florida, you're talking about billions coming to the state. In Miami, we want to go beyond that," PortMiami Director Bill Johnson says.

#### » Takeaway No. 7

North-South vs. East-West.

In the long run, growth in Brazil, the Caribbean and Latin America will mean more than Asian trade through the canal. Miami, which handles more traffic from Asia than any other Florida port, still gets 54% of its trade from Latin America and the Caribbean compared to 18% from China. Florida's location is unique in the U.S. because of its position for east-west and north-south trade. "One of the things people are overlooking is the position of Florida ports in the north-south trade," says Port Canaveral CEO Stan Payne. As the cost structure in China increases and manufacturing shifts to near-shore Central American countries, the north-south routes only grow more important.

**"It's really going to be a market-driven decision by the carriers. In today's world, it's all about time to market. It's a lot of moving pieces. All the moving pieces are trying to optimize what they do. Everybody's looking to save money."**

— Steve Cernak, CEO, Port Everglades

#### » Takeaway No. 8

Every port can find a niche.

Ports Council President Wheeler reports that a Colombian group is studying an opportunity to ship through Panhandle ports. JaxPort exports cars to Africa and the Middle East. Palm Beach makes a nice living serving the Caribbean. At Canaveral, where cruise business keeps growing, CEO Stan Payne sees potential gain from smaller cargo shipping lines and goods moved from larger canal-transiting ships to smaller ships at a transshipment hub such as Freeport. "We've always been a niche player, but the niche is a good one," Payne says.

#### » Takeaway No. 9

A rising tide lifts all ports.

Increasing global trade has to go somewhere, and it's tough to build a new port in the United States. "Somebody leaving for one port, it creates an opportunity for someone else to move in. There are only so many linear feet of deep water available," says Port Everglades CEO Steve Cernak.

<http://www.floridatrend.com/article/15000/game-changer-plans-to-expand-the-panama-canal>

## Another Panama Canal Expansion Anticipated

Wednesday, December 12, 2012



Alberto Alemán Zubieta, Immediate Past Commissioner of the Panama Canal Authority, Anticipates Another Canal Expansion Following Existing Project Completion Speaks in Newark, NJ, as he is awarded Connie Award by Containerization & Intermodal Institute

The Panama Canal is due for at least one additional expansion, according to Alberto Alemán Zubieta, immediate past commissioner of the Panama Canal Authority. Mr. Alemán spoke as he accepted the Containerization and Intermodal Institute's Connie Award at the annual luncheon at the Newark Club on Monday. Aleman, a construction engineer who assumed the helm of the PCA in 1998, has overseen the design and present \$5.25 billion expansion until his retirement in September.

He noted that the present expansion "will not be the last." As the project continues, he noted, the increasing size of new vessels will mandate yet another expansion. The existing project will allow the canal to handle ships up to 13,000 TEU. More fuel-efficient ships and the increasing price of bunkers are bringing 18,000-TEU ships onto the seas "and we must have Panama Canal locks that can handle them. We must have one more expansion."

Mr. Alemán said he was pleased how well the people of Panama have embraced the canal's transition from U.S. to Panamanian control. "I worked to convince the Panamanian people of the importance of keeping the canal running for the benefit of world trade and of convincing global shipping lines that Panamanians could manage it."

"There was global doubt about Panama's ability to run it," he said. "We had to change the culture of the way the industry looked at the canal." He also had a major role in persuading the people

of Panama to approve the expansion project in a national referendum. Ultimately, he said, Panama approved the referendum by a vote of 80 percent to 20 percent against. "When the new locks open in 2015, it will be the beginning of a new era for Panama," he said.

His Connie Award was presented by James Newsome, who heads the South Carolina State Ports Authority, himself, a Connie recipient in 2010. The Port of Charleston, like other harbors on the East and Gulf Coasts will benefit by the expansion of the canal. CII's President, Allen Clifford, said: "To be in charge of the cornerstone of the global transportation system, and a model of excellence, efficiency and integrity is a monumental task; to be able to present Mr. Alemán with a Connie is a monumental honor for CII."

Since leaving the PCA, Alemán has established a consulting firm, ABCO Global in Panama City, Panama. He will consult on maritime infrastructure projects, particularly in Latin America. The Connie Award is one of many honors bestowed on Alemán Zubieta for his vision, achievements and contributions to the world international transportation industry. In 2009, he received the most prestigious award from the maritime industry, the "International Maritime Prize" from the International Maritime Organization (IMO).

In addition to the Connie Award, CII made a \$5,000 contribution to the rebuilding of the Seamen's Church Institute Port Newark Center,

which sustained major destruction during the mega storm Sandy last month. SCI board member Peter Tirschwell accepted the donation, which CII Vice President Steven Blust noted "truly came from the companies and people who support CII programs and the Connie Award events."

The Connie Award is also presented each year in Long Beach, CA. This year it was awarded to Matthew Cox, CEO of Matson, in October.



