

House Committee on County Affairs

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Verbal Testimony By:

**Jose "Pepe" Flores - Precinct 4
Richard Graf – Precinct 2
Frio County, Texas (County Seat: Pearsall, TX)
October 24, 2012**

Committee Charge No. I



Good Afternoon, Mr. Charman & Committee Members of this respected body.

My name is Jose "Pepe" Flores, Frio County Commissioner, Precinct 4. and joining me is Commissioner Richard Graf, Precinct 2.

We both are appreciative of the opportunity to be here to provide insight about a rural community that is transforming and participating in the Eagle Ford shale energy exploration region.

Chairman Coleman, "**Thank You,**" for taking the time to personally note our community of Frio County. We are most grateful to you Mr. Chairman for your personal attention in speaking to our residents in your field study yesterday.

Location / Demographics ***Convenient & Accessible***

Frio County is located 50 miles south of San Antonio, Tx. Our regional setting is convenient to surface transportation feasibility channeling international commerce, tourism and other retail interest.

Daily, we witness increase heavy truck traffic on IH-35 and in our other corridors because they facilitate mobility to other shale areas destinations with an approximate or less than two hour travel.

Our county is currently comprised of slightly under 20, 000 in population and equal in combination of age groups.

Our community has two or more generation residency status with a projected increase of newcomers at an average of 550 permanent / transient workers by 2015.

As an affected county in the Eagle Ford shale region, we are pursuing every possible method to preserve the culture.

As community leaders, we advocate to our new employers to consider the hiring of our residents in our attempt to lower the current 36.4 % poverty rate, which has been higher than the national level.

As a result, we remain in the state and federal classification as an Economically Disadvantaged Area (EDAP) community.

City/County Leadership Profile

We Are Engaging With An Economic Development Focus

This economic opportunity has changed our rural town leadership style to becoming business minded and carefully planning for immediate economic and business development growth.

In our efforts, we intend to collaborate with state leaders for guidance as we develop our community and reach out for assistance to match our tax dollars to maximize our return on investment.

Infrastructure

Insufficient And/Or Non-Existence

In Certain Areas Of The County

The most significant concern of our county and local government is that our basic infrastructure is not sufficient and standard to meet the demands of growth.

For example: water/wastewater, housing, development in unincorporated areas without land use management control and public safety are several factors that are limited.

Yes, Eagle Ford economic impact is positive, and we certainly welcome this invaluable and fortunate opportunity.

Yet, our community leaders on a daily basis grapple with issues relating to unprecedented and unplanned community growth.

As in any given area or environment, overcapacity could become a crisis to halting the intent of a mission's success.

As a result, the infrastructure of any given community is vital and we are seeking funding assistance in different areas to reach our potential by adding economic gains to the local economy and state.

Transportation

Public Safety Must Not Be Compromised

We support Judge Fowler and Commissioner Canales' presentation. They will convey issues relating to overburdening of certain roadways. We have them too.

We all must do our part if we want to keep our state safe and moving forward economically.

To that fact, we are currently collaborating with TXDOT to help our local government with safety signs and assist our cities as they enforce ordinance to re-route heavy truck traffic from school zones and the Central Business Districts if possible.

Environmental

We Must Maintain, Protect And Preserve Our Natural Resources For Our Future Generations

We are working on increasing collaboration with the oil/gas industry and their service providers including waste haulers organizations to ensure all measures are considered to enhance roadway safety and avoid environmental hazards.

We recently contracted for training of our enforcement officers to enforce environmental laws if procedures violate state/federal regulatory standards.

We will ask the state to consider restrictions to be imposed to protect and preserve constant changes to our rural community aesthetics and natural landscape.

We must continue to promote tourism as we have in the past and the ability to offer diverse economic development opportunities.

Injection disposal wells, transportation waste haul, air quality discharge and treated wastewater discharge into a river or water source are examples of areas we are concern.

Certainly we need them, and will accept them; if they meet state/federal safety standards with limited permit application per county radius miles and stricter aquifer sensitive areas.

Housing

Limited Supply – Investors Want Incentives To Develop

Housing supply are limited and investors are not developing to keep pace with growth.

Local governments are working with select business developments as manufactured homes are mushrooming in all areas of the county; while other small scale subdivisions are being platted and anticipated with an immediate completion.

At present, Frio County has a shortfall at an average of 251 or more for housing units to meet demand.

Rental rates on these structures continue to increase making it unaffordable and displacing families who would traditionally lived for generations in Frio County.

We must help homeowners that are currently in violation of Health & Safety Code. We must address in enforcement to allow health safety to meet standard housing living conditions. (photo)

Public Safety

First and Foremost

Emergency Management Response calls and cost have increased.

As the increase in drilling occurs, our public safety calls and risk become greater.

This growth and development in remote areas must be detected and recorded; if the state allows local entities to access funding entitlements instead of redirecting those dollars to other unrelated purposes.

Our firefighters remain (volunteer) - manpower not sufficient. Training and equipment could be added to handle environmental and chemical emergency response circumstances is essential.

In closing, we appreciate the opportunity to be heard and look forward to working with your committee and state leadership. For your committee's consideration, we would like to request the following:

RECOMMENDATIONS

- 1. Transportation funding mechanisms for Eagle Ford communities and county roadways to be improved and maintained.**
- 2. Provide funding mechanisms to maintain and improve FM and state roads to enhance public safety in Eagle Ford energy zone areas and communities.**
- 3. Supports ending diversion funding on non-related transportation projects and restore Fund 6 including 911 Projects. Counties and cities should receive full funding formulas entitlement to perform the program's intent.**
- 4. Allow ordinance making authority to counties in Eagle Ford shale communities to allow for management of growth and generate funding mechanisms to assist in infrastructure cost.**
- 5. Limit state permits application with defined jurisdiction and source of disposal in application to the following: salt wells, air pollution discharge, treated wastewater discharges into river/water sources.**
- 6. Establish policy to allow environmental impact fee for county / cities on new developments bordering a public road to promote in the preservation and management of green space projects for Eagle Ford communities.**

Thank you for your time and attention. Glad to answer questions.

Fact: Frio County is comprised of over 350 county road miles. If improved, a cost estimate would exceed \$60 million for general road improvement.

References: University of Texas at San Antonio, Business Development, Eagle Ford – Housing Report, July 2012.