COMMITTEE

STRATEGIC ISSUES

SOS Carlos H. Cascos
Caroline Mays (TxDOT)

June 30, 2016
<table>
<thead>
<tr>
<th>Idea/Topic: Highway/Truck</th>
<th>Times Mentioned</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interstate Highway 35 between Laredo and San Antonio is taxed with heavy trucks moving international freight – Require truck only lane</td>
<td>3</td>
</tr>
<tr>
<td>Need for commercial truck parking/staging areas</td>
<td>2</td>
</tr>
<tr>
<td>Better interstate connectivity between central Texas cities and cities along the border</td>
<td>1</td>
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<tr>
<td>Wider interstates</td>
<td>1</td>
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<tr>
<td>Existing infrastructure in Laredo provides limited alternative routes to the motoring public when trains are waiting to move south into Mexico</td>
<td>1</td>
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</tbody>
</table>
# Committee Ideas and Topics

<table>
<thead>
<tr>
<th>Idea/Topic: Rail</th>
<th>Times Mentioned</th>
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</thead>
<tbody>
<tr>
<td>Blocked street crossings waiting for trains to move across the international railroad bridge into or out of Mexico/ How to alleviate impact of international trade on border communities (i.e. grade separations, etc.)</td>
<td>2</td>
</tr>
<tr>
<td>Trains stopping at the middle of the International Railroad Bridge to change U.S. Crews to Mexican crews or vice-versa to operate the train in their respective countries and, after the crew change, a locomotive inspection is performed.</td>
<td>1</td>
</tr>
<tr>
<td>Once a southbound train goes through a crew change, the train is stopped by Mexican Customs for a GAMMA scan and related import or export documentation procedures</td>
<td>1</td>
</tr>
<tr>
<td>How to decongest border interchanges of cargo</td>
<td>1</td>
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</tbody>
</table>
Committee Ideas and Topics

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<tr>
<th>Idea/Topic: Rail</th>
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<tbody>
<tr>
<td><strong>Santa Teresa Bypass</strong></td>
<td></td>
</tr>
<tr>
<td>- Understand / evaluate impact to Texas trade and economy if Santa Teresa bypass moves the El Paso point of entry to New Mexico.</td>
<td></td>
</tr>
<tr>
<td>- Consider alternative Texas gateway(s) (i.e. Clint) that accomplishes rail relocation out of El Paso but maintains crossing in Texas.</td>
<td>2</td>
</tr>
<tr>
<td><strong>Maximize / Optimize Efficiency of Border Rail Infrastructure</strong></td>
<td></td>
</tr>
<tr>
<td>- Identify supporting projects, procedures, and agency needs to level capacity between systems at each POE.</td>
<td></td>
</tr>
<tr>
<td>- Engage USDOT to facilitate standardization / modernization of customs procedures with Mexico across all POEs.</td>
<td>2</td>
</tr>
<tr>
<td>Idea/Topic: Crossings/Bridges</td>
<td>Times Mentioned</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------------------------</td>
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</tr>
<tr>
<td>Better fluidity of truck traffic on the border, move DPS and USDOT inspections outside of the fence</td>
<td>1</td>
</tr>
<tr>
<td>How to streamline freight inspections (i.e. both CBP &amp; Border Patrol check cargo very close to each other)</td>
<td>1</td>
</tr>
<tr>
<td>TxDOT and DOT to agree to one inspection only</td>
<td>1</td>
</tr>
<tr>
<td>Non-matching hours of operation for imports/exports with Mexico</td>
<td>1</td>
</tr>
<tr>
<td>Idea/Topic: Funding</td>
<td>Times Mentioned</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>Increase of (off-system) fund access for Port of Entry infrastructure projects</td>
<td>2</td>
</tr>
<tr>
<td>Leverage public dollars to attract private investments in infrastructure</td>
<td>1</td>
</tr>
<tr>
<td>State of Texas provide EDC grants for sponsors to build CBP inspection facilities as part of efficient and secure trade.</td>
<td>1</td>
</tr>
</tbody>
</table>
## Committee Ideas and Topics

<table>
<thead>
<tr>
<th>Idea/Topic: Data, Analysis Tools, Studies</th>
<th>Times Mentioned</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expand TXDOT Preliminary GPS Seven-Day Freight Study</td>
<td>1</td>
</tr>
<tr>
<td><strong>Understand Cross-Border Freight by Origin – Destination &amp; POE</strong></td>
<td>2</td>
</tr>
<tr>
<td>▪ Utilize data-drive approach to determine most effective modal investment for future volumes, i.e. dedicated interstate truck lanes, regional intermodal facilities, road/rail capacity at the border, etc.</td>
<td></td>
</tr>
<tr>
<td>▪ Engage Mexican partners to realize full benefits with complementary infrastructure over the border.</td>
<td></td>
</tr>
<tr>
<td>Conduct an assessment of Texas’ Ports of Entry focusing on age of infrastructure, work in progress, projects in process to evaluate if we are allocating adequate funding and staffing for our POE’s.</td>
<td>1</td>
</tr>
<tr>
<td>Idea/Topic: Data, Analysis Tools, Studies</td>
<td>Times Mentioned</td>
</tr>
<tr>
<td>----------------------------------------</td>
<td>----------------</td>
</tr>
<tr>
<td>Need to have a master infrastructure plan just for POE’s</td>
<td>1</td>
</tr>
<tr>
<td>Need to assess the economic viability of each Texas POEs to identify underperforming POEs and how to better maximize investments and return on investments.</td>
<td>1</td>
</tr>
<tr>
<td>Increasing number of buses coming from Mexico is impacted by border wait times</td>
<td>1</td>
</tr>
<tr>
<td>Idea/Topic: Communication, Coordination and Collaboration</td>
<td>Times Mentioned</td>
</tr>
<tr>
<td>---------------------------------------------------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>Need to increase dialogue on border infrastructure coordination from both sides of border to avoid gridlock at the border. Need a strategy to invite political leaders from both sides to meet and talk at the border vs DC or DF.</td>
<td>1</td>
</tr>
</tbody>
</table>

2

1
## Committee Ideas and Topics

<table>
<thead>
<tr>
<th>Idea/Topic: Promote Legitimate Trade</th>
<th>Times Mentioned</th>
</tr>
</thead>
<tbody>
<tr>
<td>How to increase benefit of trade and reduce risk as perceived by the general public and CBP</td>
<td>1</td>
</tr>
<tr>
<td>What new technologies are on the horizon to help with the trade growth</td>
<td>1</td>
</tr>
<tr>
<td>What is our strategy for staffing needs to accommodate trade growth at our POE’s</td>
<td>1</td>
</tr>
</tbody>
</table>
TEXAS BORDER STRATEGIC TRANSPORTATION BLUEPRINT REPORT
Table of Contents

1. Vision and Mission of the Blueprint
2. Intent and Purpose of the Blueprint
3. Goals and Objectives
4. Texas’s Border Today and Tomorrow
5. Strategic Issues and Challenges
6. Addressing Issues and Challenges
7. Implementing the Blueprint
What is the Vision and Mission of the Blueprint?