# Gulf Coast set for Bakken-like boom with liquefied natural gas

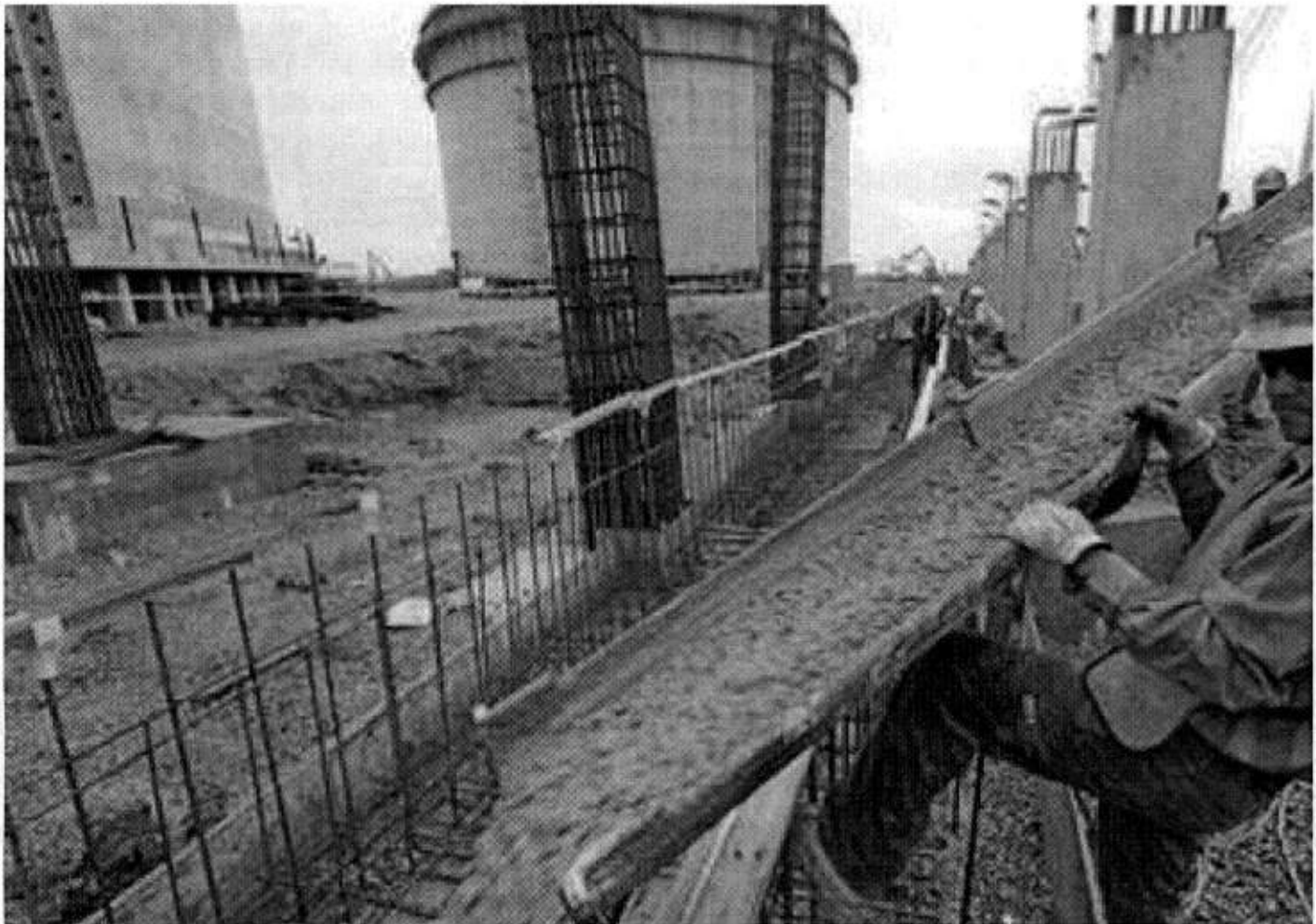


By Joshua Rhett Miller

Published February 23, 2014

FoxNews.com

Facebook303 Twitter392 Gplus0



Salvador Pantoja directs the flowing concrete at the Sempra liquefied natural gas plant under construction in 2007 in Hackberry, La. (AP)

[Next](#)

The energy boom that has North Dakota boasting the country's lowest unemployment rate — and skyrocketing real estate prices — could soon do the same for the Gulf Coast.

Dozens of facilities are set to sprout up along the Louisiana and Texas coasts to liquefy natural gas from shale formations as far away as Pennsylvania and Ohio for export around the world. The energy boom, which is turning the U.S. into a net exporter, could drive liquefaction capacity to an eight-fold increase in the next five years alone, experts say. That could mean hundreds of thousands of new jobs along the Gulf Coast, by some estimates.

"From an economic development standpoint, it is going to be huge," said Ragan Dickens, spokesman for the Louisiana Oil and Gas Association. "It is incredibly exciting to know the region will see this influx of new jobs."

More than 110 liquefied natural gas (LNG) facilities now operate in the U.S., some exporting the super-cooled liquid, while others turn natural gas into an energy form that occupies up to 600 times less space than natural gas for vehicle fuel or industrial use. Worldwide, LNG trade is expected to more than double by 2040, according to the Energy Information Administration.

*"Will it slow down the initial burst of liquefied natural gas facilities? Maybe, but I think people are working hard to make sure that's not the case."*

*- Chip Knappenberger, Center for the Study of Science at the Cato Institute*

Up to a dozen long-term deals, each worth billions of dollars, have been signed by American natural gas producers with companies in China, Japan, Taiwan, Spain, France and Chile, according to Reuters. The federal Energy Department has authorized companies to export up to 8.5 billion cubic feet per day of liquefied natural gas, about 13 percent of current daily production. Given the entrenched oil and gas industry, access to shipping and regional resources, the Gulf Coast is set to become the epicenter of the coming liquefaction boom.

One market research firm, Industrial Info Resources, predicts \$64 billion will be spent to build at least seven LNG facilities on the Gulf Coast in coming years. The massive-scale construction could even strain the skilled labor force, according to IIR Executive Vice President Michael Bergen.

But other experts said demand for skilled workers to fill high-paying jobs is a problem the region can handle — happily.

"A lot can (and will) happen in five years," Michael Quinn, managing principal at the Analysis Group, told FoxNews.com in an email. "That's plenty of time both for workers with various skillsets to be trained or to relocate to where the jobs are. It's also plenty of time for market conditions regarding the sale of LNG to change such that eight-fold growth wouldn't be economic."

Another estimate predicts that the region between Brownsville, Texas, and Pascagoula, Mississippi, could see labor demand surge from 86.1 million required man-hours in 2013 to 134.3 million in 2015, or an increase of more than 55 percent.

In just two years, the number of pipe fitters, welders, electricians and other skilled workers in the Gulf Coast will grow from roughly 62,000 to more than 103,000, driven in part by receipt and export terminals now under development by companies like Sempra Energy in Louisiana and Freeport LNG in Texas.

Labor leaders say the region could face a "dramatic shortage" of skilled hands, especially in the Gulf Coast. To combat that, Eric Dean, general secretary of Iron Workers International, said the 120,000-member union is ramping up its training regimen.

"We have 150 training facilities with a maximum capacity to train over 50,000 highly skilled ironworkers," Dean told FoxNews.com in an email. "Our training consists of 3-4 year apprenticeship programs which lead to a safe, highly skilled, trades person. We have increased staffing of these facilities as well as recruitment efforts targeting skilled and semiskilled workers that we can train and, where necessary, upgrade their skills."

Increasing the pool of certified welders — currently numbering more than 10,000 within the trade association — has been an ongoing challenge for the union, due in part to a large number of retiring workers and the economic downturn, Dean said.

But the prospect of a jobs bonanza is not enough to quell the misgivings of some environmental groups and advocates who believe the region could be rushing too fast into the LNG boom.

