Recap of March BTAC Meeting and Commission Adoption

- BTAC meeting: March 11, 2021
  - Review and Summary of Public Comment Period
  - Review and Discussion of BTMP Final Report and Executive summary
  - Recommendation to submit TX-MX BTMP to TTC
  - Next Steps/BTMP Implementation

- Commission adoption:
  March 25, 2021
Overview of BTMP Booklet and Regional Plans

Border Trade Advisory Committee Briefing
May 25, 2021
Overview of BTMP Regional Plans

- **BTMP Regional Plans**
  - El Paso/Santa Teresa/Chihuahua
  - Laredo/Coahuila/Nuevo León/Tamaulipas
  - Rio Grande Valley/Tamaulipas

- Each plan is based on information included in the BTMP Final Report
  - Regional plans will build upon the information offered in the Booklet and Executive Summary
  - Go-to resource for local stakeholders who need to access regionally specific information quickly and easily
Cross-border movement of people and goods – 2019 vs 2020

- COVID-19 impacts on the movement of people and goods
### SECTIONS

<table>
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<th>TIMELINE OVERVIEW</th>
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<td>SOCIOECONOMICS</td>
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<tr>
<td></td>
<td>MOVEMENT OF PEOPLE</td>
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<td>MOVEMENT OF GOODS</td>
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<td>SUPPLY CHAINS</td>
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<td></td>
<td>DISCUSSION</td>
</tr>
</tbody>
</table>
2020 Overview - Timeline

- **USMCA Goes into Effect**
  - July 2020

- **Hurricane Hanna's High Winds Force Closures at Some Border Crossings**
  - July-August 2020

- **2nd KCS Rail Bridge Presidential Permit Signed**
  - July 2020

- **USDA Designates Natural Disaster Areas**
  - August, November 2020

- **US-China Phase 1A Agreement Reached**
  - January 2020

- **Automotive Plants Close**
  - April – June 2020

- **COVID-19 Restrictions on Non-Essential Border Travel**
  - March 2020

- **Farmer Protests at Border**
  - July-September 2020

- **Unified Cargo Processing Launched at Pharr-Reynosa**
  - June 2020

- ** Farmers Protests at Border**
  - July-September 2020

- **Mexico Announces $14B Border Infrastructure Plan**
  - October 2020

- **Cuban Migrant Protest at Border**
  - December 2020

- **CBP Pilot Reroutes Empties* and Trucker Protests**
  - December 2020

*CBP pilot rerouted empty trucks from World Trade Bridge to Laredo–Colombia Solidarity International Bridge.
In 2020, unemployment in the Texas border region spiked from 5.7% to 15.4% in April, and partially recovered to 9.2% by December.

COVID-19 and temporary restrictions on non-essential travel led to a decline in retail sales in many border cities. Meanwhile, e-commerce grew in both countries.

Source: Texas Workforce Commission Unemployment Claims, BLS Data, 2020
## Movement of People – Passengers

Between 2019 and 2020, northbound passengers crossing the border decreased **40 million or 46.2%** from 86.3 million to 46.4 million.

This is due to the temporary restrictions on non-essential travel first announced on March 21, 2020.

### Modal Share Changes

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td><strong>Buses</strong></td>
<td>1.8%</td>
<td>- 52.6%</td>
</tr>
<tr>
<td>47,079 Buses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>825,114 Passengers</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Bicycles/Pedestrians</strong></td>
<td>20.9%</td>
<td>- 51.6%</td>
</tr>
<tr>
<td>9,696,516</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>POVs</strong></td>
<td>77.3%</td>
<td>- 44.4%</td>
</tr>
<tr>
<td>21,589,378</td>
<td></td>
<td></td>
</tr>
<tr>
<td>35,901,643 Passengers</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
<td><strong>- 46.2%</strong></td>
</tr>
<tr>
<td>46,423,273</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: BTS Border Crossing/Entry Data 2019-2020

Note: Values include Santa Teresa, NM.
The number of northbound buses decreased by **43.2 thousand** or **47.9%** between 2019 and 2020.

- **90.3 thousand buses** (2019)
- **47.1 thousand buses** (2020)

Source: BTS Border Crossing/Entry Data 1996-2020
Note: Values include Santa Teresa, NM.
Movement of People – Bikes and Pedestrians

**Texas-Mexico Northbound Bikes/Pedestrians, 2019-2020**

The number of northbound bike/pedestrians decreased by **10.3 million** or **51.6%** between 2019 and 2020.

<table>
<thead>
<tr>
<th>Year</th>
<th>El Paso Region</th>
<th>Laredo Region</th>
<th>RGV Region</th>
<th>Border Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td></td>
<td></td>
<td></td>
<td>16.9</td>
</tr>
<tr>
<td>1997</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000</td>
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<td></td>
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</tr>
<tr>
<td>2004</td>
<td></td>
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</tr>
<tr>
<td>2008</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>2012</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td></td>
<td></td>
<td></td>
<td>9.7</td>
</tr>
<tr>
<td>2020</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: BTS Border Crossing/Entry Data 1996-2020
Note: Values include Santa Teresa, NM.
Texas-Mexico Northbound Personal Vehicles (POV), 2019-2020

The number of northbound POVs decreased by 11.2 million or 34.2% between 2019 and 2020.

32.8 million POVs (2019)  
21.6 million POVs (2020)

Source: BTS Border Crossing/Entry Data 1996-2020
Note: Values include Santa Teresa, NM.
Movement of Goods – Trade Overview

**US-Mexico Trade from 2019 to 2020**

2019: $622.1 billion  
2020: $538.1 billion  
**-13.5%**  
Source: US Census Trade in Goods with Mexico

**Texas-Mexico Imports/Exports from 2019 to 2020**

2019: $215.5 billion  
2020: $177.8 billion  
**-17.5%**  
Source: US Census Trade Data Online

**Trade Through the Texas-Mexico Border 2019 to 2020**

2019: $456.8 billion  
2020: $395.4 billion  
**-13.4%**  
Source: BTS TransBorder Freight Data

All values in 2020 dollars
Movement of Goods – Cross-Border Trade by Direction

Texas-Mexico Cross-Border Trade by Direction, 2006-2020

Source: BTS Transborder Freight Data, Values in 2020 Dollars.
Note: Values include Santa Teresa, NM.
Movement of Goods – Texas-Mexico Border Trade by Mode, 2020

Source: BTS Transborder Freight Data
Note: Values include Santa Teresa, NM.