What the Blueprint will be:

• A single vision for the entire border, not a vision for one part of the border or a sum of its parts
• A guide for future state and federal investments in border infrastructure
  ○ How can we get the best return, in terms of:
    ➢ Statewide economic development and growth
    ➢ Border community economic development
    ➢ Improved infrastructure capacity and operations
• An opportunity to position Texas’s economy to benefit from Mexico’s growth
Discussion Questions – Vision and Mission

• Are we on target with outlining the Mission and Vision for the Blueprint?

• Are we missing something?
What is the Intent and Purpose of the Blueprint?

Why develop a Blueprint?

• Tell the Texas-Mexico border trade story
• Outline key strategic issues and challenges along the Texas border
• Recommend solutions to address these strategic issues and challenges
• Outline an Implementation/Action Plan
• Build consensus on “One Texas, One Border”
• Advance Texas’s relationship with Mexico as a critical element of the state’s economy and its continued growth
• Guide Texas’s efforts to further engage the Mexican economy
What is the Intent and Purpose of the Blueprint?

What the Blueprint will not do:

• Identify needed transportation projects in a community or region

• Be a plan for distributing state or federal funds

• Be about the goals or aspirations of a single community or region or comparing oneself to other communities and regions

• Identify Particular infrastructure needs at POEs, particularly for passenger and pedestrian crossings
What is the Intent and Purpose of the Blueprint?

Mexico’s manufacturing is expanding and benefits from cross-border trade

Mexico is Texas’s most important trading partner

- Mexico is also the United States’ third-largest trading partner

- Cross-border trade with Mexico sustains many components of U.S. manufacturing

Mexico’s Projected Growth by Industry sector
What is the Intent and Purpose of the Blueprint?

- It creates a significant number of jobs in Texas
- Cross-border trade creates employment opportunities in border cities.
- Jobs in transportation services and warehousing, but many other professional jobs

It diversifies our state’s economy and it is one of the reasons that it continues to grow.
Discussion Questions – Purpose of the Blueprint

• Are we on target with the outlining the purpose of the Blueprint?

• Are we missing something?
Goals and Objectives of the Blueprint

Achieve a Single Vision:

- Establish a consensus among the BTAC members
- Develop a comprehensive and internally consistent plan
- Pursue goals with a clear method for achieving them
- Address both risks and opportunities
Goals and Objectives of the Blueprint

Position the Texas Economy:

• Tell the NAFTA / Trade Success and Border Story
  • What has been accomplished so far?
    o Employment growth and retention
    o Manufacturing clusters
    o Regional economic growth
• Enhance economic development and growth
  • Statewide
  • Border communities
• What were the shortcomings and how can we mitigate them?
• What does the future hold?
Develop and Improve Transportation Infrastructure:

• Strategies to develop and improve transportation infrastructure and operations
  - International bridge crossings
  - Key transportation corridors
  - Heavy weight truck corridors
  - Alternate infrastructure, such as truck-only lanes

• Understand existing regulations and practices

• Promote reform of federal agency operations at the border

• Look for best practices around the country and around the world
Goals and Objectives of the Blueprint

Guide Decision and Policy Makers:

• Provide guidance and information about the border to:
  • Texas Legislature
  • Governor
  • Texas Secretary of State
  • Texas Transportation Commission
  • Border Communities
  • Federal, State and Regional Agencies (Texas and Mexico)

• Explain the impacts of border congestion and delays
  • Economic impacts
  • Transportation impacts
  • Health impacts
Goals and Objectives of the Blueprint

Guide Decision and Policy Makers:

• Support and advance all modes of freight transportation
  • Highway
  • Rail
  • Maritime
  • Airports
  • Pipelines

• Link Texas communities to the border by improving connectivity
  • IH 69
  • La Entrada al Pacifico
  • Others?

• Support new pursuits for funding
  • FAST Act
  • Partnering with local governments
  • Innovative sources (PPPs and user fees)
Discussion Questions – Goals and Objectives

• Are we on target with the outlining the Goals and Objectives of the Blueprint?

• Are we missing something?
TEXAS’S BORDER TODAY AND TOMORROW
How Do We Define the “Border”?

- **Administratively**
  - Commercial zone
  - BTAC
  - Other

- **Economically**
  - Value-added chains

- **Trade Infrastructure**
  - Border bridges/crossings
  - Highway corridors
  - Rail corridors
  - Ports
  - Airports
  - Pipelines
Discussion Questions – Defining the Border

• Are we on target with outlining the border definition?

• Are we missing something?
STRATEGIC ISSUES AND CHALLENGES
What Are the Strategic Issues and Challenges?

- Public policy, regulations, and agency actions
- Gateway capacity and operations
- Transportation system capacity and condition
- Funding
Public Policy, Regulations, and Agency Actions

- Coordination and communication
- Binational and cross-border transportation planning
- Truck size and weight regulations
- Cross-border data and analytical tools
- Other?
Gateway Capacity and Operations

- Infrastructure
  - Design of border facilities
  - Crossing capacity
  - Land constraints

- Operations
  - Multiple border inspections
  - Inadequate staffing to process vehicles

- Load and shipping schedules of manufacturers

Southbound inspections
Transportation System Capacity/Condition

- Capacity/condition of local roads linking to international bridges
- Congestion on key NAFTA highway corridors

- Rail corridors
  - Encroachment
  - Highway/rail grade crossing conflicts
  - Limited space for rail terminal expansion
Funding

- $5 billion (~ $500/$600 million per year) needed for POE capital needs
- CBP receives $145/150 million per year
- Highway funding deficits
  - 128 unfunded projects on I-69 corridor (~ $10.6 billion)
  - 42 unfunded projects on IH-35 corridor (~$27.4 billion)
• Are we on target with the outlined Strategic Issues and Challenges?

• Have we captured the key strategic border issues?