Tim Riley, an attorney who produced and directed "The Risks and Danger of LNG," told FoxNews.com that LNG facilities will ultimately lead to increased risk of danger to nearby communities, send domestic gas prices surging nationwide and vastly increase the amount of methane in the atmosphere.

"The main gripe is that proponents of LNG boast that it is clean natural gas," Riley told FoxNews.com. "However, it's processed natural gas that by the time it goes through its complete cycle of extraction to liquefaction to transport to gasification to piping ... that whole industrial process uses more energy than it would to just burn natural gas."

Chip Knappenberger, assistant director of the Center for the Study of Science at Cato Institute, said there's no question that the pending projects will be a boost for jobs in the region. One challenge will be making sure strain on the labor pool doesn't slow down the boom.

"My gut feeling is that in an economy where people are looking for jobs, with the availability of new jobs coming on, regardless of the technical aspect, you're going to find someone to eagerly fulfill them to the best of their abilities," Knappenberger told FoxNews.com. "Will it slow down the initial burst of liquefied natural gas facilities? Maybe, but I think people are working hard to make sure that's not the case."

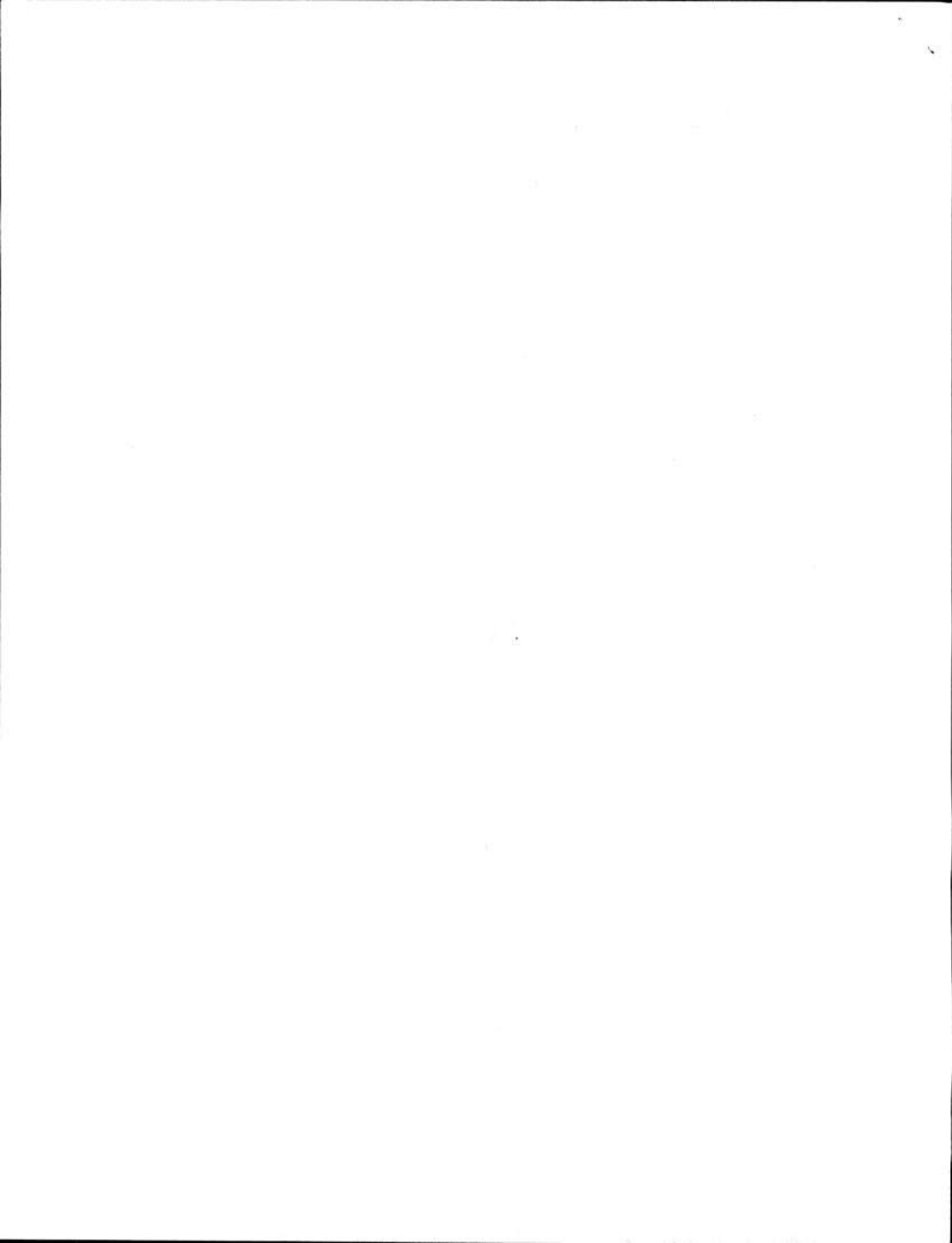
In fact, labor-related costs and environmental opposition to the projects, could prove to be more of a challenge than finding skilled laborers to build LNG facilities, Knappenberger said.

"If that resource is there, I can't imagine that it's going to go unfulfilled," he said. "As long as they're permitting these things, they're going to keep building them out."

As North Dakota has learned, a dizzying economic boom like the Gulf Coast faces with liquefaction can bring headaches. Real estate in the Peace Garden State, which now produces more oil than any state other than Texas, has exploded. A 700-square-foot, one-bedroom apartment in Williston, N.D., can easily cost more than \$2,000 per month, while a three-bedroom place could fetch as much as \$4,500, according to ApartmentGuide.com.

"You've got places up there with the most expensive rates in the country, so people are flocking there," Knappenberger said. "Job seekers are coming, it's just stressing the infrastructure. That might happen down in the Gulf Coast, maybe it won't. But I think you'll have droves of people looking for jobs if they're available."

Where did all the people in the Bakken region come from? They weren't local folks."



