TEXAS DEPARTMENT OF MOTOR VEHICLES
BORDER TRADE ADVISORY COMMITTEE
MEETING

OPEN MEETING VIA WEBEX
PURSUANT TO GOVERNOR'S MARCH 16, 2020
TEMPORARY SUSPENSION OF CERTAIN OPEN MEETING PROVISIONS

8:36 a.m.
Tuesday,
May 25, 2021

COMMITTEE MEMBERS:

RUTH R. HUGHS, Presiding Officer
RAFAEL M. ALDRETE
JON BARELA
LUIS ALFREDO BAZÁN
EDUARDO CALVO
EDUARDO A. CAMPIRANO
ANDREW CANON
SERGIO CONTRERAS
DAVID A. CORONADO
WARREN K. ERDMAN
JOHN ESPARZA
RAQUEL ESPINOSA
JUAN ANTONIO FLORES
DANTE GALEAZZI
JOSUE GARCIA, JR.
CYNTHIA GARZA-REYES
JAKE GIESBRECHT
ILIANA HOLGUIN
LISA LOFTUS-OTWAY
MARGA LOPEZ
MATT WOJNOWSKI for MAYOR BRUNO LOZANO
STAN MEADOR
JUAN OLAGUIBEL
JESUS REYNA (absent)
TECLO GARCIA for MAYOR PETE SAENZ
HOMERO BALDERAS for MAYOR ROLANDO SALINAS
GERARDO "GERRY" SCHWEBEL
MEGAN SHEA
TOMMY TAYLOR (absent)
SAM VALE
CAMERON WALKER

ON THE RECORD REPORTING
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SECY. HUGHS: Good morning, everyone. This is Texas Secretary of State Ruth Hughs, and I want to thank you all for joining us via videoconference for our second Border Trade Advisory Committee, or BTAC, meeting of 2021. I hope you've all been staying safe and healthy since we last met.

Here in Texas, vaccines are readily available and free to adults 18 years of age or older, and more recently they've been opened up to children age 12 and up as well. As more people get vaccinated, it's really going to help us turn the page on the COVID-19 pandemic and ensure that we can return to more of a sense of normalcy that ties in so much with our work along the border and cross-border transportation back and forth, so wanted to make sure that I mentioned that.

We've had all these meetings throughout the pandemic, and each time we have more optimistic news about where we are in combating this virus. And so I'm excited that it looks like vaccinations are definitely going in the right direction, and so are the number of cases, in terms of looking like we're really going to get ahead of this here soon and turn that corner.

So as always, I want to begin by thanking our TxDOT partners, starting with recognizing Commissioners
Alvin New and Laura Ryan for their service, in particular, and their participation in these meetings. We really thank you for your enduring commitment to ensuring that Texas's trade relationship with Mexico grows even stronger.

The instrumental work of this committee also, of course, would not be possible without Caroline Mays and her team at TxDOT. And I want to thank you all for your work in helping to plan and ensure that our meetings are run smoothly and that our plans move forward accordingly. We really appreciate your partnership in this and your service to the people of Texas.

As you know, the ongoing mission of this committee is to work collaboratively to help create a positive and lasting impact for our border communities by completing, and now implementing the Border Transportation Master Plan, the BTMP. So all of you, all the members of this committee have truly provided invaluable feedback towards this plan.

On December 10 of last year, by way of a review, Caroline and I had the pleasure of presenting the BTMP to the TxDOT Commission. And subsequently this year, on March 25, the Commission voted unanimously to approve the completed Texas Border Infrastructure Transportation Master Plan. The approval of this plan, as you know, was
such a monumental effort, culmination of years of hard
work and the collaborative efforts of countless
stakeholders from the U.S., Texas and Mexico who
contributed their expertise and commitment.

Since we last met, I had the pleasure of
visiting RGV to meet with local leaders. During my visit
I was honored to participate in a roundtable discussion,
fireside chat conversation with our friends in Tamaulipas,
an RGV MPO meeting, and also to tour the Pharr
International Bridge.

These experiences gave me an opportunity to
engage with and learn firsthand from community
stakeholders on the various issues and challenges that
they face as well as the potential avenues for growth.
And I really appreciate the continued partnership that we
have with our Mexican counterparts as well, as we work
collaboratively to grow the Texas-Mexico relationship.

Earlier this month I had the pleasure of
meeting in person for the first time -- we have met
virtually throughout the year -- with Robert Velasco, the
Mexican Director General and Undersecretary for North
America in Mexico. And Undersecretary Velasco was
wonderful in expressing his commitment to understanding
and appreciating the importance of the bond between Texas
and Mexico and how that has to remain strong.
So together we affirmed our desire to work towards our continued mutual prosperity and success and were able to thank each other for the partnership. So I'm looking forward to -- and it was particularly interesting to me to hear his interest and commitment to making sure that we do coordinate efforts on these infrastructure projects and so that we have alignment and the priorities of the projects going forward. So that was very encouraging.

Also with regard to trade, last Wednesday was the first meeting of the USMCA Free Trade Commission. It took place virtually. And during the meeting I want to let you all know officials from U.S., Mexico and Canada recognized the crucial role that small and mid-size enterprises, or SMEs, play in our economy. And they announced that on October 13 and 14 they're going to convene the first ever USMCA SME dialogue in San Antonio, Texas.

So I want to share this with you because I know that this might be a good opportunity for small business stakeholders to learn about the benefits of USMCA. And my office will continue to monitor the announcement and keep you informed as we learn more, in case it's of interest to you.

Speaking of our partnership with our Mexican
counters, I would like to recognize the representatives from each of our four Mexican border states who are joining us again today: Anna Alvarez, the Binational Affairs Coordinator from the Ministry of Economic Development of Chihuahua; Guillermo Gonzalez, Undersecretary of Infrastructure and Roads from the Ministry of Transportation in Coahuila. From Nuevo Leon we have Noe Garza with CODEFRONT, and Manuel Farias, the General Coordinator of Promotions and Projects with CODEFRONT -- both from Nuevo Leon. And from Tamaulipas, Carlos Garcia-Gonzalez, the Secretary of Economic Development of Tamaulipas, and Ernesto Gonzalez, the Director of Foreign Commerce of Tamaulipas.

We also have the pleasure of welcoming to our meeting representatives from the Mexican Federal Government: Erika Garcia, the Director of Intermodal Projects at Secretaria de Comunicaciones y Transportes, SCT -- gracias por estar aquí. Y por supuesto el Consul General of Mexico in Austin, Pablo Marentes, and Jorge Salcido, the Consul for Political and Economic Affairs, who represent the Mexican Ministry of Foreign Affairs.

Thank you all so much for your participation today.

Welcome everyone. Thank you for your continued commitment helping to create a brighter future for all on
both sides of the border. I'm excited for today's
discussion as we begin coordination of the plan's
implementation, and I look forward to your continued and
consistent engagement in today's meeting. Thank you all
for allowing me this time to provide you an introduction.

And lastly before we begin, let me also mention
that after nearly two years and five elections I will be
stepping down as Secretary of State this week. It has
been the honor and privilege of a lifetime to serve in
this role, and particularly to work with all of you in
BTAC and towards the finalization of the BTMP.

I am incredibly grateful to Governor Abbott for
entrusting me with this position and having this wonderful
opportunity to get to know all of you. I know that our
state's commitment to this work is going to continue in my
absence, and as I mentioned, I'm not going far, and I look
forward to remaining in contact with all of you.

And with that, I will turn it over to Caroline
Mays to get to the business of this committee. Thank you.

MS. MAYS: Thank you very much, Secretary.

Appreciate, again, your leadership.

And we'll go into the agenda quickly before we
go to roll call. Can we put the agenda on so I can go
through it fairly quickly, then we'll do the roll call.

And while we're doing the roll call, as you heard
Secretary is stepping down at the end of this month, I want to give the members about 10-20 seconds to say something to Secretary, just our appreciation for her leadership for the last two years. So when your name is called during the roll call, take a few seconds to say a few words if you do choose.

Our agenda -- as always, we're still in the introduction phase. After that we'll do the meeting minutes, you adopt that, and then we have several agenda items which, one of them normally we do a recap of the previous meeting. And then the next presentation after that will be presenting kind of the final products out of the Border Master Plan. We'll be presenting the booklet as well as the regional plans, and we'll talk a little bit about that in a few minutes.

Then also we will be providing you -- last year we talked a lot about COVID impact. Most of the data we used in the plan is from 2019, so we've asked our consultants to help look at what happened between 2019 and 2020 with the COVID impact. And you all will be very interested in this data, so we will present that and you'll see really the impact of COVID on the Texas-Mexico Border.

And then the next item, as Secretary mentioned, the plan was adopted in March and soon after that we
started working on several things, initiatives that we want to share with you today to start implementing some of the recommendations of the plan. And then the final agenda will be hearing from you.

The Secretary's vision is to hear from you. You've gone through a lot over the last year. What are some of the trends, what are some of the issues, what are some of the challenges, and to help us kind of move forward. And then finally we'll have the open discussion.

So that's the agenda today. So we'll go back to the roll call.

And before I get to that, we have several TxDOT leadership here, and I see Marc Williams on the line.

Marc, would you like to say a few words?

MR. WILLIAMS: Sure, Caroline, I'd be glad to.

And just briefly, thank you, as always, to the committee, each of you as members and as well to our staff for your continued commitment and engagement. Your expertise and what you bring to this committee are vitally important.

And then very importantly, to Secretary Hughs, thank you so much for all of your leadership and hard work and your personal commitment to this work over the past two years. It's been extraordinary and you've really helped us to elevate our efforts in this arena, and we wish you the very best. And thank you so much for all
you've done.

SECY. HUGHS: Thank you, Marc.

MS. MAYS: And Brian Barth, are you on the line? I see two Brians.

(No response.)

MS. MAYS: Okay. I think, Roger, are you on the line? I think Jessica is not here.

MR. BEALL: Yes. Good morning all, and again just welcome again to everyone.

And again, Secretary Hughes, thank you very much for your service not only to BTAC but to the State of Texas.

And just appreciate all the members for their hard work in getting the Border Trade Master Plan across the goal line. And now the hard work continues, right, to start the implementation of things.

And Caroline, I also want to mention that we have another departure. Georgi with FHWA is retiring, so congratulations to her, and thank you very much for her service.

MS. MAYS: Thank you very much, Roger, for that, appreciate it.

And Secretary, before we actually get to the roll call, I want to introduce kind of a new addition to the team, Aisa Showery. Some of you know Aisa from either
work with TxDOT or work with the Governor's Office. As
you guys remember, Tim retired at the end of February so
we do have a new addition.
Some of you might have already interacted with
her. She's only four weeks young to her role at TxDOT, so
you all will be having opportunity to work with Aisa
moving forward.
So that's it kind of on the TxDOT side, so
let's go to the roll call. Eduardo, you're handling that?
MR. HAGERT: Yes. Good morning, Secretary
Hughes, Commissioner New and Commissioner Ryan. My name is
Eduardo Hagert, I work with Caroline Mays, and I'm going
to be conducting roll call, so I'll start.
Rafael Aldrete?
MR. ALDRETE: Rafael Aldrete present. Good
morning, everyone.
Madam Secretary, it was a pleasure and an honor
to work under your leadership over the past two years in
developing a critical document for our state and for our
border. Thank you. Good morning.
MR. HAGERT: Jon Barela?
(No response.)
MR. HAGERT: Luis Bazán?
MR. BAZÁN: Good morning. Buenos dias.
Secretary Hughes, first and foremost, thank you for your
recent visit to the Pharr International Bridge. We appreciate your visit and your words, your advice. On behalf of our mayor, Dr. Ambrosio Hernandez, the city commission, the bridge board and my team, we truly appreciate your work, service and dedication to the Texas-Mexico Border region. Thank you for all you do and we wish you well in all your future endeavors.

SECY. HUGHS: Thank you, Luis, and thank you for the hospitality. I enjoyed my visit.

MR. BAZÁN: You bet. Thank you.

MR. HAGERT: Eduardo Calvo?

MR. CALVO: Good morning, Madam Secretary, BTAC members.

Madam Secretary, I just want to thank you for your leadership really for leading the Border Master Plan and leading this committee. It's not an easy thing, and again, thank you so much for that.

And I really, really hope that whoever is appointed to this position in the future really has the same energy, the same commitment to the border. I sincerely hope that that happens, but it's going to be very difficult to replace you. And I just want to thank you for your leadership and all the work that you've done for BTAC and for the border communities.

SECY. HUGHS: Thank you, Eduardo. And I know
this work will continue because of all of you, so regardless of the chair, really the work that you all do and the commitment that all of you have I know will keep this work going forward.

And David Zapata and my team, Teresa Farfan, they will also continue to be highly engaged. Thank you for the kind words, and look forward to seeing you in El Paso in the future.

MR. CALVO: You're welcome here any time.

MR. HAGERT: Eduardo Campirano?

MR. CAMPIRANO: Madam Secretary, members of BTAC, good morning all.