• Are we missing something?
ADDRESSING THE STRATEGIC ISSUES AND CHALLENGES
How Will The Strategic Issues be Addressed?

BTAC members to reach consensus on:

– Strategies (Example: Enhance border coordination and collaboration)
– Strategic policies and programs
– Border initiatives (Example: Border Working Group)
– Actions (Support Donations Acceptance Program)
• Are we on target with outlining how the strategic issues and challenges will be addressed?

• Are we missing something?
IMPLEMENTING
THE BLUEPRINT
How Will The Blueprint Be Implemented?

- Identifies Implementation Strategies
  - Short, medium, and long-term

- Serve as guidance and provide information to:
  - The Texas Legislature
  - The Governor
  - The Texas Secretary of State
  - The Texas Transportation Commission
  - The general public

- Inform development of Trade Corridor Action Plan
Discussion Questions – Overall Blueprint Outline

• Are we on target with the outline?
• Are we missing something?
• Have we captured the key strategic border issues?
• Have we agreed on how to address strategic issues and develop an implementation/action plan?
Outline

- Network Overview
- Mexico Business Overview by Gateway
  - El Paso
  - Eagle Pass
  - Brownsville
- Recent Gateway Improvements
- Opportunities
  - Santa Teresa Bypass Impact Evaluation
  - Understand Freight Types by Origin / Destination and POE
  - Maximize / Optimize efficiency of Border Rail Infrastructure
BNSF Network Overview

- BNSF is North America’s largest railway by volume
- BNSF operates 32,500 route miles in 28 states and 3 Canadian provinces
- BNSF moves 25% of U.S. rail freight, operating 1,200 trains/day
- BNSF serves Mexico via 4 Texas gateways, 2 directly:
  - El Paso
  - Eagle Pass
El Paso Gateway

OVERVIEW

- BNSF operates on its own lines to the gateway
- Interchange at Ciudad Juarez with FXE, owned by Grupo Mexico and UPRR.
- Current hours of operation: 1600 – 0700hrs (15hrs)
  - No directional windows
  - Gateway and interchange hours shared by BNSF, UPRR, and FXE

CHALLENGES

- Limited hours of operation
- Inadequate infrastructure on Mexico side
- Local administrator discretion leads to lack of standardization
- Low capacity for information sharing among agencies

COMMITTEE OPPORTUNITY:

- Understand / evaluate impact to TX trade & economy if Santa Teresa bypass moves from El Paso POE to New Mexico.
- Evaluate alternate TX gateway (Clint)?

FREIGHT TYPE
(2014 – 4 / 2016)

TOP 10 ORIGIN – DESTINATION PAIRS

<table>
<thead>
<tr>
<th>Origin</th>
<th>Destination</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lafayette, IN</td>
<td>Tultepec, EM</td>
</tr>
<tr>
<td>Charles City, IA</td>
<td>San Juan de Los Lagos, JA</td>
</tr>
<tr>
<td>St. Joseph, MO</td>
<td>Torreon, CU</td>
</tr>
<tr>
<td>St. Joseph, MO</td>
<td>San Juan de Los Lagos, JA</td>
</tr>
<tr>
<td>St. Joseph, MO</td>
<td>Encarnacion, JA</td>
</tr>
<tr>
<td>Artesia, NM</td>
<td>Las Delicias, CI</td>
</tr>
<tr>
<td>Guadalajara, JA</td>
<td>Birmingham, AL</td>
</tr>
<tr>
<td>Guadalajara, JA</td>
<td>San Bernadino, CA</td>
</tr>
<tr>
<td>Casselton, ND</td>
<td>Encarnacion, JA</td>
</tr>
<tr>
<td>Lincoln, AL</td>
<td>Bajio, GJ</td>
</tr>
</tbody>
</table>

Note: data excludes traffic trucked to / from Mexico to / from a BNSF ramp location.
Eagle Pass Gateway

OVERVIEW

- BNSF operates on UP trackage rights from Caldwell to Eagle Pass
- Interchange at Piedras Negras with Ferrocarril Mexican (FXE), owned by Grupo Mexico and UPRR.
- Gateway operates 24 hours per day with directional flow switch every 6 hours

CHALLENGES

- Sharing / parity over common access infrastructure
- Dispatching over UP trackage rights territory

FREIGHT TYPE
(2014 – 4 / 2016 YTD)

- IP 67%
- AG 30%
- CP 3%

TOP 10 ORIGIN – DESTINATION PAIRS

- Fairlane, MN Ciudad Frontera, CU
- Canisteo, MN Ciudad Frontera, CU
- Columbus, NE Tultepec, EM
- Iowa City, IA Torreon, CU
- Sabinas, CU Wedron, IL
- Ciudad Frontera, CU Etter, TX
- Clinton, IA Monterrey, NL
- Parnuevo, VL Fort Worth, TX
- Hager, WI Cadereyta, NL
- Iowa City, IA La Junta, JA


Note: data excludes traffic trucked to / from Mexico to / from a BNSF ramp location.
Brownsville Gateway

OVERVIEW

- BNSF operates on Haulage Agreement with UPRR from Algoa to Olmitos
- Interchange at Santa Rosita with KCSM, owned by KCS
- Gateway operates seven days per week with limited interchange windows
  - 0800 – 2000: Monday thru Saturday
  - 1000 – 1400: Sunday
- Gateway and interchange hours shared with UPRR and KCSM

CHALLENGES

- Limited hours of operation
- Sharing / parity over common access infrastructure; dispatch required over UP trackage rights territory
- Elevated crime (cartel) activity on Mexican side
- Lack of 286K capacity

FREIGHT TYPE
(2014 – 4 / 2016 YTD)

- AG 40%
- IP 60%

TOP 10 ORIGIN – DESTINATION PAIRS

- Phelps, MO  Matamoros, TM
- Tulsa, OK  Port Brownsville, TX
- Tulsa, OK  Maclavio Herrera, NL
- Creston, IA  Matamoros, TM
- Ardmore, OK  Matamoros, TM
- Hickman, AR  Pesqueria, NL
- Tulsa, OK  Ahorcano, QA
- Levelland, TX  Port Brownsville, TX
- Borger, TX  Matamoros, TM
- Quincy, MA  Matamoros, TM

TOTAL UNITS, 2006 – 4 / 2016

Note: data excludes traffic trucked to / from Mexico to / from a BNSF ramp location.
BNSF Recent Gateway Improvements

El Paso
- Two customs inspection facilities: carload & intermodal
- Allows for more customs inspections to take place within BNSF yard
- Reduces need to move cars to offsite inspection locations
- Reduces inspection-related dwell