**Truck**
- Northbound, $183.5 B, 60%
- Southbound, $121.2 B, 40%
- Total: $304.6 billion

**Rail**
- Northbound, $43.0 B, 67%
- Southbound, $21.2 B, 33%
- Total: $64.2 billion

**Air**
- Northbound: $336.6 M (29%)
- Southbound: $813.6 M (71%)
- Total: $1.15 billion

**Pipeline**
- Northbound: $52.5 B (1%)
- Southbound: $4.6 M (99%)
- Total: $4.6 billion

**Maritime**
- Northbound: $11.5 B, 63%
- Southbound: $11.5 B, 37%
- Total: $18.1 billion

May 25, 2021
**Texas-Mexico Northbound Trucks, 2019-2020**

The number of northbound trucks decreased by **66,862** or **1.5%** between 2019 and 2020.

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Trucks</th>
<th>Loaded Trucks</th>
<th>Empty Trucks</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>4.6 Million CMVs</td>
<td>2.3 Million CMVs</td>
<td>2.3 Million CMVs</td>
</tr>
<tr>
<td>2020</td>
<td>4.5 Million CMVs</td>
<td>2.1 Million CMVs</td>
<td>2.4 Million CMVs</td>
</tr>
</tbody>
</table>

Between 2019 and 2020, northbound truck trends include a 12.6% decrease in loaded trucks and a 23.9% increase in empty trucks.

Source: BTS Border Crossing/Entry Data 1996-2020
Note: Values include Santa Teresa, NM.
The number of northbound railcars decreased by 73,471 or 7.2% between 2019 and 2020.

<table>
<thead>
<tr>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Railcars</td>
<td>Railcars</td>
</tr>
<tr>
<td>947,450</td>
<td>1.0 million</td>
</tr>
</tbody>
</table>

Source: BTS Border Crossing/Entry Data 1996-2020
Note: Values include Santa Teresa, NM.
Cross-Border Supply Chains – Overview

- Fruits, vegetables, and grains and food manufacturing were the only supply chains that grew in Texas-Mexico cross-border trade between 2019 and 2020.

- All supply chains saw declines in southbound trade flows, while 4 supply chains experienced growth in northbound trade: animal products, chemicals, food stuffs, and fruits, vegetables, and grains.

![Supply Chains Traded Across the Texas-Mexico Border, 2019-2020](chart)

- 2019: $456.8B
- 2020: $395.4B

- Food Manufacturing: +8.9%
- Machinery: -14.5%
- Metal Products: -14.4%
- Petroleum Products: -25.1%
- Textiles: -16.6%
- Other: -6.3%
- Chemicals: -7.6%
- High Technology: -11.4%
- Manufactured Goods: -8.6%
- Motor Vehicles: -20.6%
- Plastics and Rubbers: -11.0%
- Fruits, Vegetables, and Grains: +0.2%
Entire supply chains were disrupted by COVID-19 in 2020 -- supply (production), demand (consumption), and transportation issues impacting the Texas-Mexico border.

Supply Constraints

Transportation disruptions across modes

Main disruptions and capacity issues at nodes

Demand Variations

Health and Safety Concerns
Animal Products – 2020 Trade Changes

- Animal Products traded across the Texas-Mexico border **decreased by $0.5 billion or 7.3%** from $6.85 billion in 2019 to $6.35 billion in 2020.

- Northbound trade increased $0.18 billion, while southbound trade fell by $0.68 billion.

- Northbound trade of meat and fish commodities increased by $0.19 billion or 18% between 2019 and 2020, partially due to temporary shutdowns of US meat processing plants.

- Southbound trade of dairy products decreased $0.34 billion or 26% between 2019 and 2020 as the Mexico economy contracted, reducing demand for dairy.
Food Manufacturing – 2020 Trade Changes

- Food Manufacturing traded across the Texas-Mexico border increased by **$1.19 billion or 8.9%** from $13.31 billion in 2019 to $14.50 billion in 2020.

- Northbound trade increased $1.4 billion, while southbound trade fell by $0.21 billion.

- Northbound trade in spirits increased by $0.76 billion or 55% from $1.36 billion in 2019 to $2.14 billion in 2020, as US demand for spirits grew during the year.
Fruits, Vegetables, and Grains – 2020 Trade Changes

- Fruits, Vegetables, and Grains traded across the Texas-Mexico border increased by $0.03 billion or 0.21% from $14.48 billion in 2019 to $14.51 billion in 2020.

- Northbound trade increased by $0.32 billion, while southbound trade fell by $0.29 billion.

- Southbound trade of Grains and Other Agricultural Products are the only two commodity flows that experienced decrease in 2020, with declines of $0.19 million or 7.09% and $0.13 billion or 30.5% respectively.

- All northbound flows increased in 2020, especially imports of fresh and chilled tomatoes.
Textiles – 2020 Trade Changes

- Textiles traded across the Texas-Mexico border decreased by $1.42 billion or 16.6% from $8.55 billion in 2019 to $7.13 billion in 2020.

- Northbound trade decreased by $0.81 billion and southbound trade fell by $0.61 billion.

- Northbound trade of clothing declined $0.84 billion or 28.6% between 2019 and 2020, especially as competition from China and Central America continues to increase.

