

**Sunset Advisory Commission**  
Friday, December 9, 2016  
Senate Finance Committee Room  
Room E1.036, Capitol Extension, 9:00 a.m.

**Testimony of Pete Sepulveda Jr., on the  
Texas Department of Transportation Sunset Advisory Commission Staff Report**

My name is Pete Sepulveda Jr., and I am the Executive Director of the Cameron County Regional Mobility Authority (the “CCRMA”). I appreciate the opportunity to appear before the Commission. My testimony will provide an overview of the CCRMA and insight into our working relationship with the Texas Department of Transportation (“TxDOT”), as well as our impressions of certain recommendations in the Sunset Staff Report (the “Report”) and how we feel it will further that relationship.

Overview of the CCRMA

The CCRMA serves the citizens of Cameron County by providing congestion relief, traffic safety, and enhanced mobility and provide efficient trade corridors. We are locally formed and locally controlled, and these are characteristics which have been vital to our success.

The CCRMA has the statutory authority to develop a wide range of transportation projects which include tolled and non-tolled roadways; passenger and freight rail facilities; maritime ports; certain types of airports; intermodal hubs, pedestrian and bicycle facilities, transit systems, and certain public utility facilities. Since our inception, the CCRMA has worked with numerous entities in the South Texas Region to develop our initial toll project, SH 550, and we have worked on or are developing several other major projects including the West Rail Relocation, South Padre Island Second Access Causeway Project, Outer Parkway Project and FM 1925. By utilizing the tools the State Legislature has given us, we have constructed rail relocation projects, highway, bridge and international projects.

The CCRMA has no taxing authority, and is primarily dependent on user fees (i.e., tolls and fares), TxDOT loans and/or grants, project financing secured by operating revenues, and local contributions to support our operations. The local contributions have come largely from Cameron County in the form of revenues generated by a county wide Transportation Reinvestment Zone created last year and a \$10.00 Optional Vehicle Registration Fee which the Legislature authorized in 2009. We have been able to leverage that fee into over \$150 million to support local transportation projects.

The partnerships between the CCRMA, and TxDOT have been essential in successfully advancing CCRMA projects. In nearly all instances where we have been able to move projects forward the TxDOT Pharr District has been an active and supportive partner in the process. Much of what the CCRMA does is subject, at some level, to TxDOT oversight, and a strong working partnership between the CCRMA and TxDOT is critical to the success of a project.

Sunset Staff Report Recommendations

The majority of the recommendations contained in the Report do not directly impact the operations of the CCRMA. However, we believe we can make a meaningful impact and our productive relationship with TxDOT can be enhanced through the adoption of certain recommendations. Further, the CCRMA can provide our impressions of certain findings in the Report with the unique perspective of a local stakeholder with a shared goal of increasing mobility.

**Recommendation 2.1 - Require TxDOT to finalize implementation of its new project portfolio review process and publicly share resulting performance information.**

The Report recommends TxDOT include key stakeholders in the project portfolio reviews as appropriate, such as local government project sponsors or MPOs. It has been the experience of the CCRMA that TxDOT has made concerted efforts to include us in project planning discussions. We welcome future opportunities to provide assistance in these endeavors, including participating in the recommended stakeholder group to develop and regularly update rules describing the overall process.

**Recommendation 2.5 - TxDOT should make efforts to improve proactive external stakeholder outreach to avoid conflicts with future planned transportation projects.**

A recommendation that “TxDOT should work more proactively with [MPOs] and local governments to better identify and protect planned transportation corridors to the extent possible within existing authority.” The CCRMA fully agrees that this is an important initiative to efficiently accomplish our shared missions. In fact, Cameron County and the TxDOT Pharr District have historically been proactive in collaborating to achieve corridor preservation in Cameron County. In the 2000’s the County invested \$10 million in Project Roadmap, a program aimed at preserving corridors and eventually got a return of over \$300 million in construction dollars from TxDOT for the construction of those corridors.

**Recommendation 3.15 - Direct TxDOT to develop and monitor performance measures for contract procurement.**

Sunset staff recommends TxDOT develop comprehensive performance measures for the procurement of negotiated contracts for “all types of negotiated contracts that require negotiation, review, and approval, such as advance funding agreements.” The CCRMA has executed numerous advanced funding agreements with TxDOT since our creation in 2004. In that time it has been our experience that TxDOT has a robust system in place to monitor our use of the funds provided under those agreements. We have experienced minimal delays in TxDOT’s administration of those agreements. Development of the recommended comprehensive performance measures will certainly strengthen this aspect of TxDOT’s oversight role of the CCRMA.

**Issue 6 - TxDOT Does Not Effectively Oversee or Support Its 25 Districts.**

The Report identifies several examples, such as construction and design, in which TxDOT’s central office divisions in Austin do not clearly communicate expectations or sufficiently monitor district performance. While this may be prevalent in other areas of the state, this has not been the experience of the CCRMA.