# Panama Canal Expansion

## Ultra-Large Post-Panamax Container Ship



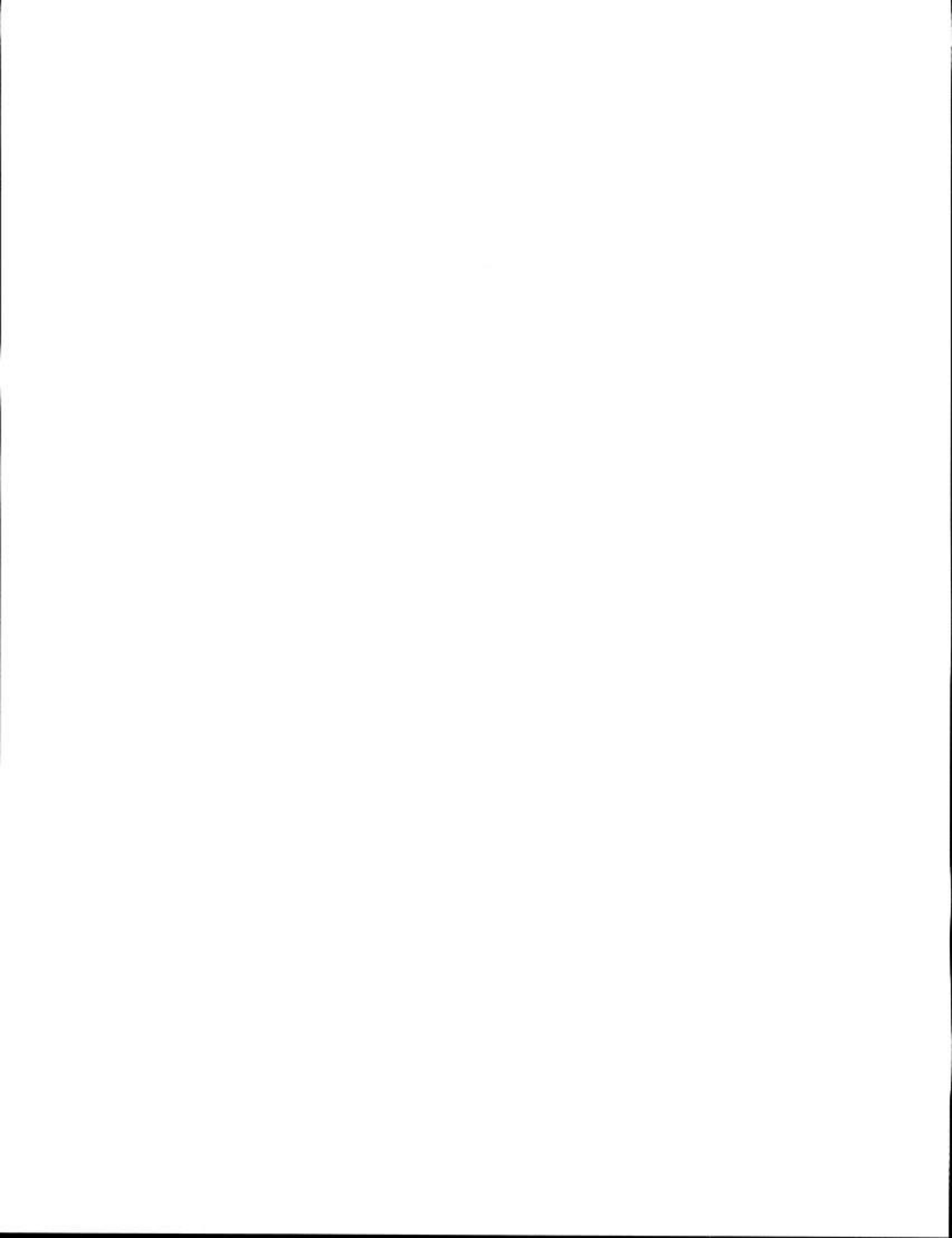
MSC Beatrice: 13,798 TEUs

MSC: Mediterranean Shipping Company

\*35- 1.5 mile long double-stacked unit trains to unload

Capitol Space: ~9845600 ft.<sup>3</sup>

Space in TEUs: ~7239.5 TEUs





# TEX-21 5th Annual Fact Finding Mission



*August 13–August 17, 2014*

**Panama City, Panama**

## 100th Anniversary

*Transportation Excellence for the 21st Century is excited to announce its international mission to celebrate the 100th year anniversary of the completion of the Panama Canal this August. The mission will be taking place along the Panama Canal so that we can take an exclusive look at its ongoing expansion. You will not want to miss out on this unique mission, including the 100th Anniversary black tie gala hosted by the Panama Canal Authority.*



MIRAFLORES LOCKS  
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1913

*For More Information, please contact our public policy consultants at:*

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**Russell Schaffner, Matt Brasseaux**

rschaffner@dean.net, mbrasseaux@dean.net • 214.750.0123 W • 214-750-0124 F



## Registration Form

Please complete and fax this form, along with the non refundable ground fee to Dean International, Inc. 214.750.0124 or email

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A non-refundable Ground Fee of \$750 per person guarantees your spot on the mission. Each traveler who will attend any portion of the TEX-21 Fact Finding Mission (tour, dinners, receptions, panel discussions, etc.) is responsible for the ground fee. The ground fee covers tours, meetings, three lunches, two dinners and a reception (a hot breakfast is included in the hotel price). Each traveler is responsible for arrangements and the cost of airfare, hotel accommodations, travel to and from the airport, and all other expenses. **Spots on the mission are limited.** Please make your checks for the \$750 per person Ground Fee payable to 'TEX-21' and mail to **Dean International, Inc., Two Park Lane Place, 8080 Park Lane, Suite 600, Dallas, Texas 75231**, to confirm your reservation.

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1.888.236.2427

Rate: \$126/night plus fees

Code: "TEX-21"

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American Airlines

P: 800.221.2255

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CARLOS URESTI  
 LETICIA VAN DE PUTTE  
 KIRK WATSON  
 ROYCE WEST  
 JOHN WHITMIRE  
 TOMMY WILLIAMS  
 JUDITH ZAFFIRINI

**HOUSE MEMBERS**

ALMA ALLEN  
 ROBERTO ALONZO  
 CAROL ALVARADO  
 TRENT ASHBY  
 JIMMIE DON AYCOCK  
 CECIL BELL  
 DWAYNE BOHAC  
 DENNIS BONNEN  
 DAN BRANCH  
 CINDY BURKETT  
 ANGIE CHEN BUTTON  
 WILLIAM CALLEGARI  
 GARNET COLEMAN  
 BYRON COOK  
 BRUCE COZART\*  
 MYRA CROWNOVER  
 JOHN DAVIS  
 YVONNE DAVIS  
 JOSEPH DESHOTEL  
 GARY ELKINS  
 JOE FARIAS  
 JESSICA FARRAR  
 ALLEN FLETCHER  
 DAN FLYNN  
 CHARLIE GEREN