San Antonio Cadet Yard
- Supports Eagle Pass gateway and San Antonio complex growth
- 10 tracks
- New on-duty location for San Antonio crews (north/south)
Recent Gateway Improvements: Eagle Pass

- New dual control turnout
- New siding
- Siding Extension
- New Siding
- New CBP Facility
- New BNSF Facility

Map: CTC Clarks Park to Spofford
- BNSF trackage rights
- San Antonio to San Jose
- Del Rio to Piedras Negras
- Laughlin to Rio Escondido
- Navas Allende to Spofford
- Carl Ryans Ruin / Horan Clarks Park Eagle Pass
Committee Opportunities

Evaluate Impact of Santa Teresa Bypass

- Understand / evaluate impact to Texas trade and economy if Santa Teresa bypass moves the El Paso point of entry to New Mexico.
- Consider alternative Texas gateway(s) (i.e. Clint) that accomplishes rail relocation out of El Paso
Committee Opportunities

Understand Cross-Border Freight by Origin – Destination & POE

- Utilize data-drive approach to determine most effective modal investment for future volumes, i.e. dedicated interstate truck lanes, regional intermodal facilities, road / rail capacity at the border, etc.
- Engage Mexican partners to realize full benefits with complementary infrastructure over the border

Maximize / Optimize Efficiency of Border Rail Infrastructure

- Identify supporting projects, procedures, and agency needs to level capacity between systems
- Engage USDOT to facilitate standardization / modernization of customs procedures with Mexico across all POEs
Global Supply Chain Routes

Major Population Centers Forecast for 2030

WHERE DOES THE CONTAINER STOP?

[Map showing major population centers forecast for 2030 in the United States, with cities such as Los Angeles, Phoenix, and New Orleans marked.]
Global Supply Chain Routes

Trade Routes to AllianceTexas
Global Supply Chain Routes

Trade Routes to Alliance Texas
18,000 Acres — Master Planned
18,000 Acres — Master Planned
18,000 Acres — Master Planned

- 44,000 Jobs
- 20 minutes to:
  - Denton
  - DFW Airport
  - FW CBD
Alliance Intermodal Facility

- 600,000 annual lifts
- Direct Asian import/export from LA / Long Beach and Oakland, CA
- NAFTA import/export Mexico to Canada
Corporate, general aviation, air cargo and military aircraft

U.S. Customs and Border Protection on site

Complete service company from maintenance to program design and arbor consultation

210% growth from 2011 through 2015

3.1 million gallon sales in 2015

117 monthly maintenance contracts
Economic Engine to North Texas

- $8.4 billion invested
- $59.69 billion economic impact
- 40 million+ SF developed
- 425 corporate residents
- 64 listed on Fortune 500, Global 500 or Forbes’ Top List of Private Firms
- 44,000 employees
- Fastest growing area of the nation’s fastest growing large city (500,000+)
- Population of 2 million within 20 miles of Fort Worth Alliance Airport
Alliance Gateway

- 18.4 Million SF developed
- 13,756 total jobs created
Alliance Center

- 3.6 Million SF developed
- 6,423 total jobs created
Alliance Westport

- 6.2 Million SF developed
- 7,109 total jobs created
Alliance Westport
Alliance Center North

- 650 – Acre Sector
- 273 total jobs created
Alliance Northport

- 3 Million SF of new development
- 260-acre sector
Alliance Northport

- Industrial, retail, R&D/office planned
- Interstate frontage on I-35W
- One of the lowest combined tax rates in DFW
## Corporate Residents

<table>
<thead>
<tr>
<th>Industry Cluster</th>
<th>Companies</th>
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<th>Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automobile</td>
<td>Bridgestone, Ford, GM, HYUNDAI, Mercedes-Benz Financial Services, TD Auto Finance</td>
<td>Aerospace/Aviation</td>
<td>RECARO, GDC Technics, DynCorp International, FedEx Express, FedEx Ground, Lockheed Martin, TUCKER ROCKY DISTRIBUTING, Audi, Bell Helicopter</td>
</tr>
<tr>
<td>Logistic</td>
<td>BNSF Railway, DB Schenker, NFI, FedEx Logistics</td>
<td>Logistics</td>
<td>LG Electronics, Amazon.com, Walmart, Ryder Logistics and Transportation Solutions Worldwide, FedEx Ground, UPS, BNSF Railway</td>
</tr>
<tr>
<td>eCommerce/Electronics</td>
<td>AT&amp;T, AmensourceBergen, Blue Cross Blue Shield Association, LG Electronics</td>
<td>Pharmaceutical/Healthcare</td>
<td>Cardinal Health, Galderma, Medical Center Alliance, McKesson, Patterson Dental Supply, Inc., Texas Health Harris Methodist Hospital Alliance</td>
</tr>
<tr>
<td>Consumer Goods/Services</td>
<td>BEHR, Cargill, Callaway Golf, Coca-Cola, General Mills, Kraft, Michaels, MLE, AMERITRADE, Nestle</td>
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</tr>
</tbody>
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### Industry Clusters

- Automobile
- Aerospace/Aviation
- Logistics
- eCommerce/Electronics
- Pharmaceutical/Healthcare
- Consumer Goods/Services
Foreign-Trade Zone #196
- 9,600 acres at AllianceTexas
- Reduce Importing Cost
  - Duty, MPF, Inventory Tax

Triple Freeport Inventory Tax Exemption
- Inventory tax exemption program from all three taxing entities
Workforce Development

Exceptional School Districts
- Keller ISD
- Northwest ISD
- Westlake Academy

Educational Institutions & Partnerships
- 9 Colleges & Universities within 20 miles
- TCC Corporate Services
- TCC Center of Excellence for Aviation, Transportation and Logistics
- UNT Executive MBA strategically located at AllianceTexas
- MSSC Certificate Programs
Questions?
Thank You!

AllianceTexas Inland Port Connectivity with U.S. Mexico Border

Steve Boecking
Vice President, Hillwood
INTRODUCTION

Located along the Rio Grande River, the Laredo District encompasses eight counties. The district’s population is concentrated in the Laredo metropolitan area and the micropolitan areas of Del Rio and Eagle Pass. The Laredo World Trade Bridge, at the southern terminus of I-35, is the largest land port of entry in Texas as well as the southern U.S. border and the second largest commercial land port of entry in the U.S. (after Detroit).