Madam Secretary, thank you for your dedication and service to our great state, truly indebted to you, and again, wish you the best in your future endeavors and hope that our paths will cross again. And I think you've established some very, very good ties and we all stand ready to assist you in whatever you choose to pursue.

Again, thank you very much.

SECY. HUGHS: Thank you.

MR. HAGERT: Andrew Cannon?

MR. CANNON: Good morning, everybody.

I think I've covered most of my sentiments, but again, Secretary, thank you so much for the visit to the RGV. On behalf of my board, Chairman Hernandez, Vice
Chairman Judge Treviño, we appreciate your time, your
diligence and all your participation that you're doing to
make sure that this Border Master Plan is successful with
your guidance over the past few years with this. So just
God bless and hope that your future endeavors go just as
well, if not better.

SECY. HUGHS:  Thank you, Andrew.

MR. HAGERT:  Sergio Contreras?

MR. CONTRERAS:  Present.

Secretary, thank you so much for your
dedication, for your leadership, and also for engaging our
border communities in particular during the finalization
of the plan. So we want to say thank you and we look
forward to continuing working closely with you as you take
on new endeavors. Thank you so much for everything.

SECY. HUGHS:  Thank you, Sergio.

MR. HAGERT:  David Coronado?

MR. CORONADO:  Hi, everybody.

Madam Secretary, I think we should all take a
vote, BTAC should take a vote and veto your decision to
step down from your seat because it's going to be really
hard to fill your shoes. Whoever steps in to fill your
shoes, it will be really hard to replace you.

So thank you for your time, appreciate
everything you've done for us. It was great to visit with
you and the mayor when you came to El Paso right before
the pandemic. It was great to talk to you, get to meet
you, get to show you around a little bit of our city.

Hopefully we'll see you again soon. So with
that, thank you for your time.

David Coronado present here.

SECY. HUGHS: Thank you, David.

MR. HAGERT: Warren Erdman?

MR. ERDMAN: Present and good morning.

Secretary, thank you for your professionalism
and your leadership, we've really appreciated that. Thank
you for your understanding of the multimodal nature of
Texas transportation. Best wishes.

SECY. HUGHS: Thank you, Warren.

MR. HAGERT: John Esparza?

MR. ESPARZA: Good morning. Present.

Madam Secretary, my gratitude to you, thank
you. As I look here and see the first secretary of state
behind you and here we are in the presence of the existing
secretary of state, you've done a great job of leading.

And I will say one of our wise governors once
told me, you cannot lead from Austin alone. And clearly
by the comments thus far, you have spent a lot of time
traveling, being hands-on, and I think that means a lot to
everybody, and certainly not lost on me.
Thank you and good luck. We'll be in touch.

SECY. HUGHS: Thank you, John.

MR. HAGERT: Raquel Espinosa?

MS. ESPINOSA: Good morning, Madam Secretary.

On behalf of Union Pacific, we can't thank you enough for your leadership and for your interest in the Texas-Mexico Border. It's a special place, and we appreciate you paving the way for continued growth and success.

SECY. HUGHS: Thank you, Raquel.

MR. HAGERT: Juan Antonio Flores?

MR. FLORES: Present. Good morning, everyone.

Madam Secretary, I was a little late to the news of your impending departure. I'm disappointed to know that you're leaving, but I only imagine and know that it's off to just continued great things in your career.

I want to thank you for your support of everything that we're doing in San Antonio, and tell you you brought a level of enthusiasm, of diplomacy and professionalism to this role that's been unparalleled, in my opinion. I think you leave a tall order for your successor to fill, and I wish you the best and hope to stay in touch. Thank you for your service.

SECY. HUGHS: Thank you so much.

MR. HAGERT: Dante Galeazzi?

MR. GALEAZZI: Present.
Madam Secretary, I think I only have to say that I echo everything that everyone has said. You have been a tremendous leader. You have done so much for our region and you've shown a true empathy for our stakeholders, for our industries, for the very challenges that we have every single day. And so we thank you. We wish you the best of luck as you move on, and we really look forward to the great things that you will continue to do for this state. Thank you, ma'am.

SECY. HUGHS: Thank you, Dante. And thank you for the education that I've received through all of your informative comments.

MR. HAGERT: Josue Garcia?

MR. GARCIA: Good morning, everyone.

And Madam Secretary, it's been a pleasure. On behalf of Cameron County and Cameron County Judge Eddie Treviño, we appreciate your commitment and your energy that you bring to your position.

As everyone has said, you're leaving behind big shoes to be filled, and may God bless you and your family as you continue on your journey going forward. Thank you for your service.

SECY. HUGHS: Thank you, Josue.

MR. HAGERT: Cynthia Garza-Reyes?

MS. GARZA-REYES: Good morning. Secretary,
first and foremost, thank you for all that you've done, not only for each one of our communities but also for the State of Texas. I think during a time this past year when everything was slowed down, you made sure that this committee did not miss a beat. And because of your leadership, we are where we are in terms of our plan and moving forward.

So thank you for everything that you've done.

We're so glad you were able to visit the Pharr International Bridge, and we do look forward to working with you, hopefully, in another capacity in the future.

Thank you again.

SECY. HUGHS: Thank you.

MR. HAGERT: Jake Giesbrecht?

MR. GIESBRECHT: Good morning.

Thank you so much, Madam Secretary, for all the leadership that you've done for the Great State of Texas, and for us here in Presidio. You've helped us a great deal like nobody has helped us in a long time, so thank you for putting us on the roadmap and creating the map and the leadership that you've done. And God bless you.

Thank you.

SECY. HUGHS: Thank you, Jake.

MR. HAGERT: Commissioner Iliana Holguin?

MS. HOLGUIN: Good morning, Secretary Hughes. I
think I am probably one of the newest members of this committee, if not the newest member of this committee, and so unfortunately, I have not had the honor of meeting you personally. But in my short time on this committee, your leadership, your commitment, your professionalism has been very, very apparent. You will certainly be missed and I wish you the best of luck in the future.

SECY. HUGHS: Thank you so much.

MR. HAGERT: Lisa Loftus-Otway?

(No response.)

MR. HAGERT: Marga Lopez?

MS. LOPEZ: Good morning all.

Thank you, Madam Secretary, for all your efforts, your leadership and keeping us on task, your professionalism. We appreciate you and we wish nothing but the best in the next steps of your career. Thank you.

SECY. HUGHS: Thank you.

MR. HAGERT: Mayor Bruno Lozano?

MR. WOJNOWSKI: Yes, good morning. This is actually Matt Wojnowski, city manager for the City of Del Rio. The mayor had another appointment so I'm here on his behalf.

And Madam Secretary, I want to thank you for your service to the State of Texas, and as one who has also spent a few years in Argentina, (speaking Spanish).
SECY. HUGHS: Gracias.

MR. HAGERT: Juan Olaguibel? Or someone representing the McAllen-Hidalgo-Anzalduas Bridge?

MR. OLAGUIBEL: Good morning, Madam Secretary Hughes. Good morning, everyone.

On behalf of the McAllen-Hidalgo-Anzalduas Bridge Port, I'd like to thank you for your leadership and support, especially for the Texas-Mexico Border Transportation Plan. Wishing you the best in your future endeavors. Thank you.

SECY. HUGHS: Thank you.

MR. HAGERT: Stan Meador?

MR. MEADOR: Yes, present.

And good morning, Secretary Hughes. Just really disappointed, as everyone else has expressed here this morning, to hear about your departure, but really do appreciate the commitment to the state and with this board.

I really want to personally thank you for your accessibility and your engagement and your tireless efforts throughout this really difficult last year, and the leadership that was put forth to bring this all-important plan through during such a tough year. It was a remarkable effort by all, but through your leadership. And so we really appreciate that. Godspeed.
SECY. HUGHS: Thank you, Stan.

MR. HAGERT: Jesus Reyna?

(No response.)

MR. HAGERT: Mayor Rolando Salinas?

MR. BALDERAS: Hello. Good morning. This is Homero Balderas, representing the City of Eagle Pass. Mayor Rolando Salinas is actually out in the Capitol so he will not be joining, but I am here to represent the City of Eagle Pass and the City of Eagle Pass International Bridge System.

And just want to say, Madam Secretary, thank you very much for your dedication and support to the border communities. We truly appreciate it. Thank you.

SECY. HUGHS: Thank you.

MR. HAGERT: Mayor Pete Saenz?

MR. GARCIA: Good morning, everyone. This is Teclo Garcia, director of economic development for the City of Laredo. Mayor Saenz had another commitment here in the city with some state officials, so I'm here on his behalf.

And with that said, I just want to say on behalf of Mayor Saenz, Madam Secretary, the Laredo City Council, and the city leadership, we obviously are in great gratitude to your service here and what you've done, especially regarding the Border Master Plan. I know Mayor
Saenz has always spoke every highly of you and the
process, and we want to thank you again for your service
and bringing this plan home. Really appreciate it. Best
wishes on your next adventure. Thank you.

SECY. HUGHS: Thank you, Teclo.

MR. HAGERT: Gerry Schwebel?

MR. SCHWEBEL: Good morning, fellow committee
members. Buenos días.

Madam Secretary, there are those individuals
that wait for things to happen and there's those
individuals that make things happen. You've been one of
those that has made so much happen for the State of Texas.
I want to thank you for everything you've done. And at
the same time, you know, for your patience with Sam Vale
and with Gerry Schwebel, yours truly, on this committee,
the committee work.

I know that Laredo is your favorite border
community. I can say that because I'm towards the end,
and I know Sam will probably jump in. We're going to miss
you but we will continue to see you because you are a
bright star of Texas, and we need you. Appreciate your
service to our great state, and I look forward to great
things from you in the years to come. So hasta pronto,
and may God bless you.

SECY. HUGHS: Thank you, Gerry.
MR. HAGERT: Megan Shea?

MS. SHEA: Good morning, everybody.

On behalf of BNSF Railway, thank you, Secretary Hughes, for your leadership and support of this committee. We very much appreciate being included in this group and in this conversation because plans like this are so important, and they wouldn't be possible without your support. So thank you for your commitment to this effort, and we wish you the best of luck.

SECY. HUGHS: Thank you.

MR. HAGERT: Tommy Taylor?

(No response.)

MR. HAGERT: Sam Vale?

MR. VALE: Present.

Secretary Hughes, you know how much I appreciate your skills and the work you do, and especially recognizing that I'm the only one older than Gerry Schwebel on this committee. And I started with the secretary of state with Crawford Martin when I was a college student working in the Vault and filing documents, and I've known every secretary of state since.

And I can tell you that you're better than the best, and some of them are very good friends of mine, so I can honestly say that you've beat them all. And looking forward to your future career and everything that you can
contribute to the State of Texas. You're quite a lady.

Thank you.

SECY. HUGHS: Thank you so much.

MR. HAGERT: Cameron Walker?

MR. WALKER: Madam Secretary, I can't thank you enough for this appointment. I am still in my first year of service to this committee. And while we're not a border community, we're very much impacted by it, as is the whole state and the nation.

To put these pieces together of the importance of the international border has meant a lot to me. So I've met a whole bunch of new faces, new people through this effort, and thank you for including me on the committee.

SECY. HUGHS: Thank you. Thank you for your kind words.

MR. HAGERT: And Caroline, we have quorum.

MS. MAYS: Thank you.

I think that's it, Secretary, for the roll call.

SECY. HUGHS: Thank you.

MS. GARCIA: Can I speak?

MS. MAYS: Oh, yes. Sorry, Erika, go ahead.

Our Mexican counterpart.

MS. GARCIA: (Speaking Spanish).
SECY. HUGHS: (Speaking Spanish).

MS. GARCIA: Gracias, un placer.

SECY. HUGHS: Well, thank you for not making it a roast. I was not anticipating this farewell, but you all really humbled me with your kind words. I think we all know that it takes the work of this tremendous team to keep this moving, and I know that that work is going to continue without me, but I really appreciate all of your kind words today, and I very much look forward to staying in touch.

Another Argentine expression is "Hasta luego" so I certainly don't see this as a goodbye but just a farewell for now, and very much looking forward to getting to the work of the day. So with that, we have the adoption of the minutes up next. Right, Caroline?

MS. MAYS: Yes.

SECY. HUGHS: Okay. And so you've all had an opportunity to review the minutes, and if so, is there a motion or any questions or concerns.

MR. CONTRERAS: Sergio moves to move forward.

SECY. HUGHS: Perfect. Sergio has motioned to adopt the minutes. Is there a second?

MR. CALVO: Second. This is Eduardo.

SECY. HUGHS: Okay. Eduardo has seconded that motion and forwarded the adoption of the minutes. Are
there any objections?

(No response.)

SECY. HUGHS: Hearing none, the minutes are adopted. Thank you.

At this time I'll turn it back over to Caroline.

MS. MAYS: Thank you, Secretary.

We'll move to the next agenda item and call on Giacomo to provide a quick recap of last meeting.