- Southbound trade in fabrics and fibers dropped by $0.44 billion or 24.0% between 2019 and 2020.
Chemical Products – 2020 Trade Changes

- Chemical Products traded across the Texas-Mexico border decreased by $1.24 billion or 7.6% from $16.42 billion in 2019 to $15.18 billion in 2020.

- Northbound trade increased $0.27 billion, while southbound trade fell by $1.51 billion.

- Northbound flow of advanced chemical products - including beauty, cleaning, and industrial chemical products – increased by $0.36 billion or 18.1%, while basic chemicals declined by $0.086 billion or 7.8% between 2019 and 2020.
Metal Products – 2020 Trade Changes

- Metal Products traded across the Texas-Mexico border decreased by $3.36 billion or 14.4% from $23.31 billion in 2019 to $19.95 billion in 2020.

- Northbound trade decreased by $0.63 billion and southbound trade fell by $2.73 billion.

- Southbound trade in Base Metal declined $1.45 billion or 20.5% between 2019 and 2020, in line with temporary closures of auto plants.

- Southbound trade in Articles of Base Metal also declined $1.29 billion or 17.6% between 2019 and 2020.
Petroleum Products – 2020 Trade Changes

- Petroleum Products traded across the Texas-Mexico border decreased by $8.69 billion or 25.1% from $34.6 billion in 2019 to $25.91 billion in 2020.

- Northbound trade decreased by $2.99 billion and southbound trade fell by $5.7 billion.

- Northbound crude shipments experienced a decline of $2.94 billion or 34.7% between 2019 and 2020 as Mexico’s production fell at the beginning of 2020.

- Southbound refined fuels declined $5.73 billion or 29.2% between 2019 and 2020 due to declines in US production, partially due to extreme weather events.
Plastics and Rubber Products – 2020 Trade Changes

- Plastics and Rubber Products traded across the Texas-Mexico border decreased by $2.51 billion or 11.0% from $22.92 billion in 2019 to $20.41 billion in 2020.

- Northbound trade decreased by $0.33 billion and southbound trade fell by $2.18 billion.

- Southbound trade of plastic/rubber products decreased by $1.17 billion or 13.4% due in part to temporary plant closures.

- Southbound shipments of plastic/rubber raw materials fell by $1.00 billion or 13.6%.
High Technology – 2020 Trade Changes

- High Technology traded across the Texas-Mexico border decreased by $15.6 billion or 11.4% from $137.12 billion in 2019 to $121.52 billion in 2020.

- Northbound trade decreased by $8.36 billion and southbound trade fell by $7.24 billion.

- Northbound trade in household/office electronics (including computers) decreased by $2.60 billion or 28.4% between 2019 and 2020 as the US economy contracted and demand fell broadly across the country.
Machinery traded across the Texas-Mexico border decreased by $8.29 billion or 14.5% from $57.27 billion in 2019 to $48.98 billion in 2020.

Northbound trade decreased by $3.08 billion and southbound trade fell by $5.21 billion.

Bi-directional trade of industrial machinery accounts for most of the decline in trade. Total industrial machinery trade decreased by $7.94 billion or 16.7% between 2019 and 2020.

Northbound flows of household appliances dropped only $89 million or 1% between 2019 and 2020 as more people worked and learned from home.
Manufactured Goods – 2020 Trade Changes

- Manufactured Goods traded across the Texas-Mexico border decreased by $1.36 billion or 8.6% from $15.75 billion in 2019 to $14.39 billion in 2020.

- Northbound trade decreased by $0.89 billion and southbound trade fell by $0.47 billion.

- Bidirectional trade of furniture shipments decreased by $1.64 billion or 14.9%, representing 95 percent of the decline in manufactured goods trade between 2019 and 2020 partly due to temporary plant closures for furniture manufacturing.
Motor Vehicles – 2020 Trade Changes

- Motor Vehicles traded across the Texas-Mexico border decreased by $18.51 billion or 20.6% from $89.83 billion in 2019 to $71.32 billion in 2020.

- Northbound trade decreased by $13.87 billion and southbound trade fell by $4.64 billion.

- Northbound motor vehicles trade experienced the largest decline of any supply chain between 2019 and 2020, decreasing by $13.87 billion or 19.1% as plants closed early in the pandemic and again later in the year due to supply chain issues.
Summary of Findings

• 2020 was an anomaly year for the Texas-Mexico border:
  • Temporary closures of manufacturing plants led to disruptions in cross-border supply chains.
  • Temporary restrictions of non-essential travel led to a large decline in the movement of people within the Texas-Mexico border region.

• The border transportation system resiliency was tested by pandemic-related disruptions, surge in e-commerce, extreme weather events, political protests, and other system disruptions.

• In 2020, the Texas-Mexico border supported 73% of US-Mexico trade and its importance will continue to be underscored as the system recovers and develops new post-pandemic patterns.
Discussion
Meeting Break (10 Minutes)
Texas – Mexico Border Transportation Master Plan

- BTMP Next Steps: Implementation Priorities
## Discussion Overview

<table>
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<tr>
<th></th>
<th>How the RFID-based Border Wait Time Measurement Works</th>
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<td>BCIS Data: Real Time and Historical</td>
<td>4</td>
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<tr>
<td>3</td>
<td>Existing Implementations</td>
<td>5</td>
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<tr>
<td>4</td>
<td>Expansion Plan: Crossings in the Next Phase</td>
<td>6-7</td>
</tr>
<tr>
<td>5</td>
<td>BCIS Upgrade</td>
<td>8-9</td>
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</tbody>
</table>
How the RFID Border Wait Time Measurement works

- RFID detects commercial vehicle transponders when passing by fixed reading stations across the border crossing.
- Data is sent to a server through cellular network and processed by an algorithm to match tag IDs and calculate travel times.
- Data is archived and can be queried through the BCIS website.
BCIS Data: Real time and historical

- Information is available at http://bcis.tti.tamu.edu in English and Spanish
Existing implementations

