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Dear Client:

**What's the rush? Why the wide-open throttle to build roads in the Austin area that you must pay every time you use them? Can't we just slow down and carefully consider all aspects of toll roads?**

If you're the only one on the road, maybe. But most of the time you have to move along at the speed of those who are traveling alongside you. And if Austin wants to solve its traffic problems, it is **caught up in a roadbuilding pace it can't really control.**

Why is that? Texas highway commissioners have a one-time allocation of approximately \$6 billion in the Texas Mobility Fund (TMF) for roadway construction. **They expect to allocate that money based on proposals received by August 2004.** As a result, cities are scrambling to get their share of the fund.

But what does this have to do with toll roads? The commissioners have said repeatedly **they plan to allocate these dollars to those communities willing to "toll themselves"** – in other words, to those who are willing to help leverage these dollars to build more roads using a combination of toll revenues and the TMF dollars. This allows the dollars to go further and build more roads.

If Austin doesn't apply for its share of the TMF funds, what will happen? Austin will get zip, zero, nada. **Other cities will scarf up every last TMF dollar.** The Dallas area, for instance, is asking for the entire \$6 billion for its projects alone.

Does this mean **toll roads will be the new reality**, if you want to build a major roadway in Texas? It sure looks that way. Of course, toll roads are not new; just new to Austin. Dallas and Houston – as well as major cities all over the US – have used toll roads for years to keep traffic flowing.

There will always be objections to toll roads – especially when the tax dollars you've been paying for years (primarily through gasoline taxes) were supposed to go to build free highways. Now there is a movement underway in the Houston area to convert eighty miles of a free road (The Tomball Parkway) to a toll road. But the **Austin effort proposes to toll only new capacity**, with the promise there will **always be a non-tolled alternative** for those not wanting to pay a toll. For more information on the Austin toll road plan, see the next item.

**Texas never had problems in the past building free roads and even earned the moniker of having the best highway system in the nation. That was then. This is now.**

Now there is not enough money to go around. As Austin and most of the rest of the State of Texas has grown at one of the fastest rates in the nation, a mobility crisis has developed. If you can get there from here, it takes longer and is usually more dangerous. But more than this, the mobility crisis is also a funding crisis. Texas gets its state funding for highways from a tax on gasoline. (About 50% of the state gas tax money also goes to other state needs such as education). State officials estimate the **gas tax would need to be raised by \$2 to \$3 per gallon to begin to fund the current road needs in Texas.** Hence the turn to tolling.

**Doesn't stopping or slowing every few miles to pass through a toll booth defeat the purpose of a faster commute on a toll road? To some extent, yes.**

But that would likely be changed before the first Austin toll road is opened. In fact, about 2 million Texans who use toll roads don't pay tolls – not while they are driving, anyway. They use **electronic "tags" that register a toll road trip and pay in advance so they can pass toll booths without slowing down.**

And several agencies are working as we speak to make sure tags that work on one road will work on them all. "The traveling public ought to get to put up one tag and be able to go where they want to go," said **Phillip Russell**, director of the Texas Turnpike Authority.

This is not limited to the state of Texas. With toll roads the apparent wave of the road future, the US is moving toward a **national standard for collecting highway tolls electronically**, according to *USAToday*. By next year, motorists with these tags (called E-ZPass) will be able to drive nearly every toll road from Maine to the Mississippi River without stopping to fork over money.

For motorists and truckers, it's about convenience. "People don't object to paying tolls," **Pat Jones**, director of the International Bridge, Tunnel and Turnpike Association told *USAToday*. "**They object to stopping and waiting to pay tolls.**" For good reason. A toll-taking human being can handle 300 cars per hour. But dedicated tolling lanes, with reduced speeds through the toll plaza, can process 1,000 cars per lane per hour. In other words, your driving time is reduced.

How do these tags work? **A transponder is attached to the inside of a car and uses radio signals to electronically pay for tolls via a credit card.** Backers of toll roads say toll tags will soon be sold at convenience and grocery stores, just as phone cards are sold today, for those not wanting to link their toll tag to a credit card.