HELEN GIDDINGS  
 MARY GONZALEZ  
 BOBBY GUERRA  
 RYAN GUILLEN  
 PATRICIA HARLESS  
 LINDA HARPER-BROWN  
 HARVEY HILDERBRAN  
 BRYAN HUGHES  
 JIM KEFFER  
 PHIL KING  
 LOIS KOLKHORST  
 MATT KRAUSE  
 JODIE LAUBENBERG  
 GEORGE LAVENDER  
 EDDIE LUCIO  
 ARMANDO MARTINEZ  
 LOY MAUCH\*  
 RUTH JONES MCCLENDON  
 WALLS MCCRARY\*  
 JOSE MENENDEZ  
 RICK MILLER  
 GEANIE MORRISON  
 SERGIO MUNOZ JR.  
 ROB ORR  
 JOHN OTTO

DIANE PATRICK  
 LARRY PHILLIPS  
 JOE PICKETT  
 JIM PITTS  
 JOHN RANEY  
 BENNETT RATLIFF  
 RICHARD RAYMOND  
 DEBBIE RIDDLE  
 DUSTIN ROBERTS  
 EDDIE RODRIGUEZ  
 JUSTIN RODRIGUEZ  
 TONI ROSE  
 SCOTT SANFORD  
 KENNETH SHEETS  
 RALPH SHEFFIELD  
 RON SIMMONS  
 WAYNE SMITH  
 PHIL STEPHENSON  
 VAN TAYLOR  
 ED THOMPSON  
 SENFRONIA THOMPSON  
 STEVE TOTH  
 JASON VILLALBA  
 ARMANDO WALLE  
 JAMES WHITE  
 BILL ZEDLER

\*Indicates Arkansas Member



## **TEX-21 US-287 Corridor Task Force**

### **Mission, Vision, Goals & Objectives**

#### **MISSION**

The mission of the TEX-21 US-287 Corridor Task Force is to provide all Corridor stakeholders with the appropriate platform to improve, sustain, and advance its viability as a preeminent national corridor.

#### **VISION**

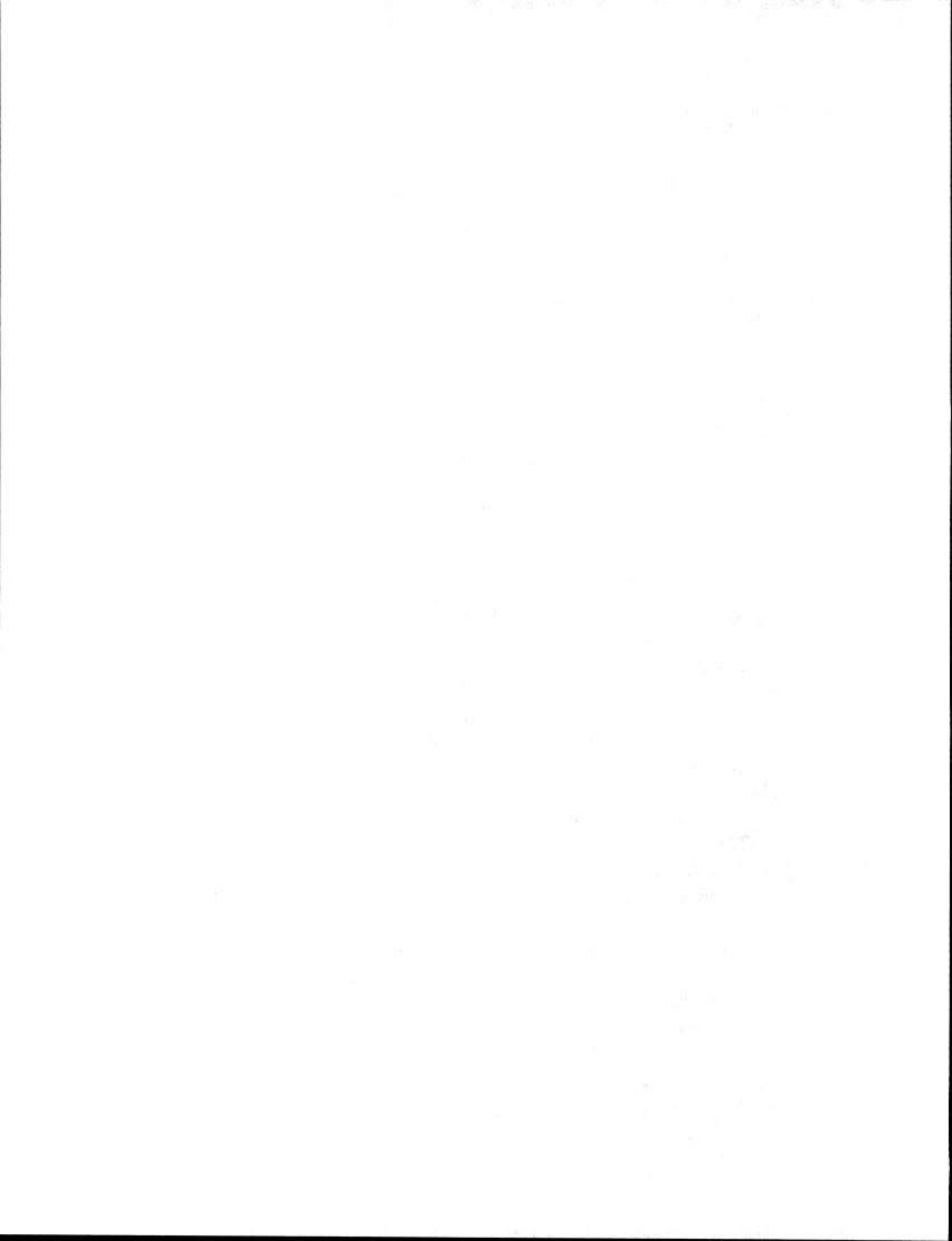
The TEX-21 US-287 Corridor Task Force will bring together key stakeholders from the entire US-287 Corridor in Texas to focus on significantly enhancing transportation infrastructure along one of the most dynamic and thriving corridors in the country. In addition, TEX-21 will seek to educate and communicate the needs of the US-287 Corridor with influential leaders at the state and federal level.

#### **GOALS**

The members of the TEX-21 US-287 Corridor Task Force will pursue policies and infrastructure improvements along the Corridor to better enable the safe and efficient movement of goods along the Corridor, thereby enhancing ongoing efforts to attract and retain world-class corporate residents to this industrious region in Texas. By encouraging proactive efforts at the federal and state levels, TEX-21 US-287 Corridor Task Force will promote the importance and potential opportunities available within the US-287 Corridor. As a result of these energized efforts, US-287 Corridor will be suited to better provide for the mobility needs of the region's corporate and residential constituents.