- Operating in 10 POEs across Texas – 7 CV and 3 POV.
Expansion plan: Crossings in the next phase

- Implement the remaining six CV northbound crossings with the RFID-based measuring system.
- Six months per site

<table>
<thead>
<tr>
<th>Remaining CV Border Crossings</th>
<th>Deployment Tasks</th>
<th>Months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Del Rio-Cd Acuna Intl Bridge</td>
<td>Site Visit</td>
<td>1</td>
</tr>
<tr>
<td>Progreso International Bridge</td>
<td>Implementation plan and permits</td>
<td>2</td>
</tr>
<tr>
<td>Rio Grande-Camargo Bridge</td>
<td>Procure and prepare equipment</td>
<td>3</td>
</tr>
<tr>
<td>Free Trade Bridge</td>
<td>Installation</td>
<td>4</td>
</tr>
<tr>
<td>Presidio Bridge</td>
<td>Modify algorithm</td>
<td>5</td>
</tr>
<tr>
<td>Roma-Cd Miguel Aleman Bridge</td>
<td>Final Report</td>
<td>6</td>
</tr>
</tbody>
</table>
Expansion plan: Crossings in the next phase

- All six international crossing could be implemented in 11 months, working simultaneously in several tasks.

<table>
<thead>
<tr>
<th>Border Crossing</th>
<th>Months</th>
</tr>
</thead>
<tbody>
<tr>
<td>(from east to west)</td>
<td>1 2 3 4 5 6 7 8 9 10 11</td>
</tr>
<tr>
<td>Progreso Intl Bridge</td>
<td></td>
</tr>
<tr>
<td>Free Trade Bridge</td>
<td></td>
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<tr>
<td>Rio Grande-Camargo Bridge</td>
<td></td>
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<tr>
<td>Roma Cd Miguel Aleman Bridge</td>
<td></td>
</tr>
<tr>
<td>Del Rio Cd Acuna Intl Bridge</td>
<td></td>
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<tr>
<td>Presidio Bridge</td>
<td></td>
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</tbody>
</table>

- Southbound BWT measurement system could be implemented in next phase.
BCIS Upgrade

- Overhauled the BCIS to a cloud-based host (Azure).
- Revamped system architecture to handle additional workload in the future.
- Upgraded website to address current performance and web standards.
BCIS Upgrade

- Redesigned graphical user interface.
- Users can see the individual segment travel times along with the crossing details.
US 83 Feasibility Study Characteristics

- Study Limits: I-2 terminus west of Palmview to I-35 in Laredo
- Approximately 130 miles
- 5 border crossings within the proposed limits
- Serves as the primary connection between the Rio Grande Valley and Laredo
- Part of the Texas Highway Freight Network
- Part of STRAHNET
- A hurricane evacuation route
US 83 Feasibility Study Purpose

- Improve east/west connectivity as recommended in the Texas-Mexico Transportation Border Trade Master Plan
- Enhance corridor safety
- Relieve congestion
- Provide consistency with the Texas Freight Mobility Plan and the Strategic Highway Safety Plan
- Support border community development plans and economic opportunities
US 83 Feasibility Study Approach

- Conduct traffic safety analyses to identify existing and forecasted transportation problems
- Define purpose and need to improve US 83 and identify environmental constraints
- Develop and screen short-, mid-, and long-term transportation solutions and establish project limits
- Formulate a phased and prioritized program development and funding plan
- Conduct stakeholder and public involvement throughout
US 83 Feasibility Study Anticipated Timeline

- May 25, 2021 BTAC Meeting
- Study Kickoff (Anticipated September 2021)
- Conduct Traffic Safety Analyses
- Develop and Refine Short-, Mid-, and Long-Term Solutions
- Quantify Connectivity, Safety, and Mobility Impacts as well as Estimated Costs
- Formulate Program of Projects
- Prepare Prioritized Program Development and Funding Plan
- Finalize Feasibility Study

18 to 20 Months

Stakeholder and Public Involvement

WE ARE HERE
US 83 Crash Rates Compared to Statewide Averages (2015-2019)

Source: TxDOT CRIS

Fatalities

Incapacitating Injuries

Non-Incapacitating Injuries

Source: TxDOT CRIS
US 83 2019 and Forecasted 2039 Level of Service (LOS)

**Level of Service 2019**
- A
- B
- C
- D
- E & F
- City
- Interstate Highway
- US or State Highway
- Mexican Highway
- County Boundary
- TxDOT District Boundary

**Level of Service 2039**
- A
- B
- C
- D
- E & F
- City
- Interstate Highway
- US or State Highway
- Mexican Highway
- County Boundary
- TxDOT District Boundary

Source: TxDOT GRID inventory
Border Trade Advisory Committee Initial Input:

- What are the transportation needs along US 83?
- Are there any key issues and concerns you want to see addressed?
- What outcomes should the feasibility study generate?
Proposed US 57 Feasibility Study
Border Trade Advisory Committee Briefing
May 25, 2021
US 57 Feasibility Study Characteristics

US 57 Corridor Overview

- Study Limits - Eagle Pass, TX to Interstate 35 roughly 50 miles south of San Antonio, TX
- Approximately 100 miles long
- Serves as the primary connection between Eagle Pass and I-35
- Part of BTMP Recommendations
- Interstate Conversion Study requested by State Representative Eddie Morales
Border Trade Advisory Committee Initial Input:

- What are the transportation needs along US 57?
- Are there any key issues and concerns you want to see addressed?
- What outcomes should the feasibility study generate?
Texas – Mexico Border Transportation Master Plan 2021 – Implementation

