

GOLDEN TRIANGLE BUSINESS ROUNDTABLE
September 21, 2004
MINUTES

Walter Almon called the September meeting to order and welcomed all members and guests. Walter also announced Lamar Institute of Technology's Homeland Security training course scheduled for September 22, 2004.

Committee Reports:

George Talbert gave the Air Research report. Texas Air Research is presenting a series of meetings on how air emissions issues might impact you wherever you live in the three-county area. When the last state implementation plan for ozone was finalized in our three county non-attainment area the Sierra Club and other contested the plan. They filed a lawsuit and won. The court gave it back to the local communities to be resolved and it was resolved. One of the issues was education of local citizens in the three-county area. These three education sessions have begun. One was completed in Port Arthur. Sessions are scheduled for October 12th in Orange, Texas and the other in Beaumont, Texas on October 19, 2004. They have a distinguished list of speakers involved in these education sessions. Everyone is invited to attend.

Walter gave the Construction Industry Institute Report. They are wrapping up skills assessments guidelines. Currently they are doing the final review and will issue audit guidelines. They are also looking at topics for half day training sessions for later this year or early next year.

John Durkay gave the legal report. John followed up on George's comments concerning the air quality situation. Air quality is important to our economy. We have two series of efforts basically sponsored by the Plant Managers Forum. Dennis Isaacs, DuPont headed up the first plan. The courts tossed that plan. Pat Chenofield, ExxonMobil headed the second plan. Pat negotiated a variation to the Isaacs' plan and it was accepted. Money was set aside for education, monitoring and other items. Their plan has made it possible for industry to continue to operate on a reasonably favorable basis. Industry has had a positive straight up look at emissions situations and is committed to making it as favorable as possible.

John also addressed the changes in overtime laws. Changes now cover more people. The problem is, is a lot of misimpression on how the old laws worked. People who should have been covered weren't. He advised dealing with overtime carefully because failure to pay overtime would result in financial consequences and the penal code. Make sure your system is a compliant system.

Pat Avery gave the Safety Committee report. Pat reminded contractors to pick up their safety books. The full committee is reunited and meeting again. They have been critiquing the safety awards process and brainstorming on how more contractors can be honored throughout the year.

Mark Viator stated that from the Government Affairs standpoint this congressional race is important to our industries. More importantly, they felt that because of our industry, plants, contractors and owners it was important for these two candidates to come and speak to you. Incumbent Congressman Lampson was given the choice to speak either September or October. He will speak October 19, 2004. Mark Viator will serve as the moderator. Judge Ted Poe will be given five minutes for opening remarks and then Mark will read questions and Judge Poe will respond. At the end Judge Poe will have five minutes for closing remarks or fielding questions. Congressman Lampson will follow the same format in October.

Mark Viator introduced Judge Ted Poe, Republican Candidate for the 2nd Congressional District. Judge Poe served 20 years as a Felony Court Judge. His passion is to protect abused, assaulted, and neglected children.

Judge Poe stated that judges have the responsibility to follow the law. He stated that while he was a prosecutor he never lost a jury trial. He was appointed to a judgeship trying felony cases. He has served as an advocate for the people and he will continue that practice as Congressman. He has practiced some new public punishments and store thefts decreased because of his policies. He thinks we should think differently in the way we deal with the government. Government needs to be held accountable for what it does. The people want somebody who will listen and represent them in Washington, D.C. and he is looking forward to going to Washington. People are tired of, "sorry there isn't anything we can do." That is not an appropriate answer and there should always be an answer for problems and a solution. We might not know the solution right away but we must work to find that solution. He lives in Humble, not Houston. He realizes that the three counties he would represent have different interests but they can be represented by one person, him. He is a conservative. Government is too big. Spending is out of control. He wants agencies to justify spending before congress. Economic growth thrives on businesses and tax cuts make them permanent. A person shouldn't be taxed to die and estate taxes need to be eliminated.

1. **Question:** What is your position on rising natural gas prices? What is your position on LNG?
Answer: Reduce over burden regulations on industry and review and do away with regulations that lack common sense. We should be concerned with exploration in areas that are currently off limits like Alaska and offshore. My position on LNG is that I support LNG terminals in Southeast Texas. We have to ensure a stable supply of natural gas to bring economic growth to the state and nation.
2. **Question:** What is your position on competitive rail transportation system?
Answer: Competition is good for the industry and promotes excellence and lowers costs. Promote competition by treating rail companies like a monopoly if that is how they act.

3. **Question:** What is your position on maintenance and improvement to the Sabine Neches Ship Channel?
Answer: I support the maintenance and improvements needed for the ship channel. It is the second largest ship channel and is critical to homeland security. We cannot allow the Corp of Engineers to run out of money. The channel and port should be wider and deeper.
4. **Question:** What will you do to support environmental regulation that enables industry in Southeast Texas to compete in the global market?
Answer: Nobody wants polluted air, water or ground. It costs industry to follow EPA standards. This should be viewed by common sense application and economics must be figured into the decision making process.
5. **Question:** What is your position on the Chemical Security Act? Who should administer this program the Environmental Protection Agency or the Department of Homeland Security. What will you do to support or assist petrochemical plants with the implementation of chemical security regulation?
Answer: Don't over regulate to drive industry out of business. Homeland Security should administer the program. Listen to plant leaders to make sure costs doesn't burden industry. Costs need to be monitored.
6. **Question:** What is you position on lawsuit and tort reform and what will you do to reduce the cost to industry and employees?
Answer: I support Tort Reform and Tort Reform will reduce costs. Everybody pays for junk lawsuits.
7. **Question:** What is your position on healthcare and what will you do to reduce health care and prescription cost to companies and their employees?
Answer: We have the best health care in the world. Health care should be patient /doctor driven. Health care costs have been lowered because of Tort Reform. It should be affordable. Small businesses should have an opportunity to unite to get lower rates. Taking care of oneself is critical in health care management. Congress has made some progress in this area but we're not there yet. I do not support socialized medical care.
8. **Question:** What will you do to enhance economical development in Southeast Texas?
Answer: Maintain and improve the Port of Beaumont and the ship channel. Work with gas and petroleum companies to encourage expanded development in the region. Make tax cuts permanent for all Americans. Abolish the death tax.
9. **Question:** What will you do for education to develop the future workforce of Southeast Texas?
Answer: Lamar University, Lamar State College and Lamar Institute of Technology are vital for economic development. Lamar University is the only university in the area and is key to growth. Funds that are available need to come

back to these institutions. The rich get educated because they are wealthy and the poor get funded. The middle class suffers to send their children to college because they aren't rich and they aren't poor. Tax credits are the only thing we can do for the middle class.

10. **Question:** What is your position on Taxes? Should taxes be increased, stay the same, or be reduced for business and workers. What is your position on whether individuals should be able to deduct state sales tax from personal federal income tax?

Answer: Texans pay state sales tax but cannot deduct it from their federal income tax. I support a deduction from federal income tax. I pledged in November 2003 not to raise taxes as a member of Congress, make tax cuts permanent. Do away with the Death Tax. I personally think that a national sales tax is something we should do in the future and pay taxes as consumers.