#### **OBJECTIVES**

- The TEX-21 US-287 Corridor Task Force will position its members to attract further funding and available resources at the federal and state levels for the improvement of US-287.
- Though a coordinated effort of all stakeholders the Task Force will identify and maximize available transportation assets by undertaking strategies such as a comprehensive survey of the US-287 Corridor and creating a complete inventory of the mobility resources.
- TEX-21 US-287 Corridor Task Force will identify methods to strengthen national visibility by communicating the significance of infrastructure-related initiatives associated with US-287 to leaders at the state and federal level.





## **U.S. Highway 75/69 Corridor Task Force**

### **MISSION, VISION, GOALS & OBJECTIVES**

#### **MISSION**

The mission of the TEX-21 U.S. 75/69 Corridor Task Force is to improve, sustain, and advance the viability and position of the U.S. 75/69 Corridor as a preeminent national transportation corridor and to provide all Corridor stakeholders with the appropriate platform and cohesive vision to advocate on its behalf.

#### **VISION**

The TEX-21 U.S. 75/69 Corridor Task Force will bring together key stakeholders along the entire U.S. 75/69 Corridor in Texas and into Oklahoma tasked with the creation of a renewed focus on reinvigorating and greatly enhancing the commerce of transportation along one of the most dynamic and thriving corridors in the country. Through the results-driven, focused collaboration made possible by the leadership and expertise of TEX-21, the full potential of this Corridor can be realized at all levels.

#### **GOALS**

TEX-21's U.S. 75/69 Corridor Task Force will pursue policies and infrastructure improvements along the Corridor that will better enable the safe, fast, and efficient movement of goods to and along the Corridor, thereby enhancing ongoing efforts to attract and retain world-class corporate residents to this growing region. By fostering and encouraging an informed and energized effort at the federal and state levels focused on the importance and potential of the U.S. 75/69 Corridor, the Corridor will be positioned to better provide for the mobility needs of the region's corporate and residential citizens.

#### **OBJECTIVES**

Through a coordinated effort of all stakeholders, the Task Force will identify and maximize available transportation assets and will position its members to attract further funding and available resources at the federal and state levels for the improvement of U.S. 75/69. The TEX-21 U.S. 75/69 Corridor Task Force will seek to raise the status of U.S. Highway 75/69 to a Congressionally Designated High Priority Corridor, and eventually seek to include it as part of the U.S. Interstate Highway system, thereby qualifying it through both of these avenues for the additional funds and improvements of which it is clearly deserving.



## TEX-21 IH-30 Corridor Task Force

### Mission, Vision, Goals & Objectives

#### MISSION

The mission of the TEX-21 IH-30 Corridor Task Force is to provide all Corridor stakeholders with the appropriate tools and avenues to improve, sustain, and further its viability as a preeminent national corridor.

#### VISION

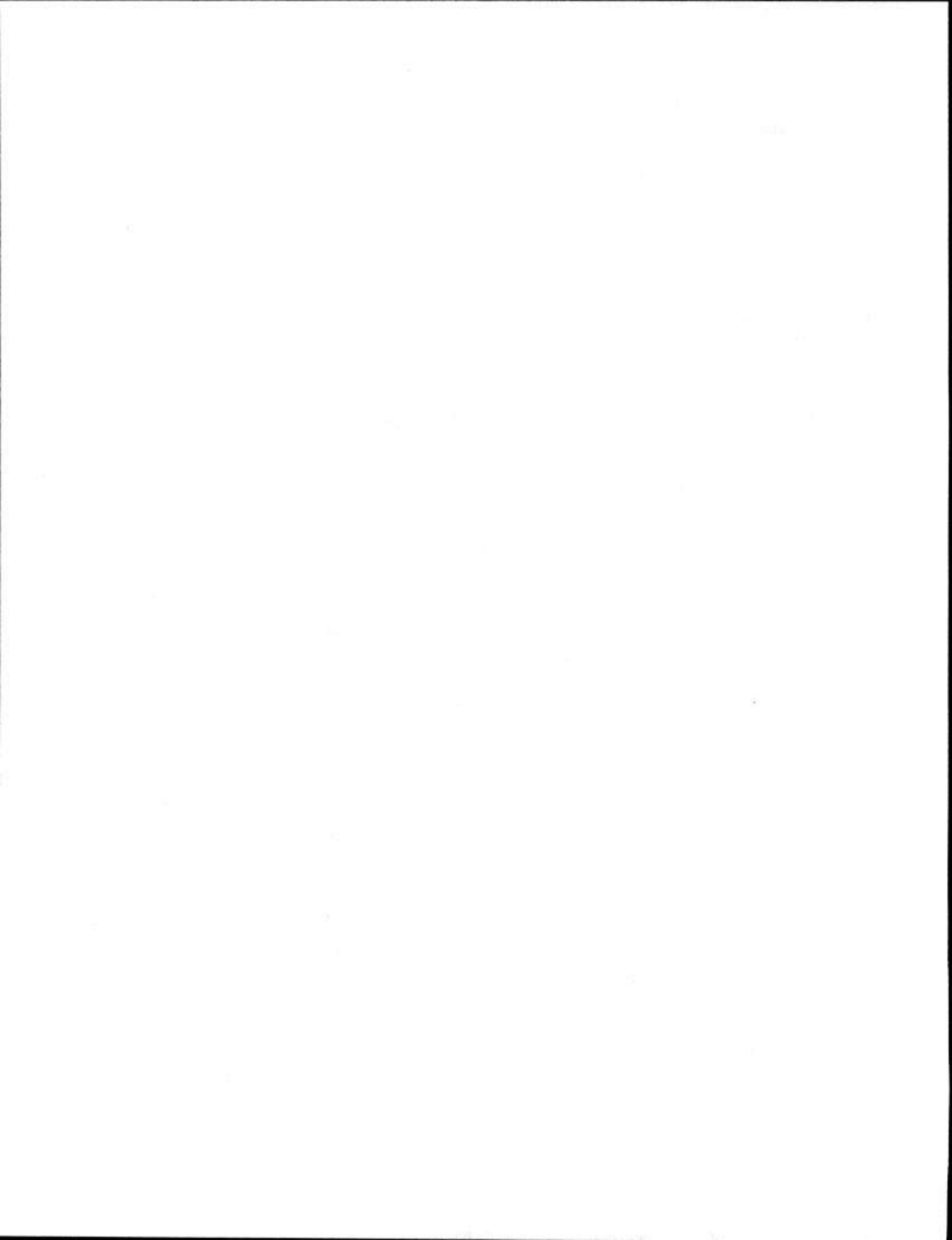
The TEX-21 Corridor Task Force will bring together key stake holders along the entire IH-30 Corridor in Texas and Arkansas tasked with the creation of a focus on reinvigorating and greatly enhancing the commerce of transportation along one of the most vibrant and fastest-growing transportation Corridors in the country. In addition, TEX-21 will seek to educate and communicate the needs of the IH-30 corridor at all levels.

