

Legislative Study Committee on Private Participation in Toll Projects
July 22, 2008
San Antonio, Texas

Testimony of Councilwoman Sheila D. McNeil
City of San Antonio &
Chair of the San Antonio-Bexar County Metropolitan Planning Organization

Good morning Senators, Representatives and members of the committee. My name is Sheila McNeil and I am the City Councilwoman for District 2 here in San Antonio and I also serve as the Chair of the San Antonio-Bexar County Metropolitan Planning Organization (MPO). Our MPO Boundary currently covers all of Bexar County and small portions of Comal and Guadalupe Counties. This area includes approximately 1.5 million people, who travel over 35 million vehicle miles per day on 6,000 miles of roadway.

Transportation funding shortfalls at all levels of government have significantly impacted the way MPO's plan for improvements to their region's transportation system. However, no matter what funding issues currently exist, the truth is that there has always been a greater need when it comes to transportation projects than the available funding for mobility. In San Antonio alone, 25-year needs are currently estimated to be at approximately \$19 billion above and beyond traditional revenues. Although we recognize that there is no silver bullet to address this significant shortfall, the MPO also must move forward with non-traditional and innovative financing mechanisms in order to ensure that the region's transportation system can adequately serve the traveling public.

Therefore, despite these funding shortfalls the MPO has worked hard to continue to move the transportation planning process forward. Our local Transportation Policy Board has long understood the implications of doing nothing with the current financial climate. Therefore, we have forged a strong partnership with our local TxDOT District Office and with the Alamo Regional Mobility Authority (ARMA). We are moving forward with some very important regional toll projects through the public/private partnership financing models enabled by the Texas Legislature.

We understand that several areas have had issues with the Market Valuation process established in Senate Bill 792. However, we are here today to state that the process worked for our region, specifically with the US 281 project. TxDOT, ARMA and the MPO worked very closely together throughout the Market Valuation process to ensure a successful outcome was reached. Of course, we don't know what the future holds for other projects, but we will continue to work closely with our partner agencies to make sure that we continue to get it right.

The moratorium that was placed on Concession Comprehensive Development Agreements (CDA's) was a good opportunity for our area to slow down and figure out the best financial mechanism for the region's toll projects. In the end, we were able to

move forward with the RMA's public model for our transportation projects. However, that may not be the case in the future. I can only hope that through these types of hearings and public input, the Legislature can develop various control measures that make Concession CDA's successful in Texas. Local decision makers need to have access to this important financial tool to advance transportation projects with a local and statewide significance. It will take a combination of these financing tools to tackle our current and future congestions problems.

In closing, I want to thank you for all of the strides that have made in recent years to make transportation a priority in the State of Texas. Partnerships have been key to addressing San Antonio's transportation needs. I can only hope that we can forge a closer working relationship with the Texas Legislature this session to ensure that our local needs are met, while protecting the State's and public's interests.

Thank you for the opportunity to speak today and for all that you do for the great State of Texas.