

**At the Central Tx Env. Summit with Commissioner Toby Baker and
Senator Leticia Van de Putte**

Speakers:

Andy Saenz – TCEQ Communications Director

Toby Baker – TCEQ Commissioner

Senator Leticia Van de Putte, R. Ph. – Texas Senate, District 26

Andy Saenz: To help us introduce our next speaker or actually to introduce our cosponsor for this event and to give us a few brief remarks, our brand-new – our newest commissioner, Commissioner Toby Baker.

Toby Baker: And thank you to our other dignitaries in the room for their service that they've given our citizens and the work that they're destined to do and good luck in the upcoming session, always a fun time in Austin when the session gets going. Good morning to everyone else. Thank you for having me today and it's good to be back in the park of Texas that I call home.

I currently live in Austin, Texas, but I grew up in New Braunfels, Texas and my parents still live there. My dad worked in San Antonio and I've driven this stretch of 35 out here more times than I can count and I remember when it was just two lanes and there used to be a gap between New Braunfels and San Antonio. You know, sure it was there, but it was sort of kind of off the highway. I remember just driving through and now it's just as you guys know, it's one town all the way from really San Marcos or almost Austin to San Antonio. I never thought that I'd see the population in New Braunfels double or over-double and I guarantee you back when I was growing up in New Braunfels, I never ever thought that I'd see an oil field service company on this stretch of road right out here. I think that's a testament to what's going on in south Texas and what the – the challenges that it's raised for our environment, but also the benefits that it's brought to our economy.

That's why it's so important to have events like this. Greater population, more vehicles, more development: while it's good for the economy, it does strain our environment and our resources, but I believe it is possible to have both. They are not mutually exclusive, but it is a challenge to figure out how to find that balance, which leads me back to the importance of events like this. So briefly let me just tell you about how the summits were started and then we'll move onto introduce a speaker that is near and dear to my heart from years ago in the Senate, but I'll tell that story in a little while.

TCEQ sponsored the first environmental summit in El Paso in 2000. Held annually in partnership with the local community, their legislators, and other interested groups, the El Paso Environmental Summit participants and organizers can boast in creating the very first environmental court in the state of Texas. It also developed an emission trading program with Mexico. With El Paso success, other communities along the border took note and got interested. We've set up environmental summits in the Rio Grande valley and Laredo and in 2011, we had our first summit in central Texas.

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Quickly, State Senator Van de Putte recognized the value of these summits and asked if she could serve as cosponsor for this year's event, so that brings us here today and I'd also like to congratulate Senator Van de Putte on her recent election by the Senate to be the President Pro Tempore, which if you don't know what that means, that means she's third in line in succession of the governor, so if something were to happen, Senator Van de Putte could be running the show.

Senator Leticia Van de Putte: Everybody knock on wood!

Toby Baker: But before I get into a little bit more about Senator Van de Putte, I do have to share one personal story. When I first come out of grad school, I lived overseas for a little while and then I came back and I was hired on by Senator Craig Estes and Senator Estes's district encompasses most of the barn at Shell, which is a huge natural gas play in north Texas, and he lived in Wichita Falls and Sheppard Air Force Base is in Wichita Falls and it's a huge driver of the economy in Wichita Falls, Texas. And Senator Estes served on the Veteran's Affairs and Military Installations Committee and Senator Van de Putte is chair of that committee. And so as a very green, young Senate staffer, I had the pleasure of sitting behind Senator Estes and Senator Van de Putte and one of the very first things I got to work on was trying to figure out a way to deal with base realignment and closure. And at that time though her leadership, Senator Estes passed a bill that allowed for our local communities to use economic development funds to go in and sort of bolster the bases that we had in trying to keep the BRAC process from harming communities. San Antonio has seen BRAC come through here and change the face dramatically, but a place like Wichita Falls, if Sheppard Air Force Base were to get closed down, you'd talk about a dramatic impact to the economy up there. And it really taught me a lot about issues where it doesn't matter what side of the aisle you're on.