Border Trade Advisory Committee Briefing
May 25, 2021
PORT LAREDO, TEXAS

Border Trade Advisory Committee Briefing
May 25, 2021
PORT LAREDO, TEXAS

No. 1
NORTH AMERICAN LAND PORT OF ENTRY

No. 1
PORT FOR U.S. EXPORTS 2019 & 20

No. 4
FOR U.S. AIR LAND & SEA PORTS 2020

No. 1
CITY IN U.S. FOR SMALL BUSINESSES
PORT LAREDO, TEXAS

$200B IN TRADE 3 STRAIGHT YEARS
NEARLY 60% OF ALL TX-MX TRADE
5 MILLION TRUCK CROSSINGS

WORLD TRADE BRIDGE NORTHBOUND TRAFFIC
PORT LAREDO, TEXAS

IMPORTANT TRADE ASSETS

4 INT. BRIDGES + WTB EXPANSION

1 RAIL BRIDGE + NEW RAIL SPAN

LAREDO AIRPORT FREIGHT CENTRAL

UP & KCS INTERMODALS
PORT LAREDO, TEXAS

COLD STORAGE STRATEGIES
26 FACILITIES

$100 MILLION PRODUCE INVESTMENT

$1.4B TIRZ
$500M TXDOT
$450M DC-16-20

CHALLENGES

- HUMAN CAPITAL
- CHIP SHORTAGE
- REAL ESTATE
- TRADE ENVIRONMENT
Topics

• City of El Paso Update,
  David Coronado
  Director, International Bridges Section

• Border Mobility, Vaccinations and Reopening of the Border,
  Rafael Aldrete,
  Division Head, Texas A&M Transportation Institute (TTI)

• El Paso MPO Update,
  Eduardo Calvo
  Executive Director, El Paso MPO
City of El Paso
BTAC Update

David A. Coronado, MPA
International Bridge NB Vehicle Crossings

Source: U.S. Customs and Border Protection, compiled by City of El Paso International Bridges Department.

Note: Graphs depict a 6 period moving average. The most recent observation is March 2021.
International Bridge NB Pedestrian Crossings

Source: U.S. Customs and Border Protection, compiled by City of El Paso International Bridges Department.
Note: Graphs depict a 6 period moving average. The most recent observation is March 2021.
International Bridge NB Cargo Crossings

Source: U.S. Customs and Border Protection, compiled by City of El Paso International Bridges Department.

Note: Graphs depict a 6 period moving average. The most recent observation is March 2021.
Project Timeline

- **New truck route opened**
  Monday, March 1st, 2021

- **Two lanes encouraged**
  Tuesday, March 2nd, 2021

- **Lane assignments effective**
  Monday, March 22nd, 2021
  - Working in coordination with CBP, Aduana and Transportistas
  - PITA/Empty right lane (44%)
  - Regular/FAST left lane (56%)
City of El Paso Efforts

- Continued coordination with stakeholders
- Increased traffic control assistance from Police Department funded by International Bridges Department
- Use of signage to help guide truck traffic
- Expanded toll booth schedules to increase throughput and help reduce southbound wait times
- Rio del Norte striping plan
- S. Americas Ave. improvements
International Bridge Projects

- Member-designated transportation projects
  - House Committee on Transportation and Infrastructure
  - H.R. 2: the Moving Forward Act
  - Feasibility Study for Expansion at the Zaragoza/Ysleta Port of Entry
  - Stanton Street Bridge Intelligent Transportation System

- CIP updates
The Texas A&M Transportation Institute (TTI) is conducting a study to identify the time frame when COVID-19 border restrictions are no longer beneficial from a health perspective in El Paso County.

TTI is using an epidemiological model that links cross-border mobility, COVID-19 infectivity and vaccination efforts to predict the number of new cases in El Paso County for several restriction-lifting date scenarios.
Assumptions

- Model only represents the El Paso County considering trips from Ciudad Juarez.
- The expected maximum rate of vaccination is 80% of the adult population (will be updated to include 12-16-yrs old population).
- By removing COVID-19 related border restrictions, daily number of crossings is expected to reach pre-restriction values.
- # of cases in Ciudad Juarez is estimated by using the # of deaths and same fatality rate of El Paso County.
- 5% of the MX residents are fully vaccinated and pace of fully vaccination in Juarez \( \approx 1,800 \text{/day} \) (based on numbers of May 03, 2021).

*This assumption will be updated with younger population vaccination.*
Preliminary findings - El Paso County Totals thru 6/22

- With restrictions: 3,699 expected new cases through June 2022 (10 cases/day).
- Restriction removal date scenarios & expected new cases through June 2022:

<table>
<thead>
<tr>
<th>Restriction Removal Date</th>
<th>Avg. Additional Daily Cases</th>
<th>Total Additional Cases Above Baseline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sep 21, 2021</td>
<td>+12/day</td>
<td>3,023</td>
</tr>
<tr>
<td>Oct 21, 2021</td>
<td>+7/day</td>
<td>1,553</td>
</tr>
<tr>
<td>Nov 21, 2021</td>
<td>+4/day</td>
<td>770</td>
</tr>
<tr>
<td>Dec 21, 2021</td>
<td>+2/day</td>
<td>336</td>
</tr>
<tr>
<td>Jan 21, 2022</td>
<td>+1/day</td>
<td>121</td>
</tr>
<tr>
<td>Feb 21, 2022</td>
<td>&lt;+1/day</td>
<td>17</td>
</tr>
</tbody>
</table>
Conclusions and research under way

- Border restrictions are helping mitigate the speed of spread of COVID-19
- Research is still underway, but preliminary findings indicate that the target timeframe depends on:
  - El Paso County achieving a significant vaccination rate (>80%).
  - Ciudad Juarez accelerating its pace of vaccination.
  - The expected severity of new cases.
- The model is being updated based on updated information
  - Vaccine availability for people under 16
  - Pace of vaccination in Juarez/El Paso
  - Breakdown of expected outcome of new cases (e.g. Hospitalizations and deaths)
Reopening of the US-MX Border

• COVID, COVI, COVID...
• Border closed at least through June 21, 2021
• Economic Impact to border communities
  • Local businesses
  • Sales tax
  • Personal & families
• Herd immunity
  • Dropping guard too soon?
  • El Paso will not be safe until Juarez reaches higher levels
  • Vaccine supply/demand dramatically changed recently
  • Let’s set up vaccination programs
Impact of COVID in long range planning?