**This fall is the likely time the first step will be taken to envelop as many as ten Central Texas counties into the newly-created taxing authority – the Travis County Hospital District.**

Right now there is no legal authorization to involve the counties surrounding Austin in the District, even though those counties send indigent patients to city-owned Brackenridge Hospital. As a result, **local taxpayers end up footing the bill for another county's residents** who have no financial responsibility for the operation of the needed service. We first told you 7/19/02 this move to involve other counties would occur some day. Well, "some day" is fast approaching.

It will be a lengthy process to get from A to Z, but look to this fall when an interim committee of the Texas Legislature is likely to issue a report that will call for **legislation to allow regional hospital districts involving multiple counties to be created**. Normally, when such a report is issued, some of the legislators on the committee introduce a measure to make it happen. A bill would likely be pre-filed before the session begins next January.

Of course, navigating the choppy waters of the legislature to get final approval of any legislation is a tricky proposition. **But this measure could have a lot of backing before it begins moving through the legislative process**. The reason: it's likely the already-established county-wide districts in the major Texas metros such as Dallas and Houston, will also press for passage. All this, while not assured, is the relatively easy part.

The next part is the tough part. **For a county to be included in a regional district, voters there must agree**. This agreement comes at a price – they will pay additional taxes. The Hospital District passed handily in Travis County last month. But the outlying counties are more conservative – more anti-tax, more anti-government. The other Central Texas counties offer a steeper hill to climb.

While the news reports about the passage of the Hospital District last month focused on the election results and the reaction, they missed the big picture. **The creation of the district represents a significant change in the governance of Austin**. As we have pointed out over the years, Austin is one of the few major cities in the country where the City Council has had management and oversight responsibilities for an airport, an electric utility and a hospital. The hospital is now being removed from the Council's purview.

But we should also be reminded that other large cities have created an airport authority to oversee their big airports and most cities are served by private utility companies. Whether this is good or bad is for you to determine. Just remember these enterprises add a fairly heavy burden for each City Council member. While we have had health care experts serve on recent councils (a doctor, a pharmacist, a nurse etc.), **can you remember when you last elected an energy/utility expert, or an airport operations expert, to the City Council?** Didn't think so. Just something to keep in mind when the next Council elections roll around.

**We used to have low-salt foods, then no-fat or low-fat and now low-carb. What's next?  
No taste? Not to worry, the Aggies are riding to the rescue.**

The low carbohydrate diet craze. It's everywhere you look — store shelves, magazine covers, news stories, TV shows. Has there ever been a diet phenomenon that has hit with such massive, widespread impact? Of course, it's coinciding with the national focus on obesity, so that may have enhanced its impact. But, whatever it is, America's food companies are looking for ways to make low-carb versions of all sorts of food.

And researchers at TexasA&M are riding to the rescue, because one of the biggest challenges in the low-carb push is to **make sure the foods still taste good**. The head of A&M's Extrusion Technology Program, **Mian Riaz**, is helping keep low-carb meals high in flavor.

Riaz said most food companies are trying to add protein to their food items to reduce carbohydrates and the major challenge in trying to develop this kind of food is keeping texture and flavor. **"By adding protein to these snacks, the texture gets very hard and sometimes it is not chewable,"** he says.

The TexasA&M program is working on several different snack and protein products, including **texturized vegetable protein and meat analog, or meat substitute from soybeans**. Yum! Sounds tasty, huh?

At any rate, this is Mian Riaz's current focus and we wish him success because good taste is a good thing. And also because he predicts the **low-carb diet will be around for some time** – until the next diet craze.

Speaking of diets, **Dr. Louis Overholster** treats of a lot of type-A CEOs who keep a mile-a-minute pressure-filled pace from giddy-up to whoa. And they eat too much too fast at the Grab-and-Go or the Dashboard Diner. But his nutrition advice seems to fall on deaf ears. As he put it: "Most of them seem to think that one of the basic food groups is Maalox!"

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