MR. YAQUI sto: Good morning, everyone. This is Giacomo Yaquinto with the Texas Department of Transportation. Thank y'all for joining us this morning

I'd like to give a brief high level recap of the March 11 BTAC meeting. The last BTAC meeting had four tasks. First, we needed to review the BTMP presentation to Commission in December and provide a detailed review of the BTMP public comment period, as well as the specific comments we received during the public comment period.

Second, we needed to do a last walk-through of the BTMP final report and executive summary. Third, we needed the BTAC members to consider taking action to recommend submission of the BTMP to the Texas Transportation Commission for consideration and adoption.

And finally, we needed to hear from the three regions about their priorities, especially any challenges or
roadblocks they're concerned about as we move into the implementation phase.

During our recap of the December presentation to Commission, TxDOT was commended for presenting the plan to the Transportation Commission. We heard that it would be up to BTAC members to use the BTMP as a tool going forward. We also heard that the BTMP is the most comprehensive, detailed and robust plan for the border, and that it will be important to work with the state's leadership since we've got a plan that has both public and private sector buy-in.

As we recounted the public comment period, representatives for the El Paso MPO thanked Secretary Hughes and TxDOT for presenting the BTMP to the El Paso MPO Policy Board, and we were asked to ensure that we included the comments recorded during that meeting in the BTMP public comment record.

We also heard that there are two legislative missions. We heard that the first is in Austin and the second is educating legislators from other states about how border projects in Texas can complement their efforts and support their states' economies.

During the last walk-through of the final report and executive summary, we were asked to make some changes to some of the updated information we included in
Chapter 10. We were asked to clarify the differences between financing mechanisms and funding sources. We heard that adequate funding to implement the strategies in the BTMP will be a challenge for border cities and counties due to the COVID-19 pandemic, especially because it's not clear how long the recovery will take or when finances will return to pre-pandemic levels.

In response to those comments, we heard about different relief funding options that BTMP were considering, including the American Rescue Plan funds. And we also heard about using State Department funds to improve border infrastructure on the Mexican side.

We heard that members were pleased with the revisions to Chapter 11, and that even though it was a lot of information to absorb, the plan's message about the consequences of doing nothing, as well as the benefits of acting, were coming through.

We were asked about the breakdown of the build scenarios we presented. We noted that we conducted the analysis for each crossing. We were also asked if the build scenarios were unconstrained like the no-build scenarios had been, and we responded that they are.

In response to the final walk-through of the executive summary, we were asked about including the cities associated with the different border crossings,
since people who aren't familiar with the border might not
know which cities the crossings are in or near. We've
included this information in the regional crossing maps in
the summary.

We were also asked to clarify if we've included
the starting and ending points for measuring times, and we
noted that we've included it in Chapter 5.

Finally, we heard about some different crossing
time measurements being used on the northern border at the
Peace Bridge, and we received a suggestion that their
methodology may be worth considering since CBP approved
it. And we also heard that using a common method to
measure both crossing and processing times would help
identify where exactly the delays are occurring.

From there, Secretary Hughs asked the members
to consider taking action to approve the BTMP and
recommend submission to the Texas Transportation
Commission for consideration and adoption. The BTAC
members made and approved the motion to do so.

Lastly, as I noted, we heard from the three
regions about their priorities going forward with a focus
on priority projects. That concludes the recap of the
last BTAC meeting, so I'll go ahead and turn the meeting
back to Caroline for any comments or questions.

Caroline.
MS. MAYS: Thank you, Giacomo, for that.

With that, we'll move to the next agenda item which I mentioned earlier. We have several products that were developed since the plan was approved, and really the goal is to target our customers, you all and others, that may want to utilize the plan for different things.

So we have the booklet. Giacomo will walk through that quickly. The booklet is more of a condensed version of the executive summary. And then what we did was, if you remember, the Border Master Plan is about a 400-page document, so what we did is we distilled information for each of the regions and we packaged it in what we're calling the regional plans.

So you see plans for each of those regions, but that's based on the 400-page document. We didn't create new information or new material there. So if you just wanted to see something for your region or just for that region, instead of flipping through the 400-page document, now you have a place to just go out and get information relevant to that region.

Giacomo will walk through that fairly quickly.

Giacomo.

MR. YAQUINTO: I will do the walk-through of the BTMP booklet, and since Caroline covered the regional plans, we have a slide for that but we'll just move
The BTMP booklet is an educational outreach tool that we worked with the consulting team to craft. Its purpose is to provide a condensed high level overview of the key facts and figures presented in the BTMP final report so that decision-makers, including elected officials from other states or from the border, can understand why the border matters both locally and beyond.

Looking at the booklet — Francisco, if you could stay on that first spread — you'll notice the layout mirrors the executive summary, but it's not identical. Right away the booklet emphasizes cross-border trade's reach, showing that its impact stretches from central Mexico through the United States and into Canada.

On the right side of the spread, we put the focus on the Texas-Mexico Border's importance by highlighted details from the BTMP final report, like the value of trade that crosses our border, the fact that the border creates well-paying jobs that improve quality of life, as well as more technical details like the number of roadway crossings and freight rail crossings. Next spread, please.

In the next spread, the left-hand side of the booklet focuses on economic impacts both now and into the
future. We've highlighted BTMP figures for GDP and job
growth related to the movements of both people and goods.

On the right-hand side we're providing important context
from the BTMP like the nine goals identified in the plan,
key issues and needs, as well as a summary of the
extensive stakeholder engagement effort we relied on
throughout the planning process.

Next spread, please.

In this spread, the left-hand side of the
booklet is highlighting demographic trends from the BTMP.

On the top we've identified changes in population,
employment and income between now and 2050. On the bottom
we're showing how people and goods movements have changed
over time and how we're forecasting them to change by
2050.

The right-hand side provides a key map from the
BTMP that shows the state-by-state look at the economic
benefits of Texas-Mexico cross-border trade to each U.S.
and Mexican state. The booklet outlines how trade has
grown since NAFTA and it provides the BTMP's forecast for
how trade will grow under USMCA to 2050, including the top
three supply chains.

The left-hand side of this spread focuses on
border crossing times. Specifically, we're identifying
the changes in crossing times for the movement of people
and goods under the BTMP's do-nothing scenario between
2019 and 2050 that we included in the BTMP final report.
The bottom of the page highlights the total increase in
northbound crossings to 2050.

On the right-hand side of the spread, we're
quantifying border delays impacts in terms of GDP losses
on the U.S. and Mexico sides of the border from 2019
through 2050, as well as job and income losses on both
sides of the border due to delays from 2019 through 2050.

Next spread, please.

Here we're providing an overview of the BTMP's
recommendations from a policy, program and project
perspective. On the left-hand side, we've identified the
number of projects in the short, medium and long term time
frames, and we're showing the improvements associated with
implementing projects at existing border crossings, as
well as improvements associated with implementing all
projects plus new crossings.

On the right-hand side, we're showing the
funding needs to implement the BTMP's recommendations.
We're identifying funding sources and we're highlighting
funding gaps. We've also provided the breakdown in
funding gaps in terms of short, medium and long term
projects.

Next spread, please.
Finally, we're providing the call to action. We've included a reminder of the policy, program and project recommendations. We're pointing readers to the full report as a valuable tool that they can add to their planning arsenal, and we're outlining key opportunities for federal, state, local and private sector representatives to continue collaborating, as well as opportunities to enhance existing collaboration so we can all begin making the shift from the planning phase into implementation.

Going forward, we believe the booklet will play a key role in our ongoing outreach efforts to promote the plan and improve awareness of the importance of the Texas-Mexico Border. And we hope it will play a similarly important role in the outreach efforts you engage in through your roles outside of BTAC.

So that's the end of the booklet overview. Francisco, if we could go back to the slide deck.

MS. MAY: Can you go back? There was a question from Cameron on the booklet. I think it was the first page with the map.

He's asking if we can add I-20 to that map, and I thought we had I-10 which goes across I-20. So it's kind of added there. It's highlighted there, as you can see. Yeah, we do have both I-20 and I-10.
MR. WALKER: I do see the alignment.

MS. MAYS: Yes. Okay. Does that answer your question, Cameron?

MR. WALKER: Well, yes and no.

MS. MAYS: Okay.

MR. WALKER: It's an important east-west corridor. 10 is identified, 20 is not. I mean, yeah, it's a line on the map, I get that, but it needs a shield too.

MS. MAYS: Okay. We'll add the I-20 shield there because it's still an east-west trade corridor. A lot of things come to the El Paso region and either takes 20 or takes 10, so yeah, it's a major east-west trade corridor, so we'll add that shield there.

MR. WALKER: Thank you.

MS. MAYS: Okay. You're welcome.

Back to you, Giacomo.

MR. YAQUINTO: All right. Francisco, if we could go to the slide deck.

MS. MAYS: And while they're pulling the PowerPoint slide deck on both the booklet and the regional plans, we just sent this to you last night, you haven't had a chance to review it. Please take your time to review it, and then let us know if you have any comments. We'll be more than happy to address it.
So again I'll mention, this was added products that were developed since the Border Master Plan has been completed.

Giacomo.

MR. YAQUINTO: As Caroline just noted, we know that y'all haven't had an opportunity to review these yet and so we'll be looking forward to any comments you may have, but at this point we've put together a plan for each of the three border regions. The information in the regional plans comes directly from the BTMP final report, and they'll provide you with information specific to your region.

As we've noted, they add an additional layer of information that we're presenting in the booklet, as well as the executive summary. And we believe that these regional plans will be a go-to resource for regionally specific information that you can access quickly and easily instead of searching through the full report every time you need information.

That's sort of a quick overview of the regional plans. Caroline, should we open it up for any questions or comments?

MS. MAYS: Yeah, sure. Any questions or comments from the committee members?

MS. SHOWERY: Jake had a question about the
corridor map.

MS. MAYS: Yeah. So Jake, again good question. The intent of that map was to detect broadly, you know, not necessarily specific corridors but kind of the broad band of the trade -- I want to call it the trade links. Not necessarily just corridors, it's looking at movement. You have east-west, north-south trade movement.

That's what that map was depicting, not necessarily one single particular corridor. Some of them, yes, it clearly shows the corridor, but it's broadly just the flows.

Any other comments from committee members before we move to the next agenda item?

(No response.)

MS. MAYS: Okay. If not, let's move to the next agenda item, and this is looking at the 2019 versus 2020 data and analysis of the impact of COVID. So Donald, who you guys know very well, will be presenting this.

Donald.

MR. LUDLOW: Thank you, Caroline. Can you hear me okay today?

MS. MAYS: Yes.

MR. LUDLOW: Okay, excellent. Thank you very much for the opportunity to look back at this anomalous period in time.
So today, if we'll move to the next slide, we'll go through a few items that summarize what happened over this last year. I want to walk you through some of the highlights specifically in five areas today, highlighting some of the timeline of what happened in 2020, some of the changes in socioeconomics, movement of people, movement of goods and supply chains.

The idea during the discussion -- and we want to reserve some time for discussion -- is to really understand what you as border stakeholders experienced and what we've learned from this difficult year that will help us in the future. As we go through the data today, the story through December 2020 could be described as in many situations what it looks like to fall off a cliff and then climb back up the cliff again.

Right now we're in that journey of recovery, and even the data out through March that have just recently been released show a very strong recovery, especially on the trade side. So there's very optimistic news and it's very exciting.

But let's walk through what happened over the last year and then we'll reserve some time to get some feedback from committee members on their experiences and any observations they have, especially as it relates to how TxDOT and its partners plan for the future for other
potential disruptions.

So let's go to the next slide. So last year was not just about the pandemic, it was a news-filled year for the border in many other ways. There were a number of other events that influenced border transportation.

This timeline is just a sample of some of the headlines during the year. One of the big ones was that USMCA officially went into effect in July 2020, but so many of these individual events were overshadowed by the impact of the pandemic.

But it continued to be a very active year: a new presidential permit signed for a KCS bridge; there were a number of disruptions, both supply chain disruptions and other types of border disruptions. Of note in December, CBP piloted a program to route northbound empty tractors and trailers from the World Trade Bridge to the Colombia Solidarity Bridge.

So there were so many interesting things happening over the year, I don't want us to get lost in the pandemic. But that's really the main story for today.

So let's move on to the next slide. So starting with unemployment. During the early period of the pandemic, unemployment spiked across Texas and these are the data showing the trend line.

Things have really started to recover. Right
now the unemployment rate in Texas is about 6.7 percent, so you see through the end of December it was at 9.2. So the recovery is already strong. In April there was even an improvement over March, so things are on the mend definitely.

But one of the major impacts during this period was a very strong spike in unemployment, especially during April and May as businesses and people had to recalibrate really quickly to the reality of the restrictions and other disruptions.

Next slide will show what happened on the movement of people. So when we look at people, the most important thing to remember here is that nonessential travel was immediately and significantly restricted, and it remains restricted right now through June 21 of this year. Of course, the nonessential travel doesn't include education or health care, but the U.S. and Mexico have mutually agreed to the restrictions and they've typically updated them on about a 30-day increment.