#### GOALS

The member of the TEX-21 IH-30 Corridor Task Force will pursue policies and infrastructure improvements along the Corridor that will better enable the safe, fast, and efficeient movement of goods to and along the Corridor, thereby enhancing ongoing efforts to attract and retain world-class corporate residents to this growing region. By fostering and encouraging an informed and energized effort at the federal and state levels focused on the importance and potential of the IH-30 Corridor, the Corridor will be position to better provide for the mobility needs of the region's corporate and residential citizens.

#### OBJECTIVES

- The TEX-21 IH-30 Corridor Task Force will better position its members to obtain a greater percentage of all available resources at the federal and state levels for the improvement of Interstate 30.
- Though a coordinated effort of all stakeholders the Task Force will identify and maximize available transportation assets by undertaking the Task Force strategies such as a comprehensive survey of the entire IH-30 Corridor and creating a complete inventory of mobility recources.
- TEX-21 will identify ways by which the IH-30 corridor will not only attract further funding but have increased national visibility.



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# TEX-21

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## TEX-21 History

- During the 2nd Annual Transportation and Infrastructure Summit in Irving, Texas, elected officials and transportation authorities united together to form a grass roots coalition with the purpose of developing a cohesive vision for the future of transportation
- TEX-21 has grown to include numerous member cities, counties, transit and port authorities, international trade corridors, universities and other industry leaders, encompassing approximately 60% of Texas' 25,145,561 population and with new members in Arkansas and Oklahoma, a growing portion of that state as well.

## Members of TEX-21:

### Partnering Together for Transportation Excellence

- Addison      ■ Denton      ■ Little Elm
- Alice      ■ Durant, OK      ■ Mansfield
- Allen      ■ El Paso      ■ Midlothian
- Anna      ■ Eules      ■ McKinney
- Atoka, OK      ■ Forest Hill      ■ Mt. Pleasant
- Bryant, AR      ■ Forney      ■ Mt. Vernon
- Colleyville      ■ Garland      ■ N. Richland Hills
- Coppell      ■ Granbury      ■ N. Little Rock, AR
- Crockett      ■ Grapeland      ■ Port of Brownsville
- Dallas      ■ Greenville      ■ Pharr
- Decatur      ■ Irving      ■ Redwater
- Denison      ■ Killeen      ■ Rhome

- Richardson
- Rockwall
- Rowlett
- San Marcos
- Sherman
- Southlake
- Stephenville
- Sulphur Springs
- Temple
- Texarkana
- Waxahachie
- Woodville
- Wylie
- Bowie County
- Collin County
- Dallas County
- Grayson County
- Hood County
- Hopkins County
- Hunt County
- Rockwall County
- Tarrant County
- Titus County
- Tyler County
- Wise County
- Ark-Tex Council of Governments
- Paris EDC
- AAA Texas
- BOSC, Inc.
- Harrison, Walker & Harper, L.P.
- El Paso MPO
- Hidalgo County MPO
- TAPS
- TexAmericas
- Texas Southern University
- Texas Transportation Institute



## TEX-21 Caucuses

- **Congressional Caucus in Washington, DC:** TEX-21 has continually maintained 100% Congressional participation and will seek to maintain this with the three new members of the Texas delegation. In addition to the member's participation, the staff members that handle transportation issues for each of these Caucus members have united to form a TEX-21 Congressional Caucus Staff Workgroup. Workshops were recently held for the staff members of the Congressional Caucus with presentations on transit and passenger rail and their impact on Texas. Other meetings provided presentations on seaports, freight rail, and the TEX-21 Legislative program for the 112th Congress.
- **Legislative Caucus:** Our TEX-21 Legislative Caucus currently includes 91 members (21 Senators and 70 Representatives). Workshops for the staff members of the Caucus are conducted quarterly. Meetings have focused on all modes of transportation at both the State and Federal levels and the TEX-21 Legislative targets.
- **Arkansas:** Working with key leaders in the Arkansas General Assembly and members of the Arkansas Congressional Delegation, TEX-21 welcomes state and federal elected officials from Arkansas into its enthusiastically engaged Congressional and Legislative Caucuses. Forging relationships at the local, state, and federal levels through facilitating results-driven dialogue among stakeholders, TEX-21 seeks to continue its significant and positive impact on transportation policy in Little Rock and Washington."