- Is 2020 a blip?
- What is normal?
- MPO’s 2050 Travel Demand Model
  - Demographic Projections (Demand)
    - Employment
    - Population
    - Households
  - Projects (Supply)
    - Multimodal
    - Fiscally constrained
  - New Binational component
- Scenario planning is key
Mobility and Engagement Index by MSA

Index

01/11 01/25 02/22 03/21 04/04 04/18 05/02 05/16 06/30 06/27 07/11 07/25 08/08 08/22 09/05 09/09 10/03 10/17 11/01 11/26 12/26 01/09 02/03 02/07 03/06 03/20

-150 -125 -100 -75 -50 -25 0 25

U.S.
Dallas-Fort Worth-Arlington, TX
Houston-The Woodlands-Sugar Land, TX
Austin-Round Rock-Georgetown, TX
El Paso, TX
San Antonio-New Braunfels, TX

Federal Reserve Bank of Dallas
2050 TDM Growth Projections

2017 Data + 2050 Forecasts

- 100 Population
- 100 Jobs
- 100 New Population
- 100 New Jobs
Ciudad Juárez – El Paso Mobility

Logística Metropolitana

Conexión a Intermodal de Union Pacific en Santa Teresa

Nuevo Puerto Ferroviario y Carga

Mejoramiento Carretero

Distribuidor Vial sobre MEX-002

Conexión a BNSF

Libramiento o Anapra

Terminal Intermodal

Mejorar Aduana en Aeropuerto

Libramiento Carretero

Green Port

Mejoramiento Carretero

1. Guadalupe - Tomillo
2. Zaragoza - Yaletta
3. Córdova – América
4. Santa Fe – Paso del Norte y Stanton – Lerdo
5. San Jerónimo – Santa Teresa
El Paso MPO Top Priority Projects

- Zaragoza Bridge of the Americas
- PDN-Stanton
- DOWNTOWN 10 Reimagine I-10 (Segment 2)
- New TJX Distribution Center
- REIMAGINE I-10 (Segment 3, A & B)
- New Amazon Distribution Center
- SH 178 ARTCRAFT RD. Interchange with I-10
- Santa Teresa
- New Mexico
- Mexico
Thank You!
Port of Brownsville

Cross Border Trade/New Developments

Border Trade Advisory Committee Briefing
May 25, 2021
Wind Energy: The Port of Brownsville ranks among the leading U.S. ports capable of receiving, storing and moving massive components for the wind energy industry. In 2020, the port moved 21 projects, including the largest windmill blades imported to the U.S. at 250-feet long.

- Petroleum-based products: The port is one of the largest exporters of refined petroleum products to Mexico and is currently expanding its liquid storage capacity to meet demand of Mexican market.

- Steel products: Among top U.S. steel ports than any other moving more steel into Mexico than any other domestic competitor – more than 3 million tons in 2020.
Foreign Trade Zone No. 62 Ranked #2 in the Nation

$4.3B
IN EXPORTS
2nd In the nation for the value of exports in 2019.

$4.6B
IN IMPORTS
18th In the nation for the value of imports in 2019.

FTZ No. 62 celebrated its 40th anniversary in 2020 as one of the nation’s best. This marks the eighth year in a row FTZ No. 62 has ranked among the top-three out of 193 FTZs nationwide.
Industrial Development

Shipbuilding - Only Place in Texas
Keppel AmFELS is the only major Jones Act shipbuilding yard in Texas. Finalizing two 774-foot-long containerships. Working on construction of the largest hopper dredge in the U.S. and construction of the first Jones Act compliant offshore wind turbine installation vessel.

Ship Recycling
- Port captures more than 85% of the U.S. Navy and MARAD ship recycling business.
- Brownsville being considered for recycling of the USS Enterprise.
- International Shipbreaking Ltd. Is first U.S. shipbreaking yard to receive accreditation to recycle EU ships.
New Developments

Grain Exports
- Resuming grain exports via vessel. Creating new international market opportunities for South Texas farmers.

Sunoco
- Developing a refined products terminal at the Port of Brownsville with 560,000 barrels of storage. Will supply existing fuel distribution business in South Texas, and export to Mexican market.
- Terminal to be in service by the Q2 2022. Total investment approx. $55 million.

Container-on-Barge Service
New container-on-barge service connects South Texas and Northern Mexico markets with the U.S. East Coast. Receiving cargo from Laredo, Monterrey, Reynosa. Provides diesel fuel savings, CO2 emissions reduction, reduced highway congestion, safer operations.
Trade In The Texas-Mexico Border - RGV

Sergio Contreras – RGV Partnership President/CEO

Border Trade Advisory Committee Briefing
May 25, 2021
Trade, Jobs & Growth in the Texas-Mexico Border

• Total assessment of trade transported between the Texas-Mexico border is valued at $615 billion and accounts for 68% of all U.S.-Mexico trade.

• Sustains 1M trade-dependent jobs in Texas with an economic impact of $260B

• In 2019, the Texas-Mexico border region generated more than $350B in GDP

• Employment on the Texas side of the RGV region grew by 111% from 244K in 1990 to 516K in 2019 and is forecast to increase by 100% to 1.03M in 2050
Trade, Jobs & Growth in the Texas-Mexico Border

- In addition, the movement of goods that crosses through the RGV contributes $40 billion to the GDP of the U.S.