The impact across last year, though, was significant: about half the number of people movements, significant decline across the board in bus, bicycles and passenger vehicles. And we'll take a look at some of those trends over the next few slides.

So let's move on first to buses. And again, a
number of these slides kind of show things going off the cliff, so to speak, in 2020 versus past years. But showing the long term trends, the top line is the border total, and then the three lower lines, color-coded red for El Paso, gold for Laredo, and green for RGV, show those long term trends since 1996 and even up through last year and what happened.

And you see that major change from about 90 million northbound bus passengers in 1996 -- I'm sorry, 90,000, down to 47,000 buses in 2020. Again, we expect this to rebound after the travel restrictions are removed.

The next slide shows a similar story, except this time for bikes and pedestrians. So the number of northbound bike and pedestrian movements decreased by 10 million, or about 51 percent, between the two years.

And again, this was a situation where these numbers were trending higher over the last several years in part due to the shared mobility options of taking Uber or Lyft or similar across the border, or arriving at the border via shared mobility and then walking across the border, and then more bikes across the border. So we expect this to rebound too, but it was a big drop, historic drop.

The next slide is personal vehicles and shows a similar story. Although we see a few declines in years
past, this one was the largest we've ever seen, at least in the last 30 years. So we expect also this to continue to improve as the travel restrictions are eased and people get back to normal.

But it will be interesting when we get to the discussion period. I will be interested to hear from this group about whether you think any of these trends will persist.

Let's move next to goods movement. So the year-over-year story here is one of sharp decline. There's kind of three categories that we looked at.

One of them was total U.S.-Mexico trade which declined by about 13 percent. Then there's Texas-Mexico trade, so this is trade that has a trip end in Texas and Mexico. And then the other category is trade through the Texas border.

So you see the top category, the U.S.-Mexico trade and the trade through the Texas-Mexico border at the bottom were both about 13.5 percent decline, but the Texas-Mexico trade declined even a little bit further. And based off of the data that we've dug into, this dip is largely attributable to a big drop in petroleum products and the export of petroleum products just with the crash in demand.

I should also note that most of this change
occurred in March. Most of the dip occurred in March and April of 2020, and then we saw a recovery largely to pre-pandemic levels by September, peaking in October of 2020. So when we talk about 2020 being a low year, it wasn't a low year for the whole year, it was a low year for a few months, and then it was a very strong year in other parts of the year, especially through the fall.

We'll keep going. So this next slide provides us with the big picture and it helps us understand 2020 in terms of total trade, northbound and southbound, over a period from 2006 through this last year. You'll see that 2009 with the economic crisis, that period, the Great Recession, and then 2020 are the low points in this trend line.

The good news again is that the data that we're seeing through March of 2021 -- which was just recently released, April's should be out soon -- shows very strong month-over-month trade numbers. In fact, March 2021 looks to be the highest month of cross-border trade based on single month for all of 2019 and 2020. And so it will be interesting to talk to some of you in a few minutes when we get to discussion and see if you've also witnessed that change over this period of time.

So the next slide shows the summary of the modes. And over the next few slides we'll get into some
of the specific modal changes, but this is the total for the year.

If we go to the next slide, we'll look at trucks. And trucks are interesting because while we had a total decline in trade, some of that was related to the decline on pipeline. When we're measuring trade in terms of total value, there was an increase in empty northbound trucks and a decline in loaded trucks for 2020, especially during those early months.

When we look at the full picture, though, the total number of trucks looks strong. The value is slightly eroded, though, because of the some of the patterns that we saw.

The railcar picture is somewhat different, if we go to the next slide. We'll see here that we did see an overall decline in railcar volumes northbound during this period, already seeing a recovery, however, during this same time.

Another way that we looked at this in the next slide is from a supply chain perspective, and when we look at 2020, which is on the top. It's that multi-colored bar on the top -- versus 2019, which is the multi-colored bar on the bottom, we see an overall contraction in the total trade for the year that's reflected in the long term trend.
When we look at this carefully we notice a few things, particularly. One of the major lessons here is that we all needed our groceries during 2020 and maybe not as much of everything else. During this period of time, fruits, vegetables, grain and food manufacturing were the only supply chains that grew significantly during this year, year over year. Everything else saw a decline, especially for southbound.

And what I'd like to do fairly rapidly in the next few slides is just walk you through some of the highlights of what changed in each of the supply chains, and then we'll stop and have some time for discussion.

So on the next slide we will see -- this first slide did also want to mention in some of the work that we did in consultations with shippers and also carriers that there were a number of issues specifically with border impacts and one of them was supply constraints and even inventory constraints of certain items. I think everyone remembers the shortage of toilet paper and flour and baking yeast, just things like that that affected us all, and those demand shocks reverberated through the supply chain early last year and just caused a number of disruptions.

There were a lot of disruptions at the first and last mile, so at the warehouses, at the first and last
mile. There were fewer disruptions than we would normally see on the main line.

For example, I-35 was flowing better last year than it had in the past, and that was true across the country that the corridors, both on rail and for highway, were moving better than normal, but there were breakdowns at specific nodes and facilities. And great demand variations depending on the time of year.

Again, it was almost like the system came to a crashing halt in mid-March, really, March 15, and then kind of bottomed out in April and then climbed back up quickly. So for the supply chains that had to kind of respond to those kinds of shocks and demand and people staying home, it did cause a lot of disruptions during that time.

All of that is underpinned by the health and safety concerns. The trucking industry, manufacturers had to take on a different way of operating, keeping their people safe and keeping the general public safe. So there were a lot of challenges.

So there's 12 slides left, but I'm going to pass through them pretty quickly to get to a discussion. Each of them summarizes a change in a cross-border trade for one of the major supply chains that we've focused on during the development of the Border Master Plan. So on
each slide I'm just going to highlight one or two things. 

So let's start out with animal products. 
Again, this was the grocery demand, people staying at home 
and cooking. And it's reflected here, 7.3 percent 
increase during this period of time. 

The next slide shows food manufacturing, and 
again, this was the highest growth category. I'm sorry, 
on the previous slide there was a decrease, I misstated 
that. On this slide this was food manufacturing, this 
increased by 8, almost 9 percent. And again, this was 
really about the groceries and about the consumption. 

The next is fruits, vegetables and grains, 
which also showed a slight increase. 

When we go to the next slide, textiles, there 
was a significant decline, almost 17 percent in trade on 
the textiles slide. This was also reflected in global 
trade and global patterns, and there was increased 
competition from China and Central America as well. 

The next slide shows chemical and chemical 
products decreased by 7.6 percent over this period of 
time. The next is metal products and metal products 
decreased by almost 15 percent. 

The next slide shows petroleum products, and 
this was the single largest drop and the one that affected 
really Texas more than anything between Texas and Mexico
trade. And again, this was really related to people not
driving as much and some lower industrial demand in some
circumstances.

The next supply chain is plastics and rubber
products, and this decreased also by about 11 percent,
associated with the same kind of drop in industrial
production and shutdowns in plants and disruptions
everywhere.

High technology also decreased during this
period of time, on the next slide, by about 11.4 percent,
although there was stronger demand later in the year for
household and office products. And I think we'll continue
to see significant investment in home office in the future
that will fuel a different kind of activity in this space.

The next area is machinery and this also
dropped significantly. Household appliances dropped less
than the rest of machinery because there was still high
demand for making our homes comfortable during this period
of time.

Manufactured goods decreased, on the next
slide, by 8.6 percent, and a lot of this had to do with
plants closing and not so much reflecting the demand,
because demand for a lot of the manufactured products,
including things like furniture, surged. So a lot of this
is associated with just plant and supply chain
disruptions.

Coming to the end here, motor vehicles. Motor vehicles decreased by 20 percent, so almost as much as the petroleum. And again, a combination of plant disruptions and people not driving as much and just a decrease in car sales and things have really started to rebound since.

But this was a big part of last year's picture, and this automotive supply chain is such an incredible and important anchor of value and jobs across the U.S. and Mexico and even into Canada. And again, we're starting to see these numbers rebound really strongly, but 2020 was difficult for this period.

So just a couple of points before our discussion. 2020 was certainly an anomaly for the Texas-Mexico Border. If you look at the long-term picture, 2020 will ultimately be a blip on the radar screen, a strong blip in the trade area, an even stronger one in the movement of people. And I think the people side will take possibly longer to recover than the trade side. That's just my own hypothesis.

The border transportation system resiliency was tested by a surge in E-commerce, by extreme weather events, political protests and other system disruptions, but the border continued to support 73 percent of trade. And again, things are getting better. They're rebounding.
March 2021 was the strongest single month for trade in over two years. With the relaxation of the personal travel restrictions over the coming weeks and months, we expect to see a sharp rebound, possibly not as sharp as the trade rebound but a fairly sharp rebound in personal travel as well.

Overall I think there's a lot we probably have learned from this year. Very interested in spending a few minutes talking to you and understanding what your perspectives are.

I'll mention one other thing. The consulting team working with TxDOT did develop something called a story map. And Caroline and her team can distribute the link to that later, but it's essentially an interactive graphic deliverable instead of a paper deliverable that allows you to kind of scroll through and observe some of the trends and the trend lines going forward.

So thank you, Caroline. I think we'll take a few minutes for discussion here. I first of all wanted to see if anyone had -- oh, here we go, thank you, Giacomo.

So this is the actual story map product. And we will distribute the link for this, but essentially you're able to click on any of these major areas and scroll through at your leisure, because I know this was a lot to present today, and kind of look at some of these
trends and understand some of the nuances and depth and 
some of the graphics here. So thank you very much. 

Caroline and Giacomo, I don't know if either of 
you have any comments. If not, I'm going to prompt a few 
questions and some discussion here just so that we can 
understand a bit more from the perspective of the 
committee. 

MS. MAYS: Yeah, we're going to pause for a 
second, Secretary has a few words, and then we'll go back 
to the discussion and questions. Thank you very much. 

SECY. HUGHS: First of all, let me say I'm very 
impressed with the discussion and the review, it's 
incredibly informative, and looking forward to the 
discussion to follow. 

I did want to take a moment to share with all 
of you that the governor has policy advisors assigned to 
different agencies and Ben Barkley is the policy advisor 
assigned to the Secretary of State's Office. And I'm so 
grateful that in the middle of session here he's able to 
join us and listen in and to hear more about your great 
work. 

I can share with you that David Zapata and all 
of us advised them of the work of BTAC so they are 
continuously informed, but it's very special that he's 
able to listen in and join us today. So thank you, Ben,
for that participation.

I also want to mention that Sean Strawbridge, the CEO of the Port of Corpus Christi, is listening in and joining us. And of course all of those corridors that connect and help in that direction are also incredibly important to our state and our economic success, so I'm very grateful for his interest in this committee.

As well as Jorge Canavati, who, of course, is the president of Canavati & Company and VP for North America of National Importers and Exporters Association of Mexico. So thank you both for your interest in our committee and for listening in and joining us today.

And with that, I will turn it back over to the discussion. Thank you.

MS. MAYS: Thank you, Secretary.

So we'll go to the discussion or questions, comments that you guys have, and Donald, turn it back to you to lead the dialogue.

MR. LUDLOW: Sure. Thank you, Caroline. And thank you, Secretary. I'm very glad that this was helpful and informative. I think there's a positive story that we're on the rebound here too, which is really exciting.

So BTAC members, do you have any initial comments or questions, any specific regional observations that you'd like to make.
MS. MAYS: Yeah, Eduardo.

MR. CALVO: This is Eduardo. Thanks, Donald. That's really good information. Let me just start by saying that I am so sick of COVID, and I am just looking forward to the recovery.

One thing that is interesting here, specifically more to our region -- it was interesting also to see how the timing of the disruptions were happening, right? Very specific to the maquila industry, you know, as the pandemic began in the Far East with China and all that, we started seeing the factories closing and not supplying some of the components that we use in the maquila industry here on this part.

So part of disruption started over there, and then as the pandemic hit us and we had the disruptions here locally at the maquilas, at the plants themselves manufacturing and all that -- so it's interesting to see how it spread and how the timing went throughout 2020, throughout the year, but to see the rebound.

I think it's so important to note that the maquila industry and the production of high tech electronics and the ones that the supply chains have hit us here, I mean, they are very resilient, and you see that. And I'm sure David will show you some of the numbers here more local as far as the movement of trucks...
through our crossings here, but, you know, it's also a testament to how resilient some of these supply chains and industries are.

Just a comment about that.

MR. LUDLOW: Yeah. Thank you very much, Eduardo. I think we do need to take into account those maquila and supply chain disruptions and how that impacted things. And I couldn't agree with you more, I think we're all so sick and tired of talking about COVID.

I think the benefit at this point is talking about what we learned and what we can expect in the future if there are other disruptions and being prepared for those as we move forward. But we thank you very much.

Sam, it looks like you are ready to say something.

MR. VALE: Yes. We need to start paying attention to some of these federal laws that are going to affect seaports, land ports, airports, that will affect everything from aggregates all the way up to steel production and heavy equipment that we all need to build roads and to build facilities. There's some strange things being brought up and it certainly isn't from border states, it's coming from other areas.

