



Volume 40, Number 41

January 25, 2019

Dear Client:

**The City of Austin has invested heavily in contracts for wind energy to produce electricity. It indicated it may continue to do so in the future. Austin's commitments have helped Texas emerge as the nation's leader in wind energy. This is taking place in a state where oil is king, with no signs of relinquishing its crown. So, what is the future for wind as a power source?**

Let's get this out of the way up front: **wind power can exist alongside Texas' abundance of oil and gas. It's not an either/or situation.** In fact, visual evidence exists in West Texas where both giant spinning wind turbines and oil/gas wells dot the same wide-open landscape. It's a *below-ground* industry working beside an *above-ground* dynamic.

Back to the original question, what is the future for wind power? Wind energy is an expanding business. And it is not just for generating electricity. For instance, there are nearly 13,000 wind turbines operating in Texas for electricity. **Yet, there are still another 80,000 wind turbines spinning in the state that are used for pumping water and other purposes.** (Think windmills pumping water in the days of the Old West.)

We focus on *Austin's* energy needs, rightly so. But considering the future of wind energy it's important to note "**wind power has become an invaluable tool in the rural economic development space,**" reports Powering Texas. It is providing opportunities for landowners and local school districts, as well as creating jobs,

The national wind energy association reports Texas is home to **nearly four-dozen manufacturing facilities and numerous component suppliers.** This is a growing support group for the expanding wind energy industry. Not only this, but **eight of the world's ten largest wind farms are in the US – and five of those are in Texas.**

The US Department of Energy's Energy Information Administration this month released bullish 2019 projections. Some of its strong forecast is based on these facts: 1) there is already *installed wind capacity* in Texas amounting to 23,421 megawatts, 2) Texas wind *capacity under construction* is 6,148 megawatts, and 3) the wind *capacity in advanced development* is 1,804 megawatts. Do the math. In the pipeline (so to speak) is a capacity that will **increase wind power in Texas by more than one-third.** This is a hefty increase, signifying a solid future.

**How long has the Austin metro area reported a great unemployment rate at or below 3.0? For more than a year – 16 months, to be precise. No signs of a letup either, especially when you note the area added 36,800 *net* new jobs in the 12 months ending in December.**

This 3.5% growth rate made the Austin area the **4th fastest-growing major metro in the US**, according to the Austin Chamber's VP/Research, **Beverly Kerr**.

**By the way, the best state for female entrepreneurs is Texas, according to a recent study conducted by FitSmallBusiness.com. The Lone Star State jumped to #1 from eighth place in a similar study last year. Why the big jump?**

The recent study took into account **health and safety for women** in each state for the first time. Add this to the study's "**standard**" metrics of **no state or local income taxes**, good business climate, etc., etc. and you get the rise to the top.

**Update: The Austin Police Department's (APD) response time to a call is now in the 7-to-8 minute range. This is worse than previously reported. In May, the city target for response times after a call was 6-minutes-44 seconds. What is the reason given by APD?**

First of all, **there are 110 vacancies on the APD force**. And, the next rookie class to fill that personnel void will not graduate until May 2019. Even then, **only 67 cadets remain in the current class**. As a result, the cops are racking up more overtime hours. APD typically plans to spend 25% of its overtime budget per quarter, but the **previous quarter used up 37% of its overtime budget**.

**No precise statistics are available, but it's a good bet many Austin frequent flyers have spent some time in the Dallas-Fort Worth International Airport (DFW). The number is diminishing as more non-stop destinations are added at Austin-Bergstrom International Airport (ABIA). But, DFW is still an option for many Austin travelers. And for them, there is good news.**

DFW was recently recognized as the **world's top airport** in *Air Transport World's* 2019 Airline Industry Awards. According to the *Dallas Morning News*, the publication commended DFW for its transformation into a "global mega hub," investing in **new facilities and technologies to serve passengers while keeping costs low for airlines**.

DFW (the 4<sup>th</sup> largest US airport) **added 28 destinations last year, including nine new international flights**. It is also the world's largest carbon-neutral airport.