Fighting back against the BRAC process brought Republicans and Democrats together in a way. It was very refreshing and I think environmental issues are very much along those same lines. I haven't met anybody who doesn't want clean air, who doesn't want to have access to water and have access to clean water. I don't know anybody who doesn't want to have a good economy and so I think that similar to the BRAC issues, the environmental issues are something that we can all come together and work on together.

Senator Leticia Van de Putte has been a pharmacist since 1980. She represents a large portion of San Antonio and Bexar County. She is a former five-term state representative and has represented Texas in District 26 since 1999. Senator Van de Putte is a strong advocate for children, veterans, education, and the economic development of San Antonio. Multiple civic organizations and community groups have recognized Senator Van de Putte as one of the most effective and influential legislators in Texas and I would agree with that. As I mentioned earlier, Senator Van de Putte currently serves as chair of the Veteran Affairs and Military Installations Committee. She's also a member of the Senate Committees on education, state affairs, and business and commerce. Senator Van de Putte was a Kellogg fellow at Harvard University's John F. Kennedy School of Government in 1993. She received her Bachelor of Science from the University of Texas at Austin College of Pharmacy and is a 1973 graduate of Thomas Jefferson High School in San Antonio, Texas. We played Jefferson a few times when I

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was at New Braunfels and I think we always won. Senator Van de Putte currently lives in San Antonio with her husband, Pete. She and Pete are blessed with six wonderful children: Nicole, Vanessa, Henry, Gregory, Isabella, and Paul. They are also the proud grandparents of six nearly perfect grandchildren: Julian, Jove, Marlow, Elliot, Asher, and Rex. Please help me give a warm welcome to Senator Van de Putte.

Senator Leticia Van de Putte: Thank you so much for observations and that wonderful, wonderful introduction. What y'all think about my new colleague Donna Campbell? Can you believe that? That's on 72 hours of no sleep. Those of you in central Texas, yes. And if you know the difference, this is her on very little sleep performance, so you can imagine what she's going to be like on the Senate floor when she actually has a full night's sleep. Can y'all hear me? Yes. Good. Now Commissioner Baker also is sleep-deprived, but that has nothing to do with his occupation as TCEQ Commissioner, that has to do with the relative status of a new infant in the house, so for those of you that see the toothpicks trying to hold up his eyes, it is because, as you know, new daddies and mommies, those babies aren't on a regular schedule. And I want to thank certainly our chair, Shaw, and my good friend, Commissioner Carlos, and our Railroad Commissioner that I've had the opportunity of working with first hand on his task force on the Eagle Ford Shale, but thank you very much.

I'm sitting down, so those of you in the back, I'm over here and the reason I am is I am temporarily in a wheelchair. I fell victim on December 8 to local government failure at its best at the basic level. I was in Washington, D.C. and didn't see the pothole at the corner of Connecticut and Rhode Island. I was working on issues actually there visiting the V.A. and the Pentagon on issues on encroachment and certainly our V.A. claims and was staying over the tenth. We had planned the other work that I do is on human trafficking and really working with the administration on seven different cabinet levels and about twenty folks that work on anti-human trafficking issues. I had planned and worked on this for months and I didn't want to miss that critical all-day long meeting at the White House and I thought that I had just kind of sprained the foot. So I kept walking on it although it was rather large and then black and blue, put ice on it, returned to San Antonio, and my daughter who's a physician finally dragged me the next day to get the x-rays. A couple hours later in an orthopedic surgeon's office and my 6:00 a.m. the next morning, I had screws, wires, bolts in that foot, so I am hopeful to get a cast in the next couple of weeks and then after that maybe a month later a walking cast, but they tell me that I'm in this temporarily to give all that hardware time to meld to the bones.