POPULATION AND EMPLOYMENT

From 2000 to 2010, the district’s population increased by 20.6% while employment increased by 23.6%. The district’s population and employment is heavily concentrated in Webb County which is home to 63% of the district’s residents and 65% of employment. Webb County is also projected to have significant growth with nearly 400,000 residents by 2030.

The district benefits from the increasing trade between the United States and Mexico and a large portion of the freight passes through the district with Laredo serving as a major trucking logistics hub.

FREIGHT TRANSPORTATION ASSETS

With its location on the U.S.-Mexico border, the district plays a strategic role in international trade with eight vehicular international crossings, and one rail crossing in the area. Four of the eight crossings allow commercial traffic.

I-35 begins in downtown Laredo and serves as the main connection from the district to the rest of Texas and the United States. I-35 also serves as Mexico’s most important road link to the rest of North America. Laredo’s four international crossings provide vital links for commercial, passenger, and pedestrian traffic to Mexico. Additional international crossings to Mexico are located in Eagle Pass and Del Rio. Other important roads in the district include US 59 (the future I-69W), connecting to Houston and East Texas, US 90 and US 277, connecting to I-10 and West Texas, and US 83 connecting the district to the Rio Grande Valley.

Laredo International Airport handles air cargo in the district and plays a key role in air cargo trade with Mexico. Since 2015, the airport has been unique in offering Mexican pre-clearance customs whereby cargo cleared at the airport will, upon arrival in Mexico, be immediately released to the owner without having to pause at a Mexican airport bonded facility. Pre-clearance is important to the manufacturing sector that relies on “just-in-time” delivery of its inventory. Air cargo destined to Mexico from all over the world can be routed to Laredo International Airport to be cleared by Mexican customs.

FREIGHT GENERATORS AND COMMODITIES

The freight generators in the district are clustered in the main population centers of Laredo, Eagle Pass, and Del Rio as well as a scattering in the small towns in the dis-
Almost all the generators are located along I-35, US 59, or other US highways and in the district. The commodity mix in the district is led by mixed metal with food, durable manufactured good, nonmetallic minerals, and clay, concrete and glass following.

**FREIGHT FORECASTS**

The Laredo District’s freight activity is concentrated in Webb, Maverick, and Val Verde counties. However, some of the largest growth can be seen in the more rural counties of the district with no county projected to have less than 43 tonnage growth by 2040.

**Combined Freight Tonnage 2010–2040**

<table>
<thead>
<tr>
<th>County</th>
<th>2010 Tonnage</th>
<th>2040 Tonnage</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dimmit</td>
<td>340,907</td>
<td>590,629</td>
<td>73%</td>
</tr>
<tr>
<td>Duval</td>
<td>460,885</td>
<td>703,723</td>
<td>53%</td>
</tr>
<tr>
<td>Kinney</td>
<td>35,667</td>
<td>76,487</td>
<td>114%</td>
</tr>
<tr>
<td>La Salle</td>
<td>198,924</td>
<td>439,343</td>
<td>121%</td>
</tr>
<tr>
<td>Maverick</td>
<td>11,866,142</td>
<td>16,921,192</td>
<td>43%</td>
</tr>
<tr>
<td>Val Verde</td>
<td>1,230,671</td>
<td>2,969,715</td>
<td>141%</td>
</tr>
<tr>
<td>Webb</td>
<td>35,410,050</td>
<td>85,087,025</td>
<td>140%</td>
</tr>
<tr>
<td>Zavala</td>
<td>557,097</td>
<td>1,465,802</td>
<td>163%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>50,100,344</strong></td>
<td><strong>108,253,915</strong></td>
<td><strong>116%</strong></td>
</tr>
</tbody>
</table>

The more than doubling of freight tonnage in the district as well as five of the counties from 2010 to 2040 illustrates not only the importance freight movement has to the local economy but the need to plan to accommodate this growth on the roads, rail, as well as at border crossings.
LAREDO BORDER CROSSINGS

Border crossings, or ports-of-entry, are perhaps Texas’ most strategic assets. The border crossings in Laredo are vital to both the Texas and the nation’s economy. In 2013, two-way trade between the U.S. and Mexico was more than $550 billion and Texas’ international border crossings accounted for more than $195 billion in U.S. trade with Mexico, 73 percent of which was moved by truck. The border crossings in the Laredo district accounted for 56 percent of daily truck volume and 40 percent of all rail traffic between Texas and Mexico.

Laredo is the key trade gateway to Mexico for both Texas and the rest of North America and serves as a major hub for trucking logistics. In 2014, the greatest movement of trucks within the district occurred at the following crossings:

<table>
<thead>
<tr>
<th>City</th>
<th>Trucks</th>
<th>Bridge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Laredo</td>
<td>1,575,583</td>
<td>World Trade Bridge</td>
</tr>
<tr>
<td>Laredo</td>
<td>373,263</td>
<td>Laredo-Colombia Solidarity Bridge</td>
</tr>
<tr>
<td>Eagle Pass</td>
<td>136,506</td>
<td>Camino Real International Bridge</td>
</tr>
<tr>
<td>Del Rio</td>
<td>69,048</td>
<td>Del Rio-Ciudad Acuna Intl. Bridge</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>2,154,400</strong></td>
<td></td>
</tr>
</tbody>
</table>

The World Trade Bridge dominates goods movement with nearly 1.6 million truck crossings in 2014 and an inbound daily average of 7,600 crossings. This amounts to 73 percent of total cross-border truck movement in the district and 42 percent of cross-border truck movement in Texas. The World Trade Bridge has been and will continue to be the largest and most important gateway between Texas and Mexico with inbound truck traffic projected to increase to 25,300 daily crossings by 2040, a 70 percent increase from 2014.

The district also includes the two highest volume international rail bridges in Texas. In 2014, Webb-Tamaulipas handled 3,758 train crossings while Maverick-Coahuila handled 2,728—together these two crossings handled more than 75 percent of total Texas international rail crossings in 2014.
Congress recognized the importance of freight considerations in the transportation planning process through enactment of surface transportation legislation in SAFTEA-LU, MAP-21, and the recently enacted FAST Act. Recognizing that state DOTs and MPOs are largely responsible for planning, programming, and delivering transportation projects, the FAST Act mandates the creation of freight advisory groups and the development of statewide freight and investment plans.

The National Academies’ Strategic Highway Research Program 2 (SHRP 2) commissioned the development of a guide to integrate freight considerations into highway planning with the objective of making “highway capacity planning more effective through better engagement of the freight industry.”