So I would suggest that we have some people take a look at that because it can very much affect the
cost of doing business in ports-of-entry states. I don't want to get into details now but there is and I could send some later -- but they're adding some language and we're talking to our congressman and all to get it out because it would really harm ports of entry, seaports included.

MR. LUDLOW: Thank you, Sam. Great comments.

Dante Galeazzi had asked to make some comments.

Dante, please.

MR. GALEAZZI: Donald, thank you. By the way, fantastic presentation. I think that data is great.

A couple of points I did want to touch on. One is, a lot of policies that I think went to those numbers that you presented, you know, whether it was here at the State of Texas or at the federal level. For example, the exemptions for transportation, being able to extend hours, being able to waive on ELD trucking requirements, fuel usage. All of those types of policies were very important to how we saw supply chains either be resilient, react or fail, and so I think policy incorporation into that data is important for us to understand.

One of the small issues that we saw that came up again and again was the movement of people across the border, right, identifying essential workers, how do you clarify essential workers, how do we communicate between CBP and DHS and the entities in Mexico essential workers,
and the difference of essential workers between countries. That was tremendously important, created a whole lot of headaches in the middle of the pandemic, but it did get addressed. And I think that was something that taught us an important message about, hey, we've got to make sure that as we're talking about moving products, how do we move people.

Natural disasters. We had a hurricane in 2020, as if we didn't have enough problems already. That was huge, caused a whole lot of problems, especially here in the Valley.

And then finally one last comment is these supply chain disruptions that you were talking about, especially towards the end of the presentation. Holy cow, they have just created these tremendous additional costs to doing business that have spilled over into 2021.

You know, you pointed out the value of fruits and vegetables crossing the border. Yeah, there were some more shipments that crossed but unfortunately there was also a lot more costs involved with bringing those products across, right. The cost of lumber is more, the cost of fuel is more, labor is incredibly expensive and short.

Now we have a pending shortage on cardboard, on plastic resin, on chemicals, on a million other materials.
I realize that's specific to my industry, but I have to assume that some of the others in the manufacturing industries on this call also are experiencing those challenges.

So you know, it's fantastic to see those numbers but I think as we dig in there, man, there's a world of problems that our supply chain just still hasn't bounced back from. And I think our supply chain is really going to be challenged over the course of the next 18 months to figure out, okay, what caused this, how do we address it, and more importantly, how do we prevent it in future situations that are similar to this.

But, Donald, again thank you, excellent summary, love the numbers, love the story to go with them. Thank you.

MR. LUDLOW: Thank you, Dante. Thanks for those great insights. I think, you know, that a really important story is the cost and the competitiveness impacts that we've seen, just the dramatic rise in those logistics costs which are impacting trade and the bottom line of the businesses that depend on it. Thank you.

Are there other questions or comments about this material? And especially, what does this mean for us going forward? How can we be a more resilient border in the future based on what we felt and saw in 2020?
MR. SCHWEBEL: Donald, this is Gerry, Gerry Schwebel.

MR. LUDLOW: Thanks, Gerry. Go ahead.

MR. SCHWEBEL: I have a few observations. Good presentation however.

We realized early on that this document could become a very powerful document. It could be a weapon of defense or a weapon of attack, you know, from our standpoint of making sure we educate everyone on what the significance of the border is, and you've done a very good job of laying out a lot of facts. We're looking forward to it, and how we disseminate the facts that are in this report and how they're going to be used politically, as well as, you know, the media will portray it.

I am one of those that does not subscribe to the fact that once the restrictions are lifted that everything will be back to normal. I am very concerned that once the restrictions are lifted the process may take longer than many of us think it will, it should.

We've created a culture over the last 14 months of not allowing our friends from the Mexican side to come over because we consider them a threat, whether it be for COVID or whatever other. And therefore, my concern with CBP is that we've created a culture in a lot of their inspectors that they'll be much more defensive and
cautious, because they've been doing it for 14 months or 15 months, as everyone is essential on the border.  

So it's up to us how we tell the story, that particular side of the story of these restrictions. We have elements to consider. SMEs, basically many of them have disappeared. They don't file for bankruptcy, they just fade away.  

So how long it will take for many of the SMEs, I don't care if they're restaurants or whatever service providers aren't going to be there. It will take them a long time, you know, some time to come back.  

The other thing that I think we all need to worry about now is the disruption side. And I do agree with many of the comments that have been made on national disasters, but we have some new disruptions to our supply chain. There's a political disruption.  

We've had ongoing blockades as a mechanism on our ports of entry, our bridges, you know, from our friends from Mexico because they think they want to make a political statement, and we still do not have proper protocols and processes of how we react to that. Everybody requests that somebody else solve that problem. We all have challenges of the growth in trade would put more strains on personnel at our ports of entry on both sides of the border.
Just last night in Laredo, Texas, I drove back at nine o'clock. Southbound traffic into Mexico was lined up for miles because the SAT systems, the S-A-T systems tend to be going down more often. Those are disruptors that has to be ongoing issues impacting our processes.

CBP dialogue, private sector dialogue with CBP, also we've gotten away from that. I think somewhere along the line we need to incorporate that into a successful strategy of our plan of whatever works for our supply chains, that there has to be ongoing dialogue between CBP and all stakeholders. Not just those that are related to the trade but all stakeholders, the chambers and the economic development groups, even MGOs need to understand.

I'm worried that we have empowered our friends from CBP because the numbers are so great that whatever they say is the only way to do business. And I think we need to go back to the days when there was ongoing quarterly meetings with all the stakeholders and making sure that all of us are part of one integral economy, not one but all of us together for the border economy that has been devastated by these restrictions.

All of that I'm concerned about -- you know, the politics of NAFTA, the USMCA, that what we build up that we live off trucks and rail and that any disruptions to the jobs related to that process of supply chain
impacts our economy at the border tremendously. I am positive -- I feel positive that through this BTMP, we'll tell a better story to all about what the border is all about but what the needs of the border are.

And therefore, when we look at infrastructure challenges, you know, infrastructure has never been ahead of trade. We're always catching up, and therefore, we need to stay focused that we don't fight against each other but we fight together for what the border adds to the State of Texas.

So I want to make sure that any gaps that are there as a result of this increased volume of activity that we all have seen on the trade side, which is great, but also that we don't become -- the border cities do not become just passing towns, but they also become cities that bring economic vitality to the State of Texas.

Let's remember -- and Dante, I think, alluded to it very well -- food or agriculture sector, oil and energy drive our economy. And for us how we get those products between the consumer and the manufacturer to our tables or to our homes rests on the supply chains. And if we do not work hand-in-hand on making sure that supply chain is strengthened, not challenged or weakened because of policies.

So I just want to put that on the table for
everyone to consider and keep that in mind as we look at
how we're going to go out there and present this plan with
those challenges that I've just alluded to.

MR. LUDLOW: Thank you very much, Gerry. Those
are all great thoughts.

Earlier in the presentation I mentioned that we
could be hopeful to expect a rebound on the passenger, the
pedestrian, the passenger car side. And I think that you
have brought some very valid concern as to the ability for
us to rebound as quickly on the people side as we have on
the trade side and as we will continue to on the trade
side.

And so it sounds like you believe that the
restrictions and the culture that has been put into place
are going to make it more difficult, and I think that's a
very valid concern. And you've also outlined some great
steps related to coordination and other things that we
need to keep in mind during this period, especially to try
to protect the economies and the livelihoods of the border
cities.

MR. SCHWEBEL: I think the secretary of state
role and working together with TxDOT, I just hope that our
governor and lieutenant governor really pay attention to
what this information is being shared with them. Because
quite frankly, the attention that we get on the border is
not all positive. And therefore, this is a lot of good stuff, a lot of good positive stuff that adds value to our state, not takes away.

And I've been a strong supporter of our governor and lieutenant governor, but quite frankly, I also challenge them to really make sure they really truly understand how the border works and how we live on the border. And we're not all just drugs and illegal migrants, or migrants that are coming in here, that may help our economy in the long run if we just do it right.

MR. LUDLOW: Thank you very much, Gerry.

Caroline, I think we are probably out of time. Do you have any other closing comments or thoughts, or Secretary Hughes?

MS. MAYS: Just wanted to see first if there's any additional comments from any of the members before we take a quick five-minute break so we can get back on time. Any comments from the members? We did send this presentation yesterday.

David, you have a comment?

MR. CORONADO: Yeah, real quick. I'll make it brief, Caroline.

MS. MAYS: Okay, sure.

MR. CORONADO: Thank you. I'll make it brief because I know you want to get ahead of the schedule.
In El Paso, here at the city, we're tracking a lot of metrics in the city about performance and how we are doing the recovery. You know, in El Paso, at least as far as we're concerned in El Paso, trade here between Juarez and El Paso recovered in about June of 2020. With trade alone we saw a V-shaped recovery, or we saw a sharp decline for two or three months and then a sharp recovery, and then now essentially we're on par with pre-pandemic levels.

But when it comes to the unemployment rate, when it comes to the business cycle, sales in other industries, it's been a complete V-shaped recovery, it's a sharp decline, sharp recover. But it's halfway up, and now it's essentially stagnant. When it comes to the unemployment rate, you know, we're still at about 7-8 percent unemployment rate, not to where we were before the pandemic, of course, below 4 percent in El Paso.

And so there's different dynamics in different industries. When the pandemic first hit in March and April of 2020, there was only two industries in El Paso that saw an increase in activity, an increase in business to those industries, and that was food banks and home repair services.

You know, people were spending more time at home so they were spending more time investing in their
homes to repair, to paint, to do work in their yard, so
home repair services. And food banks, those folks that
had no employment, no income had to go to these services
to get support from the community. And so everything else
shut down. Right?

And then now we are seeing different dynamics.
Right? We're seeing really strong recovery in
restaurants and retail because of the vaccines now, but
we're still seeing a Nike-shaped recovery in industries
like movie theaters, you know, that's going to take a long
time to recover.

And when it comes to crossings -- in our
briefing later this morning we're going to brief you on
that as well -- but when it comes to crossings, in March
of this year because of the vaccines we are seeing a
surge, a really strong in crossings on the vehicle side.
As more U.S. folks are vaccinated they feel safer going to
Mexico, going to Juarez, catching up with appointments
with the doctor, with the dentist, going to grocery
stores, visiting relatives in Juarez, and so March was a
really strong month. So at least the dynamics in El Paso
are different.

I disagree with Gerry. I think actually,
personally, once the restrictions are lifted there is a
lot of pent-up demand for crossing to El Paso from
Mexicans and those that are visa holders. So I think there's going to be a burst in crossings once those restrictions are lifted.

But again, we'll see what happens. Right? Because this is the first time that we're dealing with this, the recession, balancing Juarez, the exchange rate, all these elements are essentially different shocks and all these impact the regions differently, and so when the restrictions are lifted we'll see what we end up seeing the data. We'll keep you posted as well.

So I just wanted to say that and I'll talk a little bit more about that in our update in the next agenda item. Thank you.

MS. MAYS: Thank you, David, for those comments. Yeah, we could have a discussion on this the entire meeting. There's a lot to discuss and appreciate the input from everybody.

So we'll take a few minutes break, take a five-minute break, and then come back and go into our next agenda item which is, again, very interesting, looking forward. The plan is completed, then what next.

So we'll actually take five minutes, not ten, so we can get back on time. So Francisco, it's five minutes, not ten. Thank you. We'll be back at 10:13, that's five.
(Whereupon, at 10:08 a.m., a brief recess was taken.)

MS. MAYS: Okay. We will get back started.

Francisco, can we put the next PowerPoint presentation so we can get started with the next agenda item?

MR. MEADOR: Caroline, this is Stan Meador. Can I make a quick comment?

MS. MAYS: Yes, Stan, sure.

MR. MEADOR: As we move into this next session on implementation and kind of going back for one second as we think about implementation part, you know, the value in this is the information. It's the data. It's the numbers that are behind the plan. And you know, God willing, we won't have another year quite as dramatic as 2020, but we do live in a dynamic age.

And so I guess my question -- and forgive me if I've forgotten or don't clearly understand, but I did just want to throw out to the group that we think about what's in place for keeping the data, the numbers relevant and current, right, as we move into other phases of the BTMP and not losing sight that that's going to be ever changing and how do we stay up with that.

You know, Donald did a great job of giving that overview of the differences in the last year, and while
that might normalize a little bit over time, it's still
going to continue to move all over the place. And that's
where the real value of this is. And so I just wanted to
kind of raise that and throw it out, and maybe that's a
better discussion for somewhere else in the presentation,
but that's just kind of been going through my mind here
this morning.

MS. MAYS: Yeah. No, no, Stan, that's
definitely a great comment. And as you've seen what we've
done, a quick turnaround on really updating the data and
sharing with you all the difference between 2019 and 2020,
that's our goal moving forward.