Now that may sound a little bit painful; it has been, but this has really been a blessing. I say that because what I used to have sympathy for, I have real empathy for and my favorite thing I can tell you is ADA bathrooms. Absolutely! All the planning, all those of you in public buildings, but it kind of like is what happens to us with water and the drought. When you're in crisis, you really appreciate what you have had before. And that's kind of what happened to me personally. I was so used to getting up and getting ready and, as you know, I still work as a pharmacist part-time and with the six kids now all out of the house and total success – I may be a UT grad, but our youngest, little Paulito, graduated from A&M, so I'm a proud Aggie mom and not only is that real success to have all six graduated and out, but real success is when they're on someone

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else's healthcare plan because that means they have a J-O-B and so Paulito would love to be here. In fact, his degree is in environmental studies from A&M where the environmental science meets the public policy and having spoken to so many of the engineers and folks who are so brilliant, both on our TCEQ staff and in industry and in water conservation districts and all of the utilities, I know that you've got the smarts to do the technology. What gets us at the crossroads is the community input. What's best for the community at the very neighborhood level, at the local level, and that's where your public policy, your politics, comes in. So we're proud of our son that has chosen, I think, a real great career and a career path that one of these days hopefully he'll be in a room like leaders like you are and that just gives me the best feeling.

I am also very aware that in the toughest of times, we're supposed to do the best of our work, at least that's what Texans do. We come from a mentality where we value rugged individualism and we value entrepreneurship and that's kind of a good part of our state, but we also know when neighbor needs to help neighbor, when it's the public good, and the community good that puts us forth. Nothing is more evident of this trait in Texas personality and when we have some sort of natural disaster. I've seen it when TCEQ when we have faced those mulch fires years ago in Helotes. I've seen it when we've had a tragic accident and a horrible spill where we've had to mitigate and get folks. And I've seen it in everyday things that you do, but what we're working here in central Texas is a paradigm of luscious blessings and the blessings of a great economy bring us population growth.

It's estimated that we have grown just in Baxer County from the last census, sixteen percent. We've got a little under two million residents here in Baxer County, but there are counties around us, Bandera, Medina, Kendall who have experienced twenty percent growth in their population and if you look at what's happening to the southern sector with the Eagle Ford Shale, that population growth, and the number of folks coming in on a daily basis to work, the housing shortages, the road infrastructure. Central Texas is the envy, I think, of not only the rest of the state when it comes to what is happening here economically, but also the rest of the country. Now that doesn't come without the challenges to our fresh water resources; Edward's Aquifer, prolific water source for our area that we totally rely on, but it does cause many challenges. For those just getting into the public arena, they sometimes don't have any idea. They come here and while the permitting process, don't understand that we are still under a court order and it is the legislature's, I guess, adversity to fall under the purview of a federal judge who might have end up with control of all our water that we keep working at it.

And so a lot of times our new legislators – and mind you that there are forty-four new House members – that with a large class last time, about half of your House of Representatives has less than two terms, so when we talk about things particular with central Texas and the Edwards Aquifer, they're saying why are y'all permitted? Why are you doing this? Why do you let government intrude? Why do you – well, we just didn't want a federal judge to take over and when I tell them this has been going on for over twenty years, they are amazed because most of them come from other areas of the state and they don't know. But what they do know and will learn very quickly that we are the best at water conservation. What we do here in central Texas because we've been forced

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to. I mean, I've had guests and folks come and figure out, they said, why do your toilets come, you know, with the up and the down and the half-line and stuff? They said, what is it? Well, I said, well, we've got water restrictions so we've got difference for if you're flushing for number one or you're flushing for number two. And so imagine explaining that to all of our guests in San Antonio and in all of the new things, but we know that low-flow water toilets and our showerheads, everything that we do, is very different.

Our new neighbors that moved into my block less than a year ago from another state couldn't understand why they were only able to water, you know, six hours a week and at really weird times. And I said, well, it just depends on your address and we've been doing that for a long time and we're used to it. If the rest of Texas understood and could put into practice what we in central Texas just do every day, number one would be conservation and we wouldn't see the – and I'm sorry, if there's anybody here from the Houston and east Texas area – I mean, I'm sorry, some of those folks are just water hogs. They are! And they do it because they haven't had to conserve like we do. So they don't know the sensitive water sources, the extensive and very stringent pumping limits, the environmental protection requirements, but also couple that with the drought.