- There are nearly 300 maquiladoras in Matamoros and Reynosa

- Approximately one million trucks and 100,000 railcars entered the Rio Grande Valley from Mexico the same year

- The Rio Grande Valley is the top produce gateway on the U.S.-Mexico border with $4.8 billion of trade in fresh fruits and vegetables in 2019.
Trade, Jobs & Growth in the Texas-Mexico Border

• Unemployment rate, prior to NAFTA in the RGV was to 23%

• Fast forward to 2019, unemployment was between 4% to 8% across RGV communities

• The region’s multimodal freight network supported more than $22 billion in exports and $31 billion in imports in 2019 as well as $37.4 billion in gross regional product
Hidalgo County Developments – Weslaco

• CIL Cotton Distribution
  • New Construction: @ $16.5M investment with up to 37 jobs in 282,500 sq. ft.

• La Abuela Food
  • New Construction: @ $650K investment with up to 45 jobs in 10,000 sq. ft. addition

• Clean Label Foods
  • New Construction: @ $1.9M investment with up to 25 jobs in 25,000 sq. ft. building

• Robinson Fresh Cold Storage
  • Improvements to existing site: @ $1.2 mil. Investment with up to 65 jobs

• ColiMex Cold Storage
  • New Construction: @ $3.5M investment with up to 25 jobs in 50,000 sq. ft.

• Total Investment: $22,750,000
• Total Jobs: 197
Hidalgo County Developments – Mission/Edinburg

- **Mission, TX**
  - Rodco Steal
    - New Construction - @ $9M investment with up to 40 jobs in 95,000 sq. ft.
  - Ivan Big Tree (cold storage)
    - Construction @ $2.5M investment with up to 20 jobs in 45,000 sq. ft.
  - MPI international
    - Machinery @ $3M investment with up to 12 jobs to serve customers in Mexico for e-coating

- **Edinburg, TX**
  - Expanding industrial park to accommodate new warehouse space
    - New: locally owned cold storage/produce to create 15 jobs
    - Existing: Little Bear Produce is expanding production and cold storage
Hidalgo County Developments – McAllen/Pharr

• McAllen, TX
  • Celebrating 50 years, the McAllen Foreign Trade Zone consists of over 775 acres, and offers full-service logistics solutions to over 100 clients representing over 42 countries world-wide
  • Mercorp-Inc. and Tetakawi will occupy close to 110,000 sq. ft., sustaining 100 jobs
  • Hammond Industrial Park breaks ground on 62k sq. ft. industrial park
  • Planning a 45 acre stretch of land to have close to 800,000 sq. ft for industrial space

• Pharr, TX
  • 90 acre Produce Park sold out with close to 20 new cold storage facilities
  • Planning a new 100 acre produce park
  • Pharr Bridge Business Park, a 330,000-square-foot warehousing development that sustains over 150 jobs with an investment of close to $30BB
Cameron County Developments – Brownsville

- **Exel Bobbin**
  - A plastic injection molding company @ $1.5M with up to 20 jobs in a new 30,000 SF facility in the North Brownsville Industrial Park spurring development as GBIC secures a 50,000 SF distribution center

- **Keppel Amfels**
  - Expansion of Jones Act ship building. Pasha Hawaii commissioned 2 large LNG powered container ships. Total employee count is almost 1,000. New green energy product line will increase workforce

- **Richs Products Food Processing and Cold Storage**
  - Expansion due to new product line with Budweiser collaboration/Highest sales in history during COVID. With the expansion, they are at over 300 employees.

- **SpaceX South Launch Site Expansion**
  - They currently have about 1,500 employees of which 90% live in Brownsville. In addition, the Musk Foundation has donated $10M to go toward Downtown Brownsville Revitalization and $20M toward Cameron County schools.

- **Spaced Ventures**
  - Innovative investment platform that facilitates public investments in private space companies and aims to be the largest community of space investors in the world. Their platform will be going live soon.

- **Space Channel**
  - Space Media Company from LA locates studio to BRO. They have a global reach and will be promoting Brownsville as the New Space City. They will be hiring local talent.
Cameron & Willacy County Developments – Maritime

• Harlingen
  • FedEx expansion: @ $600,000 investment with up to 50 new jobs, expansion
  • Titan fuels: @ $4.5M investment with up to 35 jobs (fuel delivery to Mexico)

• Port of Harlingen
  • Generates $1B in economic activity, sustaining over 4.6k jobs, generating more than $17M in local and state tax revenue via the 2M tons of cargo transported at the port

• Raymondville
  • CIL Cotton invests in a 100,000 sq. ft. facility
STARR COUNTY DEVELOPMENTS

- **ROLESA** @ $3M investment w/up to 200 jobs in Warehousing and Transshipping
  - New Construction and expansion @ 300,000 sq ft

- **Starr International Industrial Park East** @ $2.1M investment
  - 10 acre new development and FTZ Expansion Proposed Warehousing and Transshipping

- **Starr International Industrial Park West** @ $4.5M investment
  - 20 acre new development and FTZ expansion Proposed Warehousing and Transshipping

- **BioPapel** @ $1.8M investment with up to 100 jobs
  - Cardboard Recycling and Logistics

- **Proposed Construction:**
  - Construction Material Warehouse @ $1M with up to 60 jobs in 20k sq. ft.
  - Cold Storage Facility @ $2.9M with up to 100 jobs in 100,000 sq. ft.

- **St Ives Realty Industrial Park** @ $3.1M with up to 120 jobs on 40 acres
What happens if nothing is done on border delays?

• If nothing is done between now and 2050, the negative impact of Texas-Mexico border delays on GDP could grow by a factor of more than 50!