*Integrating Freight Considerations into the Highway Capacity Planning Process* provides guidance on market-based freight-planning factors and engaging freight stakeholders. Key elements of the engagement process include:

- Utilization of freight advisory committees;
- Interviews and surveys;
- Focus groups;
- Corridor planning;
- NEPA analysis.

In addition, the guide provides a toolkit which covers:

- How to initiate a freight advisory committee; steps include defining the mission, determining the governance structure, developing a potential list of members, and identifying meeting venues.
- How to sustain a freight advisory committee; steps include limiting meeting times, providing refreshments, identifying critical projects, identifying speakers, and communication plans.
- How to leverage existing contacts in your state; steps include outreach to MPOs, DOTs, chambers of commerce, and trucking associations.
- How to find and collaborate with a freight champion; steps include identifying persons from either the public or private sector.
- How to attract and maintain freight stakeholder participation; steps include addressing concerns about confidentiality, focus on short-term projects, and addressing disparate time frames.
- How to use freight data to support freight outreach; steps include identification of sources, use of proprietary and nonproprietary data, and promoting freight-specific data.

The guide was developed primarily through interviews and case studies collected through discussions with public- and private-sector freight stakeholders across the United States. A link to download the guide is provided in “Additional Resources” on the back cover.
ADDITIONAL RESOURCES

Integrating Freight Considerations into the Highway Capacity Planning Process: Practitioner’s Guide
www.trb.org/Main/Blurbs/170008.aspx

Integrating Freight in the Transportation Planning Process
WEB-BASED Standard Version (online training)
https://www.nhi.fhwa.dot.gov

Guidebook for Integrating Freight into Transportation Planning and Project Selection Processes. National Cooperative Highway Research Program Report 594
onlinepubs.trb.org/onlinepubs/nchrp/nchrp_rpt_594.pdf

FHWA Offices of Planning and Freight Management and Operations
www.fhwa.dot.gov/planning/freight_planning

FHWA Resource Center Planning and Freight Team
www.fhwa.dot.gov/resourcecenter/teams/planning

Texas Freight Advisory Committee
www.movetexasfreight.com

www.MoveTexasFreight.com
Commerce and quality of life in Texas depend on the daily delivery of millions of tons of goods shipped by a network of highways, railways, waterways, and airports. The crossings (or ports-of-entry) along the Texas-Mexico border for highway and rail are a major component of this network and Texas serves as the critical trade gateway between the U.S. and Mexico. International trade passes through 13 highway bridges and four rail bridges that cross the Rio Grande River and this trans-border freight is expected to nearly triple from 62 million tons of highway and rail freight in 2014 to more than 180 million tons in 2040.

The Texas Freight Mobility Plan is the Texas Department of Transportation's (TxDOT) first comprehensive multimodal transportation plan that focuses on the state’s freight transportation needs—the economic and strategic importance of the Texas border crossings is a major component of the plan. With the growth of both population and trade on both sides of the border additional strain and congestion is forecast and addressing these issues now will help to sustain the competitiveness of Texas’ business and industry going forward.
WHY IS TEXAS’ BORDER FREIGHT MOVEMENT IMPORTANT?

Texas is the nation’s gateway to Mexico, the United States’ third largest trading partner (after Canada and China). Texas has the longest stretch of border with Mexico (1,254 miles) of any state and Mexico is Texas’ largest export market. In 2015, Texas exported $94.5 billion worth of goods to Mexico, 40 percent of Texas’ total exports.

Texas is ideally positioned at the center of the north-south North American Free Trade Agreement (NAFTA) corridor. The I-35 corridor, which runs from the Mexican border at Laredo through Texas and the central U.S. to Minnesota, forms the backbone for international truck trade with Mexico and connects to other corridors that serve the rest of North America. Conditions at the Texas-Mexico border therefore have an economic impact well beyond Texas as more than half of the goods that cross the Texas-Mexico border having an origin or destination in another U.S. state.

Border freight movement also supports the local economies of cities and towns along the border. Laredo, El Paso, and the communities of the Rio Grande Valley, are the major gateways between Texas and Mexico and much of their economy is based on trade with Mexico. Laredo in particular is a hub for shipping and logistics companies managing the movement of goods into and out of Mexico.

The highway and rail crossings between Texas and Mexico are detailed in the map below and are located in large and small cities and towns.
HOW DOES FREIGHT MOVE ACROSS THE TEXAS-MEXICO BORDER?

The freight transportation infrastructure that serves the Texas-Mexico border region covers all modes: commercial trucks, rail, pipelines, maritime, and air. Compared to other U.S. states along the U.S.-Mexico border, Texas has a much higher number and greater density of cross-border freight facilities. Ensuring the efficient flow of goods across or through these facilities is essential to maintaining the health of the Texas economy.

Goods cross the Texas-Mexico border at 13 truck crossings, 4 rail crossings, 12 pipeline crossings and 8 commercial airports. The Texas-Mexico border serves 69 percent of all trucks and 89 percent of all rail containers crossing into the U.S. from Mexico. Ensuring the efficient flow of goods through these facilities is therefore essential to maintaining the health and growth of the Texas economy and Texas reputation as a business-friendly state.

**Rail**
The number of trains crossing the border each year has varied substantially and was only slightly higher in 2014 (8,605 trains) than it was during 1995 (8,268 trains). However, the number of loaded and unloaded rail cars crossing the Texas-Mexico border rose substantially from 251,769 rail cars in 1995 to 823,911 rail cars in 2014. Texas rail ports-of-entry handle approximately 90 percent of the rail car crossings along the U.S.-Mexico border. In 2014, Laredo was the busiest rail crossing with 3,758 trains and more than 400,000 rail cars. Eagle Pass was the second busiest crossing with 2,728 trains or more than 250,000 rail car crossings. El Paso ranked third with 1,434 trains and almost 100,000 rail car crossings, followed by Brownsville with 685 trains and 65,293 rail car crossings.

The rail crossings in El Paso, Eagle Pass, Laredo, and Brownsville have also shown high growth with the number of loaded and unloaded rail cars crossing the Texas-Mexico border rising from 251,769 rail cars in 1995 to 823,911 rail cars during 2014.

**Highway**
The predominant mode of transportation for Texas-Mexico trade is trucking and Texas highways are ideally positioned to connect to Mexican industries and suppliers of raw materials. From 1995 to 2014 the number of northbound commercial trucks that crossed the Texas-Mexico border doubled from 1.9 million to 3.8 million.
Air
Air cargo between Texas and Mexico has fluctuated from the 1990s to today, peaking at 112 million pounds in 2000. In 2014 the total volume of Texas-Mexico cross-border airfreight equaled 52 million pounds, compared to 56 million pounds in 1995.