# TEX-21 Congressional Caucus 113<sup>th</sup> Congress

## Senatorial Co-Chairs



John Cornyn  
US Senate TX

## Congressional Co-Chairs



Michael D. Burgess  
TX District 26



John Culberson  
TX District 7



Eddie Bernice Johnson  
TX District 30



Randy Neugebauer  
TX District 19



Pete Sessions  
TX District 32

# TEX-21 Congressional Caucus 113<sup>th</sup> Congress

## Congressional Members



Joe Barton  
TX District 6



Henry Cuellar  
TX District 28



Louie Gohmert  
TX District 1



Kevin Brady  
TX District 8



Lloyd Doggett  
TX District 35



Kay Granger  
TX District 12



John R. Carter  
TX District 31



Blake Farenthold  
TX District 27



Al Green  
TX District 9



Mike Conaway  
TX District 11



Bill Flores  
TX District 17



Gene Green  
TX District 29

# TEX-21 Congressional Caucus

## 113th Congress

### Congressional Members



Ralph M. Hall  
TX District 4



Jeb Hensarling  
TX District 5



Ruben Hinojosa  
TX District 15



Sam Johnson  
TX District 3



Sheila Jackson Lee  
TX District 18



Kenny Marchant  
TX District 24



Michael McCaul  
TX District 10



Pete Olson  
TX District 22



Ted Poe  
TX District 2



Lamar Smith  
TX District 21



Steve Stockman  
TX District 36



Mac Thornberry  
TX District 13



Marc Veasey  
TX District 33



Randy Weber  
TX District 14



Roger Williams  
TX District 25



Filemon Vela  
TX District 34

# TEX-21 Legislative Caucus State Senators



Senator  
John Carona  
TX District 16



Senator  
Wendy Davis  
TX District 10



Senator  
Robert Deuell  
TX District 2



Senator  
Rodney Ellis  
TX District 13



Senator  
Craig Estes  
TX District 30



Senator  
Kelly Hancock  
TX District 9



Senator  
Glen Hegar  
TX District 18



Senator  
Eddie Lucio, Jr  
TX District 27



Senator  
Jane Nelson  
TX District 12



Senator  
Dan Patrick  
TX District 21



Senator  
Ken Paxton  
TX District 8



Senator  
Bill Sample  
AR District 14



Senator  
Kel Seliger  
TX District 31



Senator  
Larry Teague  
AR District 20



Senator  
Larry Taylor  
TX District 11



Senator  
Carlos Uresti  
TX District 19



Senator  
Leticia Van De Putte  
TX District 26



Senator  
Kirk Watson  
TX District 14



Senator  
Royce West  
TX District 23



Senator  
John Whitmire  
TX District 15



Senator  
Tommy Williams  
TX District 4



Senator  
Judith Zaffirini  
TX District 21

# TEX-21 Legislative Caucus State Representatives



Representative  
 Alma Allen  
 TX District 131



Representative  
 Roberto Alonzo  
 TX District 104



Representative  
 Carol Alvarado  
 TX District 145



Representative  
 Trent Ashby  
 TX District 57



Representative  
 Jimmie Don Aycock  
 TX District 54



Representative  
 Cecil Bell  
 TX District 3



Representative  
 Dwayne Bohac  
 TX District 138



Representative  
 Dennis Bonnen  
 TX District 25



Representative  
 Dan Branch  
 TX District 108



Representative  
 Cindy Burkett  
 TX District 101



Representative  
 Angie Chen Button  
 TX District 112



Representative  
 William Callegari  
 TX District 132



Representative  
 Garnet Coleman  
 TX District 147



Representative  
 Bryon Cook  
 TX District 8



Representative  
 Myra Crownover  
 TX District 64



Representative  
 John Davis  
 TX District 129



Representative  
 Yvonne Davis  
 TX District 111e

# TEX-21 Legislative Caucus State Representatives



Representative  
Joseph Deshotel  
TX District 22



Representative  
Gary Elkins  
TX District 135



Representative  
Joe Farias  
TX District 118



Representative  
Jessica Farrar  
TX District 148



Representative  
Allen Fletcher  
TX District 130



Representative  
Dan Flynn  
TX District 2



Representative  
Charlie Geren  
TX District 99



Representative  
Helen Giddings  
TX District 109



Representative  
Mary Gonzales  
TX District 75



Representative  
R.D. "Bobby" Guerra  
TX District 41



Representative  
Ryan Guillen  
TX District 31



Representative  
Patricia Harless  
TX District 126



Representative  
Linda Harper-Brown  
TX District 105



Representative  
Harvey Hilderbran  
TX District 53



Representative  
Bryan Hughes  
TX District 5



Representative  
Jim Keffer  
TX District 60



Representative  
Phil King  
TX District 61



Representative  
Lois Kolkhorst  
TX District 13

# TEX-21 Legislative Caucus State Representatives



Representative  
 Matt Krause  
 TX District 93



Representative  
 Jodie Laubenberg  
 TX District 89



Representative  
 George Lavender  
 TX District 1



Representative  
 Armando Martinez  
 TX District 39



Representative  
 Ruth Jones McClendon  
 TX District 120



Representative  
 Jose Menendez  
 TX District 124



Representative  
 Rick Miller  
 TX District 26



Representative  
 Geanie Morrison  
 TX District 30



Representative  
 Sergio Munoz Jr.  
 TX District 36



Representative  
 Rob Orr  
 TX District 58



Representative  
 John Otto  
 TX District 18



Representative  
 Diane Patrick  
 TX District 94



Representative  
 Larry Phillips  
 TX District 62



Representative  
 Joe Pickett  
 TX District 79



Representative  
 Jim Pitts  
 TX District 10



Representative  
 John Raney  
 TX District 14



Representative  
 Bennett Ratliff  
 TX District 115



Representative  
 Richard Raymond  
 TX District 42



# TEX-21 Legislative Caucus State Representatives



Representative  
 Debbie Riddle  
 TX District 150



Representative  
 Dustin Roberts  
 OK District 21



Representative  
 Eddie Rodriguez  
 TX District 51



Representative  
 Justin Rodriguez  
 TX District 125



Representative  
 Toni Rose  
 TX District 110



Representative  
 Scott Sanford  
 TX District 70



Representative  
 Ralph Sheffield  
 TX District 55



Representative  
 Ron Simmons  
 TX District 65



Representative  
 Wayne Smith  
 TX District 128



Representative  
 Phil Stephenson  
 TX District 85



Representative  
 Van Taylor  
 TX District 66



Representative  
 Senfronia Thompson  
 TX District 141



Representative  
 Ed Thompson  
 TX District 29



Representative  
 Steve Toth  
 TX District 15



Representative  
 Jason Villalba  
 TX District 114



Representative  
 Armando Walle  
 TX District 140



Representative  
 James White  
 TX District 19



Representative  
 Bill Zedler  
 TX District 9

# TEX-21 Legislative Caucus State Representatives



Representative  
Jonathan Barnett  
AR District 87



Representative  
Bruce Cozart  
AR District 28



Representative  
Charlotte Douglas  
AR District 75



Representative  
Dan Douglas  
AR District 91



Representative  
Prissy Hickerson  
AR District 1



Representative  
Walls McCrary  
AR District 15



Representative  
Fredrick Love  
AR District 29

# 2013 Legislative Priorities

- Support ending or reducing diversions, starting with funding DPS out of general revenues and not transportation revenues.
- Support regional rail initiatives.
- Monitor legislation addressing the effects of hydraulic fracturing causing the deterioration of the states infrastructure.
- Pursue legislation that reduces the municipal responsibility for utility relocations cost for private sector projects.
- Support legislation encouraging high-speed intercity passenger rail and airport connectivity through private sector initiatives.
- Support legislation that readies the State of Texas for the Panama Canal Expansion in Spring 2015.
- Support legislation expanding the transportation and infrastructure funding options
  - Linear Transportation Reinvestment Zones



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***Better Policy***