• In 2019, delays at the border resulted in $68.3M in economic productivity losses, reducing U.S. GDP by $1.1B. ($2.3B in both countries)

• In 2050, border delays may result in an economic productivity loss of $4.4B, reducing U.S. GDP by $75B. ($116B in both countries)
THANK YOU!
Fresh Produce Trends, POEs & STAC

Dante Galeazzi, Texas International Produce Association
President & CEO

Border Trade Advisory Committee Briefing
May 25, 2021
# MX FFV Imports on the Rise

<table>
<thead>
<tr>
<th>YEAR</th>
<th>Texas POEs</th>
<th>Arizona POEs</th>
<th>ALL U.S. POEs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>101,025</td>
<td>112,327</td>
<td>260,992</td>
</tr>
<tr>
<td>2011</td>
<td>148,331</td>
<td>118,389</td>
<td>327,694</td>
</tr>
<tr>
<td>2015</td>
<td>209,817</td>
<td>147,191</td>
<td>431,373</td>
</tr>
<tr>
<td>2020</td>
<td>289,320</td>
<td>160,041</td>
<td>528,427</td>
</tr>
</tbody>
</table>

### GROWTH

| ‘07 to ‘20 | 186.4% | 42.5% | 102.5% |
| Annual Avg. | 14.3% | 3.3% | 7.8% |

*Source: USDA AMS data  // Truckload = 40,000lbs*
# Texas POEs & Produce

<table>
<thead>
<tr>
<th>POE</th>
<th>LOADS (CY ‘20)</th>
<th>POE</th>
<th>LOADS (CY ‘20)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pharr</td>
<td>180,936</td>
<td>Laredo</td>
<td>65,308</td>
</tr>
<tr>
<td>Progresso</td>
<td>19,135</td>
<td>Roma</td>
<td>11,316</td>
</tr>
<tr>
<td>Rio Grande City</td>
<td>7,994</td>
<td>Brownsville</td>
<td>2,155</td>
</tr>
<tr>
<td>Presidio</td>
<td>1,073</td>
<td>Eagle Pass</td>
<td>808</td>
</tr>
<tr>
<td>El Paso</td>
<td>593</td>
<td>Nogales, AZ</td>
<td>152,904</td>
</tr>
</tbody>
</table>

**2020’s TOP 6 Mexico FFV Imported Items**

#1) Avocados @ 53,508 loads  
#2) Tomatoes @ 46,056 lds    
#3) Limes @ 29,690 lds       
#4) Cucumbers @ 13,341 lds   
#5) Bell Peppers @ 12,835 lds  
#6) Mangoes @ 12,819 lds

![Texas Produce Association Logo]
Why Texas?

• Improvements in MX Infrastructure
  • *Supervia* Mazatlan-Matamoros = time + cost savings for delivering product to US Mid-West & East Coast
  • Majority of MX fresh produce grown on West Coast of MX
    • 12+ hrs shorter from West MX to RGV vs previous route

• Transportation
  • From RGV, trucks delivery to any US point in 4 days
  • $500-$600 freight savings per truck in MX (from Sinaloa)
  • $2500+ freight savings per truck to US East Coast vs CA or AZ

• w/ TX grown produce, national buyers source from one location for entire “grocery list”
MX FFV Importance

- 2019: US imported $13 billion FFV from MX

- 2017 Study by Texas A&M CNAS
  - FFV imports = $850M economic impact & 7,836 jobs in TX
  - “By 2025: Texas POEs will cross 338,716 truckloads, or 53% of all US imported fresh produce from MX”

- 2/3 of FFV consumed in TX is imported

- 50% fresh fruit & 20% fresh vegetables in US = Imported
  - Vast majority from MX
    - 40% of total fresh fruit, 70% of total fresh vegetable imports
US Industry Challenges

• Insufficient infrastructure (in US)
  • Aging roadways, Traffic congestion, Limited long-haul drivers
  • Hi-Speed & internet deficiencies

• Regulatory burdens
  • H2A, Food Safety Modernization Act (FSMA), Environmental

• Urbanization
  • Increasing cost of land, restricted access to water

• Labor shortages throughout US

• Increasing Invasive Pest Pressures

• Consumer demand patterns
  • Category confusion: Organic, Conventional, GMO, Local
  • Matching FFV items w/ consumer behavior (ex Home delivery, Fad diets)
Mexico Challenges

- Border Crossings
  - 2019 = multiple issues caused increased border wait times
  - Lack of Federal Resources @ POEs

- US-MX Relationship
  - USMCA
  - 2019 Tomato Suspension Agreement & ToBRFV
  - Seasonality disputes w/ U.S.

- Labor
  - Quality of life in MX improves = better jobs = smaller pool of ag labor

- Transportation
  - AMLO considering unionizing truck drivers
  - Drastically reduced public investment in infrastructure
    - Public-Private Investment model for future infrastructure projects
STAC Ag Grant

- DHS/CBP Budget & Personnel Shortages
  - FFV imports = inspections by CBP, USDA & FDA
  - 2019: CBP short 721 Ag Specialist @ US POEs
  - Due to budget, CBP cannot authorize Overtime Hrs
    - Results in produce trucks laying over = delays upstream + adds cost

- South Texas Assets Consortium (STAC)
  - Goal: *Improve speed & efficiency of Ag Crossings by funding Gov’t personnel shortages*
  - 1 of 5 original, national Private-Public Partnerships
  - Funded via State legislative bill & Tx Dept of Ag grant
  - Matching $ = TDA pays $1 for every $1 Bridge pays
  - Bridges must apply to be part of STAC
STAC Programs @ Work

• Overtime Hours for CBP Ag Specialists
  • 2018: Program implementation = IMMEDIATE benefits
  • Before STAC: CBP reported 10-20 trucks per night would be held over
  • After STAC: less than 4 trucks per night; mostly 0 though

• Adds CBP Agriculture Specialists
  • Pays the costs to place a FTE agent at STAC bridges
  • Requires a 3yr commitment from Bridge & CBP
  • Currently 1 FTE @ Pharr & 1 FTE @ Starr-Camargo

• UTRGV Interns for CBP Ag Specialist
  • Paid, part-time Internship for UTRGV (Edinburg) students
  • Builds a pool of local, qualified candidates
  • Pathway Program
    • After graduation, opportunity to go directly into CBP Ag Specialist role
THANK YOU!
BTMP Next Steps: Implementation
Open Discussion: Future Meetings and Topics