Water Ports
Mexico is Texas's largest maritime trading partner, although the overall tonnage of cargo handled has declined significantly since 2006.

Pipeline
Pipelines allow the export of natural gas to Mexico and this trade has increased from 30 million cubic feet in 1995 to more than 500 million cubic feet in 2014.
WHAT IS DRIVING GOODS MOVEMENT AT THE TEXAS-MEXICO BORDER?

Various factors are influencing or driving current and future freight demand along the Texas-Mexico border. These factors may be global or regional in nature, while others are driven by conditions within an individual industry or firm. Some of these factors are:

Texas’ Strong Economy and Growing Population
Texas is a leader in the global marketplace and has ranked as the number one state for export revenues for 13 years in a row. The manufacturing sector is the largest contributor to Texas’ freight-related economy, with one million jobs in the state and manufactured goods accounted for 90 percent of Texas exports.

Texas’ strong economy and growing population also leads to greater demand for imports of raw materials and consumer goods as well as increased manufacturing output. Texas population grew by 20 percent from 2000 to 2010 and is projected to increase by more than 70 percent, to 45 million people and 15.8 million jobs statewide, by 2040. More people equals more freight and international trade.

Expansion of Mexico’s Manufacturing Sector
The increasing role of the Mexican economy within global trade has also dramatically impacted Texas border crossings. From 2011 to 2012 alone, trade with Mexico from Texas increased 8.5 percent. Much of the growth of trade with Mexico can be attributed to the North American Free Trade Agreement (NAFTA). In addition, a recent resurgence of nearshoring, whereby Mexican manufacturing centers in the border areas (known as maquilas) import material and equipment from the U.S. on a duty-free and tariff-free basis for assembly, processing, or manufacturing and then export the final product back to the U.S. has raised the level of trade between the Texas and Mexico. Many of the new manufacturing facilities opening in Mexico are intended to serve the U.S. market and replace or substitute for manufacturing operations in China. Mexico’s industrial base has brought significant benefits to Texas manufacturers, since many of them engage in cross-border manufacturing practices that support companies on both sides of the border.

Growing Texas-Mexico Trade
Texas’ strong economy and strategic location make it a leader in trade with Mexico. The total value of Texas’s global foreign trade during 2015 was more than $500 billion and, as Texas’ most important trading partner, Mexico accounted for 35.4 percent of that total. Mexico is currently Texas’ largest export market and received 40 percent of Texas’ total exports during 2015.

Exports from Texas to Mexico grew significantly between 2008 and 2015. In 2015, Texas exported $94.5 billion worth of goods to Mexico, a 52 percent increase from 2005 (in current dollars). The top commodities exported to Mexico from Texas in 2015 were Computer and Electronic Products (25.9 percent), Transportation Equipment (12.4 percent), Petroleum and Coal Products (11.6 percent), and Chemicals (9.4 percent). Maintaining and growing this trade relationship with Mexico depends upon maintaining adequate infrastructure capacity and increasing the efficiency of Texas’s transportation network, especially at and near border crossings.

NAFTA
The North American Free Trade Agreement, a trilateral rules-based trade bloc in North America, came into force on January 1, 1994. U.S. exports to Canada and Mexico support more than three million American jobs and U.S. trade with NAFTA partners has unlocked opportunity for millions of Americans by supporting Made-in-America jobs and exports. As the U.S.’ two largest export markets, Canada and Mexico buy more Made-in-America goods and services than any other countries in the world.

Source: Office of the U.S. Trade Representative
WHAT ARE TEXAS’ BORDER TRANSPORTATION CHALLENGES?

The state’s freight transportation system is facing large a large number of challenges including ensuring the Texas border crossings meet the capacity, operations, and connectivity needs of shippers and receivers. Increasing congestions leading to, from, and at border crossings impedes international commerce. If challenges are not addressed, a redirection of trade volumes to crossings with states other than Texas could result which would have a negative impact on the State’s economy.

The TFMP identified a number of border transportation challenges through research, data analysis, and stakeholder listening sessions (see box). Key challenges to cross-border freight transportation that were identified in the Texas Freight Mobility Plan are:

Congestion/Border Processing Time
- Inadequate infrastructure
- Increasing congestion leading to, from, and within border crossings is impeding international commerce and impacts efficiency of freight movement.
- A need to address operating and federal staffing issues and hours of operations at border crossings – impacts customs processing times and wait times.

Harmonization
- The need for a comprehensive approach to the deployment of cross-border technology applications that enhance the security and efficiency of freight movements across the border.
- Lack of coordination and collaboration among stakeholders involved in border crossings

Connectivity
- The need to develop a greater awareness of Mexico’s freight policies and planned infrastructure improvements to allow the public and the private sector to effectively plan for the anticipated growth in trade.
- A critical need to streamline permitting regulations for new or expanded border crossings.

Border crossing security and efficiency are also increasingly important. Security processing is often identified as a key reason for delays at the border, which are costly both economically and environmentally. In addition, communities surrounding border crossings are subject to extreme traffic congestion and resulting environmental determinants in air quality and noise pollution.

Stakeholder Concerns
In the development of the Texas Freight Mobility Plan, many stakeholder comments in West and South Texas focused on border crossing issues, such as:

- Reducing congestion and delays at border crossings; the Mexican agriculture industry supplies much of the produce sold in U.S. supermarkets and lengthy delays pose concerns for perishable goods.
- Need for coordination among multiple government agencies; repetitive inspections conducted by Customs and Border Patrol and the Department of Public Safety, an improvement in border crossing efficiency could translate to significant time and money saved.
- Increase use of technology at border crossings; new technology holds the promise of streamlining the border crossing process without largescale infrastructure investment.

While stakeholders agree on border crossing challenges, there are differences of opinion on ways to solve them. Some recommended increasing capacity by constructing new border crossings, adding lanes to existing crossings, and increasing staffing levels to process more vehicles. Others suggested utilizing capacity currently available during off-peak hours, such as nights and early mornings.
A high volume of goods crosses the Texas-Mexico border each year: nearly 61.7 million tons of highway and rail freight crossed the Texas-Mexico border in 2014, valued at more than $246.7 billion. By 2040, this number is expected to rise to more than 182.4 million tons of highway and rail freight.