As we continue with the implementation, as data
becomes available, we will definitely have the ability to
analyze it and bring that back to you all. We have the
2020 census, that's coming up, so all of those we're going
to continue to do that periodically, come back to BTAC and
share any of the new data that we have that's relevant to
the work effort. Appreciate that.

Okay. So we'll move into the next agenda item.

We are moving full speed on trying to start implementing
some of the recommendations of the plan, so we have a
presentation today led by Juan Villa with TTI on the
Border Crossing Information System. Juan.

Juan, if you're speaking, we can't hear you.
MR. VILLA: Yeah. I was double-muted. Sorry.

Thank you, Caroline. I'll keep it short so we can be back on time.

So the next step is to expand the Border Crossing Information System. As we all saw during the Border Master Plan development, border wait times is a very important metric that we need to keep track. Next slide, please.

So just to remind everyone -- next one, please -- just to remind everyone, the current border wait time measurement system is based on RFID technology. We have four stations, two in Mexico and two on the U.S. side, and then we can measure what is called wait times as well as crossing times. The data is archived on the Border Crossing Information System website and you can actually have real time as well as archived or historical data on the website.

Next. So again, on the left side, you can see the real time information and then you can query the data and have historical data. You can download in an Excel spreadsheet or any other tool that you want to analyze the information.

Next one. So the expansion basically consists on moving towards the next border crossings that we have not implemented. You know, we have all these ones that
are shown in blue and then in pink with the POV, but we're going to concentrate, as requested by TxDOT, on the truck border crossings.

Next one. So again, these are the ones that we have that need to be implemented: Del Rio, Progreso, Rio Grande Camargo, Free Trade Bridge, Presidio Bridge, and Roma. So those are the ones that we're trying to implement as soon as possible. Usually it takes about six months to do the implementation, again using RFID technology.

You know, first step is to go to the site, just to make sure that what we have identified in the maps -- we have not been able to travel as frequently as needed due to COVID but I think now we can all visit the sites and finalize the plan, get the permits, procure the equipment and do the installation, and obviously modify the algorithms so we can have the border wait times and crossing times in the system.

Next one. So on the next slide we can see the program is basically taking eleven months for all these crossings, and also we'd like to discuss with you the importance of southbound border wait time measurements. We have also developed a plan for that, but I think we need to identify what the priority is, whether to continue with implementation of these crossings or work as well on
the southbound, as well. You know, southbound border wait
times, which will use the same technology.

And then finally, I just wanted to show in the
next slide we have worked with funding from CBP to move
the system into the cloud because information was getting
very slow to query, and now we have it on the cloud.
Every bridge has its own basically database where we can
go and check it out.

Next slide, please. So this is how the cloud
system is working now. We're just waiting to update all
the files, upload the information. Again, this system was
implemented in some cases more than ten years ago,
probably 15 years ago, so there's a lot of data available
in the system.

So I think that's all I have, Caroline. I
mean, we can discuss what's needed. This is how the
system is going to look on the new website.

MS. MAYS: Great, Juan. And questions or
comments from BTAC?

Again, I think Juan mentioned in the beginning
of his presentation, if you all remember the analysis we
did with border wait times, this was one of the data
sources we used, CBP data, BCIS data, as well as INRIX and
other data sources. But as Juan mentioned, the limitation
is that we have it at not all our border crossings.
So the first phase we're looking to do is to expand it to all the commercial vehicle border crossings. And then the next phase is essentially have all the border crossings implemented with this technology to be able to collect better wait time and crossing time data.

Questions, comments from committee members?

MR. CALVO: Caroline, this is Eduardo. I think it is amazing. It's a great initiative. Because if you remember, one of the things that we were discussing as we were developing the Border Master Plan is not having a consistent source of good information throughout the border with all crossings.

So this is going to allow us to have that now, to be able to track the total crossing time much better. So this is a great initiative. I'm so happy to hear that happening so quickly.

MS. MAYS: Yes. Thank you. We listen to you all and the Border Master Plan, I think Gerry mentioned, is really helping us. We were able to identify some of these needs and quickly start addressing the ones that we know certainly we can address fairly quickly and this is really one of them. And we have TTI doing it and we actually had some discussion with them already. So yeah, we're very happy about that.

And to your point, the data piece, the
consistency of the data, when we did the Border Master Plan we spent a lot of time chasing different data sets and how to fill in the gaps, so this is going to be a great tool moving forward.

MR. CALVO: Excellent. Thank you.

MR. VILLA: I would like to add also that we are also investigating other technologies. We developed what we call the Hybrid Border Wait Time Measurement System, which includes not only RFID but also Bluetooth and GPS data. So again, we don't have limitations of the end of the queue being in a fixed location.

So that's something we're working on, Eduardo and everyone else. So hopefully we can test it in El Paso and then hopefully we can implement it in the other crossings.

MR. CALVO: Great. Yeah, and also the other comment related to that is, you know, one thing is having the data, collecting it and being able to analyze it, but also find ways that we can improve disseminating that information in real time. Because, you know, that is one of the very valuable outcomes of a system like this. So, you know, I'm not really sure how this is going to be developed and communicated to the users.

MS. MAYS: Yeah.

MR. VILLA: I think --
MS. MAYS: Go ahead, Juan.

MR. VILLA: No, go ahead, Caroline.

MS. MAYS: No. I'm saying that, you know, one, definitely, Eduardo, we're trying to get to a system that can collect that data. And TTI already have a system to analyze the data and to plot from where that data is actually available in real time, and right now it's actually shared. Juan, you could talk about that.

But I think it's broadly, like you said, how do we expand it in a platform whereby the users of the system can actually get that information. I think that's another layer of what we're going to be working on and trying to see that moving forward.

Juan.

MR. VILLA: Yes, Caroline. And that's why this moving the data to the cloud is going to be really helpful, because as I mentioned, it was getting very slow to query the data. And again, this will allow us also to move to a map, probably, on your phone so you can have the information readily available once it's in the cloud, and also, you know, not only have the data but some analysis of the data.

And we have another task under our current IEC to develop the information hub where you can have all the information and charts, graphics readily available for
your analysis.

    MR. CALVO: Thank you.

    MS. MAYS: You're welcome.

Any other questions for Juan on this from
committee members?

    MR. CORONADO: Yeah. This is David Coronado
with the City of El Paso.

    So Juan, great news. We're excited to hear
this. Let's you and I talk with also Rafael Aldrete and
the rest of your team at TTI to see how we can work on
this together.

    You know, we are working right now on
developing the project for ITS at BOTA and Zaragoza. And
so I think it's going to definitely complement our efforts
and we should definitely tag team and see how we can
complete the system on both sides of the border, perhaps
if we have to bring in the RMA to do that as well with the
funding that we have.

    And so this is fantastic news, you know, happy
to hear this. And you know, if you'd like to also join us
at our next Bridges Steering Committee next month so we
can also brief them on these efforts, on your efforts and
the team, we're happy to have you as our guest in our
meeting. So thank you.

    MR. VILLA: Thank you, David, and yes, we can
coordinate with Rafa and with Swapnil, and we can
participate in the meeting and show you the new system.

    MR. SCHWEBEL: Juan, this is Gerry. I have a
question, Juan.

    Have you all looked at the ports of entry also,
those that have cameras and the flashing of the cameras
and the time period between the flashing of the cameras,
and is there any relation between what the RFID
transponders do in regards to measuring those flashes or
those picture-takings?

    MR. VILLA: Yes, Gerry. We actually, as I
mentioned, analyzed all the technologies because, again,
we acknowledged that the fixed location is not the best,
especially in some of these crossings where it's very
dynamic where the end of the queue is located. And the
system includes also what we call ALPRs, automated license
plate readers, where we can identify the license plate and
then we can measure what time it was crossing through that
particular point.

    Through a combination of GPS, the ALPRs,
Bluetooth and the RFID, we can provide more accurate
border wait times. And again, we're piloting -- hopefully
we can pilot these projects soon and then we can, again,
measure the border wait times, border crossing times.

    And working also with other agencies. For
example, CDP has ALPRs already at each crossing for both POV and trucks so we can use those. We don't have to reinvent the wheel. And also working with the Mexican authorities with Aduanas because they also have information or at least a location where we can implement those devices.

MS. MAYS: Okay, thanks.

Any other comments from any of the committee members for Juan? We're excited about this, as you can see, so really looking forward to it.


(Speaking Spanish).

MR. VILLA: We are also trying to move southbound, you know. We're working with Caroline and her team to define priorities. Right now we're thinking of implementing the six that we're missing for northbound and then we can start moving southbound.

It's relatively easier because we don't need to separate between trucks and non-trucks for southbound, so that way we can have a much better -- I mean, an easier, cheaper way to install the equipment and also to operate and maintain. So we can discuss with you to see how we can coordinate with Aduanas because obviously one of the systems should be implemented at that facilities.

MS. GARCIA: Gracias.
MR. VILLA: (Speaking Spanish).

MS. MAYS: We can certainly follow up with you on this, but as Juan mentioned, our first priority is to implement the northbound. But certainly, if you remember during the BTMP development, again, southbound data was a big challenge for us to be able to analyze that. So definitely working with you all with that and other agencies to look at how we collaborate and implement southbound as well. So thank you.

Juan, thank you. We will move to the next agenda item. We'll definitely have you back to the committee and update them as we move forward, and then also definitely David has extended the olive branch to work with El Paso.

MR. VILLA: Thank you, Caroline, and thanks everyone. And especially Secretary Hughes, mucha suerte, all the best, and thanks for your cooperation. Bye.

MS. MAYS: Okay. So we will go to our next agenda item. Again, this is titled the Implementation of the Border Master Plan.

If you all remember, especially Sam and the folks from Laredo and from RGV, east-west connectivity between the RGV and Laredo, and really US 83 is a major corridor, but unfortunately it's not the most feasible corridor. So we have started discussions, and the
consultant that's going to help us do this, working with the two districts, will present just a quick snippet of what we're going to be looking at and kind of what are some of the issues in that corridor.

So please take it over. Who is presenting?

MR. LINDSEY: I apologize, Caroline. It's Steve Lindsey. Can you hear me now?

MS. MAYS: Yes, we can hear you now, Steve.

MR. LINDSEY: All right. Well, thank you so much. Appreciate the opportunity today and appreciate the opportunity to listen in to the great discussion.

As Caroline mentioned, we're getting ready to start on the proposed US 83 feasibility study. And if you can go to the next slide for me.

So our feasibility study is along US 83. It's the result of the Texas-Mexico Border Transportation Master Plan recommendation to improve east-west connectivity. And so this feasibility study would extend approximately 130 miles between the terminus of I-2 west of Palmview to I-35 in Laredo.

There are five border crossings along these limits and several others nearby at either end. The corridor provides the primary connection between the Rio Grande Valley and Laredo, and it's also part of the Texas Highway Freight Network, the Strategic Highway Network,
and is a hurricane evacuation route.

So in the coming slides we're going to present the purpose of the study, the approach, the timeline for completing the feasibility study, as well as some background information on safety and capacity conditions along US 83 within the proposed study limits. And we'll obviously be doing a much more in-depth analysis during the study which will result in some refined statistics.

So what's the purpose of the feasibility study?

It's to formulate a phased program of short, mid- and long-term projects that are going to improve east-west connectivity as recommended in the Texas-Mexico Border Transportation Master Plan: enhance corridor safety by developing improvements and policies that decrease the likelihood of crashes and increase the opportunity for motorists to recover from driver error and react to unforeseen hazards; relieve congestion by expanding capacity and improving corridor mobility; and provide consistency with the Texas Freight Mobility Plan and Strategic Highway Safety Plan, as well as support border community development plans and economic opportunities.

Next slide, please. So this slide outlines the general approach we will take to conduct the US 83 feasibility study. Our first step will be to conduct traffic safety analyses to identify existing and
forecasted transportation problems related to safety, congestion, freight mobility, connectivity, system continuity that meets driver expectations, infrastructure deterioration, and geometric designs that do not meet current standards.

Our next step is going to be to define the purpose and need for improving US 83 and also characterize our environmental setting of the study corridor, including the identification of environmental constraints.

Next we'll develop and screen short, mid- and long-term transportation solutions, including non-engineering safety strategies that are policy-related and conceptual layouts of engineering infrastructure improvements at a planning level of detail using specified performance measures. We'll also establish the project limits based on logical termini, independent utility, and reasonable project scale considering estimated costs.

We'll formulate a phased and prioritized program development and funding plan, applying appropriate corridor evaluation tools and project prioritization metrics, and identifying foreseeable funding and financing sources and strategies. And throughout the entire study process we will be conducting stakeholder and public involvement, incorporating stakeholder input to identify transportation related problems, project goals, sensitive
environmental and community features, and inform the
development and refinement of the transportation solutions.

We're anticipating an 18- to 20-month timeline to complete the feasibility study tasks that include understanding those transportation problems that exist within the study corridor, developing and screening the transportation solutions, formulating a program of projects, and preparing a prioritized program development and funding plan that engages the stakeholders and the public throughout the process.