**The Texas Department of Transportation (TxDOT) took a big step this week that could put more driverless cars on Texas roadways in the future. Testing of autonomous vehicles in Austin has been underway since 2015. And, the Texas Legislature passed a law allowing testing and driving of these vehicles on state roads since 2017. But you haven't spotted all that many currently zipping around Austin. This could get a kick-start, if TxDOT has its way.**

TxDOT is forming a task force to put Texas at the forefront. It said it wants to be a “**one-stop resource for information and coordination on all projects, investments and initiatives in Texas.**” If successful, this could “build on the momentum already established.”

**What's going on here? Two Texas institutions – Buc-ee's and Torchy's Tacos -- are opening locations *outside* the state? C'mon. How can Texans brag about these two favorites if other states can claim them? Well, maybe that's too parochial a view. How about: Texans are so magnanimous they want to share their riches with others? But, Arkansas and Alabama? Okay, granted, grudgingly.**

Buc-ee's has a corporate office in Austin. And has so far opened its highly-acclaimed roadside convenience stores and travel centers around Texas, including **near Austin at Bastrop and New Braunfels**. Now, this week, Buc-ee's opened a 50,000 sf store in Alabama along IH-10, just east of Mobile. **True to its Texas excesses, the Alabama location has 124 gas pumps and “the biggest, most pristine bathrooms the state of Alabama has ever seen.”**

This is only the beginning for Buc-ee's. *The Houston Chronicle* is reporting the company will open a **typical Buc-ee's in Daytona Beach, Florida in 2020 with stores in St. John's and Fort Myers later.**

Torchy's has a jump on Buc-ee's. **The Austin-based taco shop has already spread its queso and Mexican street corn to Oklahoma and Colorado.** The total so far is about 61 restaurants. **Locations in Arkansas are due to open this year.** Torchy's is unique with its edgy approach to traditional Mexican food flair, with non-traditional items such as fried chicken. When we say edgy attitude, the new stores have large, can't miss, in-store signage that proclaims “Damn Good.”

**Torchy's started in Austin in 2006 as a single food trailer.** After big investor bucks flowed in, the little taco shop hired big-time execs (from mega stores such as Walmart and Dick's). And they have big plans -- such as talking about **growing to 250 locations around the US.**

When you think of big time company growth around here, remember it's not all about high-tech. **Innovative diverse companies such as roadside convenience stores and taco shops – with ambition and big ideas – also need to be considered.**

**With all the harsh, profanity-laden language tossed back and forth in the divisive political scene these days, did we see a break-through this week where the insults and charges were more clever, using less cuss words? Nahhhh. Well, on second thought, maybe we did. The negativism is still there, but certain language harkens back to yesteryear.**

Audio “bleeps” cover obscenities on radio and TV. Written words start with a letter, followed by dashes to indicate letters have been deleted. Phrases like “F-bombs” are tossed around. **All this seems to be a regular occurrence in public discourse.** Of course, you know what is being referenced. **But, the fact is those obscenities were actually written or uttered publicly.** (Blogs and certain cable broadcasts, show no restraint at all.)

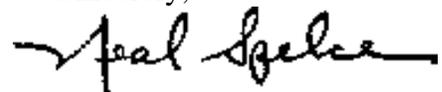
On the flip side, a little imagination seems to be creeping into political language. For instance, a USSenator (okay, it was **John N. Kennedy** of Louisiana who has a colorful way of speaking anyway) recently exclaimed “**That’s a buncha bovine waste!**” On the radio, a commentator said “**I’m calling Bravo Sierra on that,**” using military code words instead of initials. No 4-letter words here.

This week, GOP State **Senator Kel Seliger** contributed to the creative use of language. No need to go into the historic back-and-forth between Seliger and the more conservative GOP Lt. Gov. **Dan Patrick**. It’s been widely covered and is entertaining (?) for insider Capitol watchers.

After Patrick’s staffer **Sherry Sylvester** made a comment that Seliger disagreed with, Seliger said, on the radio, no less – get this – “**I have a recommendation for Ms. Sylvester and her lips and my backend.**” Pretty creative, huh? But it can’t hold a candle to some of the great insults uttered in the past without the use of 4-letter words. It’s a start, though.

**Dr. Louis Overholster** is fond of retorts by the Brits. He especially likes this one-up response from **Benjamin Disraeli** when a Member of Parliament said to Disraeli: “Sir, you will either die on the gallows or of some unspeakable disease.” Pretty good, so far. But Disraeli got the last zinger when he replied “That depends, sir, whether I embrace your policies or your mistress!”

Sincerely,



Editor/Publisher