Cross-border trade by tonnage for highway and rail is expected to increase by 196 percent by 2040 to 182.4 million tons, far outpacing statewide freight growth at 70 percent. Through-highway and rail freight to Mexico is projected to increase 214 percent from 20.5 million tons to 64.4 million tons. Total inbound truck volumes at the border are projected to increase from 6.7 million tons to 18.6 million tons per year. These projections are indicative of continued export activity from Texas to Mexico, with substantial increases in freight originating in Texas and going to Mexico and freight originating elsewhere in the U.S. but traveling through a Texas border crossing.

In 2040, rail and truck border-crossing movements are forecast to comprise 4.9 percent of total tons (3.76 billion) of freight in Texas for all modes. The share of movements through Texas for highway and rail are expected to encompass more than half (57.4 percent) of border crossing movements.

**Highway**

Trucks are predicted to be the dominant mode for cross-border freight movement, accounting for 83 percent in 2014 and 84 percent in 2040. Texas-Mexico cross-border truck movements in 2014 totaled 51.1 million tons, carried within 2.7 million units. Texas-Mexico cross-border truck movements in 2040 are forecast to total 153.9 million tons, carried within 8.4 million units. Compared to 2014, the 2040 directional share of outbound tons are forecasted to increase from 23.9 percent to 27.4 percent, and the inbound movements are forecasted to decrease from 24.1 percent to 19.8 percent.

Border crossings at the Bridge of the Americas in El Paso, the World Trade Bridge in Laredo, the Pharr-Reynosa International Bridge and the Veterans International Bridge in Brownsville are forecast to have high tonnage volume and growth between 2014 and 2040. Average inbound daily heavy truck volume at the border is expected to increase from 18,350 to 51,000 by 2040—a 178 percent increase. Total inbound truck volumes at the border are projected to increase from 6.7 million to 18.6 million per year.

The World Trade Bridge accounts for almost 50 percent of the total projected daily heavy truck traffic at the Texas-Mexico crossings and is predicted to continue to be the largest and most important international gateway to Texas going forward. The Veterans International Bridge is projected to have the largest percentage increase in truck traffic of any border crossing on the Texas-Mexico border. Together with the Bridge of the Americas and Pharr-Reynosa International Bridge these four crossings are expected to account for 76 of inbound truck traffic from Mexico to Texas by 2040.

**Rail**

Cross-border rail movements between Texas and Mexico, during 2014, totaled 10.6 million tons, carried within nearly 137,300 units. Texas’s cross-border rail movements in 2040 are forecasted to total 28.5 million tons, carried within nearly 371,700 units.

Approximately 99 percent of Texas’ rail crossings are concentrated at four ports-of-entry: Brownsville, Eagle Pass, El Paso and Laredo. The four rail border crossings, Brownsville, Eagle Pass, El Paso, and Laredo, are collectively projected to increase throughput tonnage by 18.4 percent from 2014 to 2040. The most significant international border crossing is the Webb to Tamaulipas crossing in Laredo, where more than 40 percent of all rail crossings between Texas and Mexico occurred in 2014.

**Pipeline**

Texas has 11 pipeline crossings along its border with Mexico that export natural gas. Pipeline crossings are located in El Paso, Del Rio, Eagle Pass, Laredo, and several locations in the Rio Grande Valley, two of which allow both the import and export of natural gas. Pipeline movement has shown high growth which is projected to continue.

**Air Cargo**

Air cargo makes up less than one percent of tonnage share both today and for 2040 projections.
TEXAS-MEXICO BORDER CROSSINGS

**Truck Freight by Direction (2014 and 2040)**

Cross-border truck movements in 2040 are forecast to total 153.9 million tons, carried within a total of 8.4 million units (the sum of outbound, inbound, and through movement).

![Truck Freight, 2014–2040](chart)

**Rail Freight by Direction (2014 and 2040)**

Cross-border rail movements in 2040 are forecasted to total 28.5 million tons, carried within a total of nearly 371,700 units (the sum of outbound, inbound, and through movement).

![Rail Freight, 2014–2040](chart)
HOW ARE CHALLENGES ADDRESSED?

The TFMP provides a series of interrelated policy, program, and project recommendations to address Texas’ border needs.

**Policy Recommendations**

The Freight Plan contained 21 recommendations to address the freight transportation challenges confronting Texas. Six of the 21 Freight Plan policy recommendations directly relate to the Texas-Mexico border region:

- **International Border/Ports-of-Entry**
  The state should invest in and facilitate international border coordination strategies to improve freight mobility and eliminate barriers to trade.

- **Maintain Texas’s Position as a North American Trade and Logistics Hub and Gateway**
  The state should continue to invest in strategic transportation solutions that enable Texas to maintain its position as the nation’s leader in North American trade, a top international trade gateway, and national logistics hub.

- **Economic Development and Economic Competitiveness**
  TxDOT should align investments in the transportation system with the state’s vision for economic growth and global competitiveness.

- **Multimodal Connectivity**
  The state should invest in strategies and solutions that link the different freight transportation modes.

- **Freight Network Designation and Investment**
  TxDOT should adopt the Texas Freight Network as the strategic framework for statewide transportation investment decisions.

- **Institutional Coordination and Collaboration**
  TxDOT should coordinate with industries and international, national, state, regional, and local agencies.

**Program Recommendations**

The TFMP includes 154 border/POE project recommendations with an estimated cost of nearly $6.2 billion. This represents 11 percent of all project recommendations and 5 percent of the total estimated cost of all projects.
WHAT CHALLENGES REMAIN?

Between now and 2040, Texas faces many transportation challenges. These challenges include a significant increase in population, doubling of freight volumes, increasing congestion, and infrastructure constraints at international border crossings.

To meet these challenges, and maintain its status as a leader in exports and international trade, Texas must be prepared to address the increase in goods crossing the Texas-Mexico border and continue to make strategic investments that support the state’s economic growth and competitiveness.

The Freight Plan identifies balanced, comprehensive, and multimodal freight transportation improvement strategies that the state should follow in order to meet future demands and maintain its position as a global gateway. The implementation plan will need to be re-evaluated on a regular basis to adjust priorities to accommodate the changing dynamics of transportation needs, funding, and priorities.

Freight does not stop at jurisdictional boundaries. The successful implementation of the Freight Plan will require extensive collaboration, coordination, and partnership between TxDOT and numerous stakeholders and partners from both the public and private sector. The State of Texas’ Border Trade Advisory Committee (BTAC) and the Texas Freight Advisory Committee (TxFAC) will play key roles in supporting this dialogue.