Now, I'm going to share with you one experience before I cut it short because you've got a very exciting day ahead of you, but I was sitting with legislators from the great state of Michigan at a conference and you know what they say about Texans, that we brag. Well, if you go to the Bob Bullock Museum, the first thing it says, it's not boasting, if it's true, and y'all need to understand that. It's not boasting if it's true, so, yes, we were talking about how wonderful we've weathered this certain recession when the rest of the country – we've had an increase of jobs and particularly for us in central Texas, think about just the four thousand jobs created in 2011 in Baxer County because of the Eagle Ford Shale and the 65 million dollars in projects, just construction and everything. That's just Baxer County, so, yes, we're the envy, but – so I'm sitting next to the Michigan Speaker of the House and some of those folks and we're at this luncheon and they're all talking. There are other folks from other states there as well and they're talking how well Texas has done and they ask me where I'm from and I say San Antonio. Well, a little jokingly, but maybe not so, one of the legislators says, well, I just want you to know, y'all are in a drought, a big, heavy drought. And I said, well, we kind of noticed that. And he said, and you don't fund your plan, your water plan. So in ten to fifteen years when you and Texas are sucking dirt and the jobs all come back to my state Michigan because we have water and we have a water, then the tables are going to be turned. And everybody at the table started giggling a little, right, because he got me a little and then I started thinking about it. Folks, that's not – I mean, that could be true.

So the question for us in the legislature this next year is do we want, in ten years, to be sucking dirt? Do we want to continue to ignore the funding resources that are desperately needed for our water plan? And it's a great water plan. We know very well that we need additional water sources for our growing community and economic development. It's estimated that the cost of implementing just in our region is about 7.6 billion – just in our region. And, you know, the Water Development Board at TCEQ, y'all have worked, and, again, with the Railroad Commission of knowing how much we need for the state, so the cost only increases as time goes on. I'm thankful after years and

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years of being told we can't use the economic stabilization fund because no, that's meant for hard times because we wanted to use a little bit of that when we were hit by Hurricane Katrina and to do some construction projects when Galveston got hit with the storm and particularly the University of Texas medical branch there and we were told, oh, no, you can't touch the rainy day fund for that because it's not for natural disasters, it's for when you come into hard times. So I thought well, in the last session, 25 billion dollars short might be a little bit of hard times with the recession and luckily we've seen that in the rearview mirror, but I thought, well, maybe we can use our rainy day fund, which is the Economic Stabilization Fund, for that. You know, it's hard times. We've got enrollment growth. We cut four billion from schools. Maybe we ought to be able to use that. Nope! Then I was told, we've got to save that for natural disasters! We've got to save that for when the state gets hit with a storm! And I thought, well, didn't you tell me that two years ago, but now I am so excited.

I actually hear state leadership thinking and saying, well, if it's for a one-time project, if it's for one-time use, and our rainy day fund is lush, we've got probably about eleven billion we're going to have by the end of the fiscal year – 11.8 billion by the end of this next biennium, that we might want to take two billion and put it into some water projects. We might want to take two billion and put that into some road infrastructure because, folks, y'all know, we have not increased our gasoline tax in 22 years and that was when gas was well below 1.70, so we know that we need to put that infrastructure, so I'm excited. It seems like our leadership has understood it and I want to thank you and our business community for finally speaking up enough to where it was a no, we can't use anything; no, we can't tap into; no, we can't – that we realized to be economically secure and, number one, so we're not sucking dirt in ten years, that we actually fund this water plan. I think we can do it by doing our water conservation. We support additional finance programs for public entities in order to help with public projects, so it's not just the state, but we've also got to be a partner with local communities and with our Eagle Ford Shale, well, we're going to do more and more.

During the last legislative session, I know that both the Railroad Commission, Texas DOT, and our Eagle Ford Shale Consortium and now we have an Eagle Ford Shale legislative caucus. We have been meeting to discuss how we can best address our special needs and also to help grow that boon. I'm thankful for Commissioner Porter for his work on this and he created this and for all of you. The most precious gift that you can give is the gift of your time and for you being here today and for our leadership here for TCEQ, I'm proud to join with you today. Let's keep working together because as Texans, we can solve anything. We really can, but it's got to take working together. Thank you so much. Enjoy your day. My thanks to the exhibitors. Don't leave without going to see the fabulous exhibits that they've put together and let's keep meeting because I, certainly, don't want that guy from Michigan to have the up on me in ten years. Muchisimos gracias, que diosito te bendiga.

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