On this slide you'll see we're presenting the US 83 crash rates compared to the statewide average crash rates. The portion of US 83 colored in red is where crash rates exceed the statewide average for similar roadway types, and the portion in green indicates where the crash rates are below the statewide average.

You can see that approximately 50 percent of the corridor exceeds the statewide average crash rate, and the crash rate in Laredo is more than twice the statewide average. Also, nearly 7 percent of all the crashes along the corridor involve trucks.

And this slide is focusing in on the severe crash locations along US 83 that occurred between 2015 and 2019. In the most left-hand graphic you can see there
were 22 crashes that resulted in a fatality along this stretch of US 83, and those crashes were clustered around the Rio Grande Valley area from the I-2 terminus west of Palmview to Roma and from Rio Bravo to Laredo. In the middle section you can see that there were over 100 incapacitating injury crashes that were clustered similarly along US 83, as well as in Zapata.

And on the far right side, there were approximately 450 non-incapacitating injury crashes that were more widespread throughout the corridor. In addition, there were many other non-severe injury crashes that occurred which were not quantified for this presentation. But all crashes, no matter how severe, are impacting people's lives, resulting in property damage, and do have a monetary cost.

This slide depicts the existing and forecasted level of service along the corridor. A level of service is a measure of congestion where A is free flow and F is the most congested. As you can see, capacity and congestion issues primarily extend between I-2 and Roma and also in Laredo.

If no improvements are made to US 83, then congestion is expected to continue to increase beyond 2039, which may cause what you see on the map to further deteriorate. And when you compare the crash maps that we
looked at previously with these congestion maps, it's very apparent that where you have the most congestion, we're also seeing the highest crash rates and the most severe crashes.

And to wrap up the presentation, we'd really like to take this opportunity to obtain your feedback and input on the following questions before we begin.

Number one, what are the transportation needs along US 83? Number two, are there any key issues and concerns you want to see addressed. And finally, what outcomes should the feasibility study generate?

And Caroline, with that, I'd be happy to help answer any questions or turn it back over to you.

MS. MAYS: Yeah, Steve. Thank you for the presentation.

I'll turn it to BTAC members. One, reaction to what Steve just presented, but two, to some of his questions. Again, this is not your only opportunity to provide input on those questions, but just a first reaction so that when we're going into crafting the scope and the study that we kind of have an idea, hearing from you. The consulting team were not part of the BTMP, so they didn't hear a lot of what we heard.

But certainly want to give you a few minutes to do that. I know we have a lot of RGV and Laredo folks on
the line, and don't make me pick on a couple of you.

MR. GALEAZZI: Caroline, this is Dante Galeazzi. I'd like to kick it off if I can.

MS. MAYS: Sure.

MR. GALEAZZI: So Steve, great presentation. Very surprising the number of accidents at first glance, but then as we sit here and think about it, I think initially one of the transportation needs along that connector between the RGV and Laredo is that we need a thruway or we need an opportunity for trucks to be able to travel, you know, 55 to 65 miles per hour from one region to the other without having to stop. And right now what they're having to do is, through that region, they're having to pass through a series of small towns.

And for those of us who live down here and have to make that trip occasionally, I can also tell you that there is a heavy presence of law enforcement there. So even small mistakes are -- I don't know that "caught" is the right word, but I think that there is a lot of challenges there in being able to figure out, how are we going to move cargo and people between those two destination points with minimal inhabitants. And I think right now, based on those stats you showed us, that's clearly the challenge.

All those stop lights, passing through the
cities, it does not make for good transportation of cargo, and I think those accidents are really speaking to that. So I think the transportation need there is, how do we move trucks and people from one region to the other without those accidents.

You know, the other key issue is the travel time, right? I think right now, let's just say from Mission, Texas, where my office is, to Laredo, the bridge, I think it takes about three hours and 15 minutes. And you know, if you're traveling 65 miles per hour, that trip should be closer to two hours, maybe two and a half, I think, really.

So you know, obviously drawing down on that transportation time would create a tremendous amount of efficiency, especially specific to my industry, if we have fresh produce crossing in Laredo and the truck also needs to pick up in RGV. That half an hour, 45 minutes is a tremendous time savings and cost savings for the fresh produce.

So just a few initial comments.

MR. LINDSEY: Excellent points. Thank you so much.

MR. GARCIA: Caroline, this is Teclo Garcia, director economic development, City of Laredo.

MS. MAYS: Okay. Go ahead, Teclo.
MR. GARCIA: Thanks for calling me out, Caroline, really appreciate it.

I want to reiterate what Mr. Galeazzi said about time being of the essence and having sort of unimpeded transportation between the Valley and Laredo. There's a lot more connection there than people think, you know.

Produce is one. There's empty trailers that go back and forth. There's a lot of reasons for that travel, but as the presentation just showed, when 83 is in Laredo, it's very congested because of the population density, because of schools there on Business 83.

It sort of highlights the need for us, not just TxDOT, but for us locally as well, to make the loop around Laredo a priority so these trucks that are trying to get to North Laredo where the vast majority of our industrial sector is, so they don't have to go through Laredo to get to the north part. And so I think we probably should find out how much of a priority, how fast do we need to try to get this loop going.

And TxDOT has done a wonderful job on the planning so far, and locally we're trying to support that, but obviously that's a huge need for us.

MR. LINDSEY: Yes, sir, absolutely.

I'm sorry. Go ahead, Caroline.
MS. MAYS: No, that's okay. I was just thanking Teclo.

Go ahead, Steve.

MR. LINDSEY: I was going to say part of our mission will be to help prioritize some of those improvements, and certainly we'll be looking at the congestion and the crashes and all the other factors involved to help us do that.

MR. GARCIA: Thank you.

MS. MAYS: Any other comments?

MR. LINDSEY: I think there was one question in the chat about why we're using 2019 data. And I think the quick answer to that is that was the last year of data we had pre-COVID where we have the most confidence of a typical traffic year, and so that's why we presented it in this presentation.

MS. MAYS: Okay. No comments from anybody? I don't want to call on anybody. I didn't call on you, Teclo, I just said Laredo, so I didn't technically call your name.

We have several people from RGV, and if there are no comments, again, this is just our first opportunity to --

MR. CAMPIRANO: Caroline?

MS. MAYS: Yes.
MR. CAMPIRANO: This is Eddie at the Port of Brownsville. Don't need to have an answer now, but obviously seeing the connectivity all the way from Laredo to the port, we're seeing increased usage and connectivity to Laredo and all of the bridge crossings in the Valley as well, so I'm sure that will be something that's looked at. I know the MPO is looking at some improvements, but I'm sure all of that will be looked at in the entire piece of connectivity.

MS. MAYS: Yes, absolutely, absolutely. Thank you for that comment, Eddie.

Okay. So I was mentioning that this is kind of our first opportunity to just let you know that we're in the process of working on developing and executing the scope and then moving forward with the actual study. You all will be involved in that.

We're going to have extensive stakeholder outreach as we move along to really help dive into some of these questions that we have here but also your thoughts on the strategies moving forward, so this is going to be several months worth of work. I don't want to say, you know, 24 or 18 months, but we're working on all those details and we'll share with you once we have it.

So appreciate, Steve, and your team for pulling this so quickly and being able to share with BTAC. So
thank you, BTAC, also for your feedback on this.

We're going to move quickly to -- the next corridor we're looking at is US 57. And this also was born out of the Border Master Plan, but also we had Representative Morales approach TxDOT about this corridor as well. This is from Eagle Pass, US 57 is from Eagle Pass to I-35.

And if you remember some of the comments that have been made continuously, that Eagle Pass and Del Rio are kind of the two border crossings that don't have direct access to the interstate, but again, the main goal here is to look at this corridor and see what the needs are, like we're looking at US 83.

So Steve Linhart with TxDOT is going to present that. Can you go over that quickly?

MR. LINHART: Yes. Good morning. This is Steve Linhart. I'm a project development manager with TxDOT's Transportation Planning and Programming Division.

If you'd go to the next slide, please.

So just an overview of US 57. As Caroline mentioned, this connects Interstate 35 with Eagle Pass. It's approximately 100 miles in length. It's a predominantly rural highway, two lanes, with some passing opportunities, so like super 2 highways.

It's located in Maverick, Zavala, and Frio
counties, in the Laredo and the San Antonio districts. This corridor is also on the Texas Highway Freight Network, as well as the Energy Sector Corridor Network. Tying in with Steve's presentation before, US 57 intersects US 83 in the town of La Prior.

We're just starting our initial scoping discussions on this corridor. We hosted an initial coordination call last week with the Laredo and the San Antonio districts, and we're planning to look at contracting with a consultant over this summer with the study beginning in the early fall.

Next slide.

Go ahead, Caroline.

MS. MAYS: I was just going to say, similar to the questions we asked of the committee on US 83, it's pretty much the same here. And again, the other one was Laredo and Pharr districts; this is Laredo and San Antonio districts. So you can kind of see a lot of the studies and things we're doing really is multiple districts involved as well as, you know, Austin involved.

So Steve, go ahead. So any questions? Or at least answer these questions or comments.

MR. LINHART: Great. So if there's any insights that the committee members have with regard to this corridor, I'd like to get your insights captured here
as we start developing our scope of services and making sure that we identify what the potential outcome for this corridor feasibility study would be. And if you're aware of any certain areas of concern along the corridor, that would be great to note at this time. Again, this is the first opportunity.

MR. BALDERAS: Hello. Good morning. This is Homero Balderas. I am the City of Eagle Pass International Bridge System director.

And pretty much, obviously, as Caroline mentioned, us and Del Rio are the few ports that don't have direct connectivity to an interstate highway. So we definitely want to see those improvements on US 57 to facilitate not only POV traffic but commercial traffic to its access to Interstate I-35.

At the moment we don't have specific requests on our end, but that's something that we'll definitely get with our leadership and see if there's any specific requests they would like to make, and we would follow up the information up the ladder.

Thank you.

MS. MAYS: Okay. Thank you very much, Homero. Any other comments on this?

MR. ZAPATA: Caroline, this is David Zapata.

MS. MAYS: Yes, David.
MR. ZAPATA: I just had a question, just kind of a point of interest as you guys continue the research on US 57 because, again, just to find out what's the relationship, if any. Because as you may know, I think Coahuila is one of the main suppliers/providers of auto parts for the U.S. as part of that industry's supply chain. So it will be interesting for this corridor to see how much of it goes through US 57 going to 35.

And then on that same thought process, the beer industry, Constellation Brands, it's in Nava which is kind of like closer to Piedras Negras/Eagle Pass. And again, I'd kind of like see the relationship, as you do these studies, about how much of that production crosses through this portion of highway that's going to be needed.

Again, just things to keep in mind about how much this highway may benefit Texas just by being part of such key supply chain lines, so I just wanted to keep those thoughts for consideration.

MS. MAYS: Absolutely, those are good points. As we do the study, we'll look at certain cross-border movement and how that impacts that corridor, definitely look at what's crossing at Eagle Pass, the key commodities, how much and what's moving by highway versus rail or other modes and how much of that is moving through this corridor. So we'll be looking at all of those like
we've done with all of our corridor studies.

But also with the BTMP when we looked at the corridors, we're looking at different elements to be able to understand, one, the characteristics of the corridor but also what's influencing the corridor, not just today but also in the future.

MR. GARCIA: Caroline, this is Teclo Garcia again.

57 is not directly connected to Laredo but very important for this region. It does help Eagle Pass, obviously, in any sort of way that it would be improved, as David mentioned for those obvious reasons. But there's a lot of connectivity between Laredo and Eagle Pass, and a better 57 would definitely be better for Laredo as well, as we both continue to send product back and forth from our ports and also to San Antonio.

So Mayor Saenz is very bullish on 57, and then obviously the Ports to Plains which sort of interconnects with 57 going north.

Thank you.

MS. MAYS: Thank you for those comments, appreciate it.

Okay. Any last comments before we move to the next agenda item?

(No response.)
MS. MAYS: Okay. Steve, thank you very much for presenting. Like I mentioned with the US 83, we'll continue to come back to BTAC, you know, as we launch the studies. So as Steve mentioned, probably later on in the fall we'll come back to you for your input, but also those that are in this region definitely you'll be part of the stakeholder engagement to hear your feedback on just not identifying the needs but also the strategies moving forward.

So thank you, Steve, and thanks, committee members, for your input.

So we'll move into the next agenda item, and I will actually turn this over to Aisa to introduce our next set of speakers for the regional discussions.

Aisa.

MS. SHOWERY: Thank you, Caroline, and thank you again for everyone's input and comments on all the corridor studies.

I just wanted to give a quick shout-out to our district engineers in the room. We have the Pharr District engineer, Pete. We have also the Laredo District engineer, David. And then we also have the El Paso District engineer, Tomas. And thank you for joining us.

And so we're going to kick off our regional presentations with Teclo Garcia, the director of economic
development for the City of Laredo, and he is representing Mayor Saenz for this presentation.

Teclo. You're muted, Teclo.

MR. GARCIA: Sorry about that. Well, you just missed your welcome, I just welcomed you to the group. Thank you for being here, appreciate the work you're doing.

Again, Caroline, thank you for your work and what you do and for having us here.

I will be brief. I know we're always on a time schedule here so I'll get right to it on the Port of Laredo. I want to express again, Mayor Saenz is sorry he couldn't be here today, obviously this group means a lot to him, but like I said, let's get right to it.

So let me just start by saying Port of Laredo means a lot to Texas, so I'm going to be talking about Port of Laredo but in the context of how it matters regionally and what we can do for Texas.

Laredo, as you can see here, is the number one land port of entry in North America. Number one for exports in the U.S., the number four port overall in 2020, number three right now in terms of valuation of goods moved. So those numbers are good, but that's not why we exist.

The ranking is just a byproduct of what we're
doing here, and that is adding capacity to Texas's trade. Laredo is not a manufacturing center. What it is, however, is a very strategically located transit and distribution and processing hub for Mexico and Texas. It's located on the I-35 corridor, and it's been in the trade business since its founding in 1755. Currently right now about more than one-third of our workforce is in logistics. So that's what we do, and that's what we do not just for Laredo but for the state.

Next slide, please. As you can see, nearly 60 percent of all Texas-Mexico trade is handled by the Port of Laredo. We've had $200 billion in trade for three straight years. Generally speaking, we do about $70 billion more trade than the Port of Houston does on an annual basis.

We've got about 5 million trucks that cross every year, but keep in mind, these numbers are what feed Texas or what feed Monterrey and Saltillo and the auto corridor from San Luis Potosi up to Saltillo and Monterrey and so forth. Here in Laredo the port has about -- this is according to the Comptroller -- about 474,000 direct and indirect employment impact in Texas and about a $72 billion GDP. Right?

So again, this is what we do for the state and the country: we move goods and we're adding capacity and
jobs to both sides of the border. The trade that goes 
back and forth here in Laredo, like other ports, is 
amazing.

Just to give you an idea of how varied it is, 
about 50 percent of the trade that happens here in Laredo 
is auto content, whether it be new cars, whether it be 
auto parts, seats, batteries, alternators, plastics, 
wiring, whatever that might be, it goes through here. 
That other 50 percent is a huge range, anywhere from gold, 
you know, commodities, corn. We're the number one 
exporter of fuel going south.

And then we also do produce as well. We're the 
second leading produce port in the country, right next to 
our friends in Pharr. We're about at $4.2 billion in 
counting.

But I just want to give you example of this 
sort of role that Texas and Laredo plays in the regional 
and national economy for something as simple as Lego, the 
Lego blocks. Their manufacturing center in Monterrey 
recently doubled in size. They have about 6,000 employees 
and all their Legos for North America and South America 
are made in Monterrey.

They're normally crossed over through Laredo by 
truck and then sent to Memphis and Dallas-Fort Worth for 
distribution around the U.S. and the Americas. So next
time you step on a Lego, you have kids or grandkids, and it hurts, think about Laredo as facilitating that sale.

Next slide, please. So in order to facilitate this trade for Texas and the country, there are some important trade assets that Laredo has. Four international bridges, and we're in the works of expanding the World Trade Bridge which is our busiest bridge and handles about 6- to 7,000 trucks a day. We have one rail bridge, and then KC Southern is in the process of building another span to their rail bridge.

Laredo International Airport is about the fifth or sixth busiest cargo airport to Mexico and it's in the midst of about a $200 million expansion. Right now we have about 25 to 40 cargo flights a day arrivals and about 80 altogether for freight operations. And then our friends at UP and KCS both have intermodal facilities here in Laredo. All extremely important to moving goods throughout Texas, to the Port of Houston, to DFW, to San Antonio, and all the other trade nodes in Texas.

Next slide. There's about two dozen Fortune 500 companies that have major presence in Laredo, including UPS and FedEx and KC Southern and UP and many others that do business here.

So on this particular slide I'm talking about the cold storage and produce investments that we've had in
the last couple of years. There's about 26 cold storage facilities in Laredo. We've had about $100 million in produce investment in the last couple of years, and then we've had about close to half a billion dollars in distribution and warehouse construction in the last five years.

Thank you, TxDOT and the commissioners and the legislature for being able to invest about $500 million in ongoing projects currently here in the district, and we certainly appreciate that to try to handle our capacity issues.

So we continue to try to meet the challenge that Texas and the country and Mexico provides us. There are some challenges going forward, there's no doubt about it. One is human capital. Some of you were talking about it earlier.

We don't have enough drivers, and when I say we, this sector, Texas. You know, we know of many cases where transportation companies are flying drivers down from the Midwest to pick up vehicles to drive them back to the Midwest. Any given day unscientific survey by myself shows that there's anywhere from 300 to 500 CDL openings in the Laredo area. I mean, that kind of gives you an idea of how many drivers that we're short of just in our area, much less DFW or Houston or something like that.
Obviously, the chip shortage, technology has impeded and disrupted the supply chain, the manufacturing business in Mexico. So you've seen a little bit of that in terms of less imports, especially in the auto sector, but those chips and that technology are important to just about every sector. Anything that is a smart appliance or a smart phone, obviously that's going to be impacted somehow, and you're beginning to see that.

The Monterrey and Saltillo areas are major manufacturers of large appliances that come to the U.S. And obviously phones and computer boards and other things that move across the border need chips, and definitely the auto industry. So we have to keep an eye on that and keep pushing to find more production of those chips.

Real estate is an issue here in Laredo. We're trying to build as fast as we can. The private sector here is awesome. They've really, really worked hard to provide more space, more square footage for warehouses, not just cold storage but dry dock as well, but we're at one percent vacancy, which is good but not really good for business. So we're trying to expand as fast as we can.

Lastly, the trade environment. It was talked about before. Gerry brought up some really good points about watching certain things that happen in D.C., but as well, the USMCA trade accord, that is coming to fruition.
in all sorts of ways but there's challenges there. In addition to outside of the USMCA, obviously there's trade wars with China and there's other things that we have to watch, but that's always a challenge in a place like Laredo.

But again, Laredo has great numbers and we're doing a lot of work here but we do it as a service to Texas, to the region and the country. That's why we exist here.

And I welcome any questions. I know we're short on time, Aisa, but that concludes my presentation.

MS. SHOWERY: Thank you, Teclo.

Are there any questions? We have room for one question since we are running behind schedule quite a bit.

MR. GARCIA: I saw a comment from Mr. Schwebel, and he's right, I did not mention the plans for a fifth bridge. And I did mention that we're adding another span in the World Trade Bridge, which is our busiest bridge, but plans are underway for that fifth bridge. Correct.

Thank you, Mr. Schwebel, appreciate it.

MS. SHOWERY: Thank you. If I don't hear any more questions, we're going to move on to our next presenter.

Thank you, Teclo, you did a great job.

MR. GARCIA: Appreciate it. Thank you.
MS. SHOWERY: Next we have Eduardo Calvo. He is the executive director and he's representing the El Paso Metropolitan Planning Organization. And take it away, Mr. Calvo.

MR. CALVO: Thank you, Aisa.

Actually, we're going to be doing a tag team here. David Coronado and Rafael Aldrete from TTI and David from the City of El Paso will be doing their own presentations, so on the next slide I was just going to introduce them, and if you could jump now to David's presentation. There we go.

Take it away, David.

MR. CORONADO: Thank you both.

Yes, let's go to the next slide. David Coronado with the City of El Paso International Bridges Department.

So I wanted to give you an update on what is happening. So the update from Donald was great and so this is a good segue into what we are seeing in El Paso here as far as crossings go.

So this is data for northbound crossings for vehicles, and I have pedestrians coming up next and also have cargo. And we're looking here at data going back to 2000, so the last 20-21 years of data, and this is monthly crossings. We do have applied here a six-month moving
average, so the patterns are easier to see here.

And so we see, like I said before earlier this morning, different events impact crossings differently. Right? So here we have the impact of 9/11 back in 2001, a sharp decline, and then a really slow recovery. While we did recover back in 2005, we didn't really see the same level of crossings every month because the system changed at that point because of the new requirements in crossings, the clearance and all those changes that took place.

And then also we see the U.S. recession in 2008 and 2009; we see violence in Mexico impacting also crossings. We see that slow decline, not a sharp but a slow decline, again slow recovery, again not peaking.

And then before COVID, not at pre-COVID levels or pre-recession levels, and then again a sharp decline in 2020 along with the impacts of the shortage in agents in 2019 because of the migrant crisis. So every event impacts crossings differently. Right?

In this case in March, like I said before, we are seeing really good progress in the U.S. and in El Paso as far as vaccination efforts go. And so if you can sort of squint your eyes really closely here, the last observation is for March of 2021 and you see that sharp decline in that faded orange line. That's due to what we
believe is that surge that we are seeing in those folks who are fully vaccinated in El Paso that feel more confident going into Juarez for visiting family members, buying groceries, going to dentist appointments, doctor appointments and all those things that were paused during the pandemic.

So go to the next slide. We see with vehicles right now we are at about 50 percent capacity as far as crossings go. With pedestrians, though, different story.

Pedestrians have not recovered as they have with vehicles, much, much slower return for pedestrians. Right now we are at about 40-45 percent capacity on the pedestrian side, but again, sharp decline and flatlining over the last, you know, 10-12 months.

And the next slide, you know, similar to what we were saying earlier, we are seeing that on the cargo environment we are seeing a really good recovery. As I mentioned also earlier -- go to the next slide, please.

There it is. Thank you.

So we do see a V-shaped recovery from COVID. We do see a few months of downturn in cargo crossings from Juarez to El Paso, but then a really sharp decline in just a couple of months, and then now we're essentially back a pre-COVID-19 levels. Really good positive signs for the
industry, for trade overall, and also for production in
the U.S., so we do see a small pause in activity, right,
or a small downturn, but again, positive recovery.

And then if we go to the next slide, please.
So there's a picture that's missing here but that's okay.
There's an update that we have. I wonder if you can --
you can go the next one if it shows. There it is. Thank
you.

So this is a map that was shown earlier by Juan
Villa, or at least that area, Pan American and Winn Road
and Rio del Norte. This is the new entrance for the port
of entry at Ysleta-Zaragoza for trucks. So we've talked
about this project, the Winn Road expansion or the new
connection.

We opened it back in March. This is a really
huge project for us on the cargo side and also the vehicle
side, because now we're able to separate vehicle crossings
from truck crossings and avoid that conflicting congestion
near the port of entry. So now trucks are rerouted away
from the port and they go around a separate road
connection to the port of entry.

So now we have lane assignments as well for
PEPA empties on the right lane and then regular and pass
traffic on the left. So as they go into Juarez-Aduana,
the trucks actually on the U.S. side start to pick and
choose the lane that they're going to choose, helping expedite those crossings. Once they arrive at the Mexican customs in Juarez, we work with CBP with Aduana and with the desportistas, and we essentially installed different VMSs.

If we go to the next slide, it will show what we've done to assist trade in this area, and this is a really important project for us. We've worked quite a bit with the stakeholders. We've worked with the police department for traffic control efforts.

We have digital message boards out there. We do have now permanent signs, as well, for the lane assignments. We have a striping plan that's coming online in a couple of weeks.

We also have Aypronotan [phonetic] Americas to have gates installed to restrict trucks from crossing and only allowing CBP employees access to the facility, you know, the old entrance. And also, we've amended or changed our toll booth schedules to assist increased throughput and reduce wait times southbound.

So again, really huge project for us, we're really happy to work with the RMA, with TxDOT and with the City of El Paso and the industry, CBP and Aduanas to getting this accomplished. It's going to help a lot with the growth that we are seeing on the east side of El Paso.
in the industry and on the east side of Juarez with the
industry as well on the Mexican side.

If we go to the next slide, it’s my last slide
before I pass it back to Rafael. So wanted to also give
you an update on our efforts in El Paso.

We are working quite a bit with Ms. Escobar.
She is our congresswoman for the 16th District in West
Texas. She has been fantastic to work with, really
supportive of our efforts and of the City of El Paso.

One of her emphasis is, of course, on trade, on
the ports of entry. And so having said that, she did
reach out to the County of El Paso, to the City of El
Paso, to the RMA, to the MPO, to all the stakeholders,
agencies in the region to request projects for ideas for
improvements that can be funded with the new package that
is being right now proposed under the HR-2 Moving Forward
Act. And so we submitted two of those projects.

A feasibility study for Ysleta cargo and
vehicles and pedestrians, the entire Ysleta port, you see
them out here. This port has a presence of the City of El
Paso, FMCSA, the CBP, GSA, DPS. You see it’s a really
large port, and then also you see the Mexican side in
green.

And so we’re trying to essentially work on a
feasibility study to modernize the port, to expand the
port perhaps, to reconfigure the inspection areas, add more lanes, perhaps expand the number of lanes at the bridge, and so looking at this study. And then also we want to expand the ITS infrastructure at the ports of entry to complement our efforts at Ysleta and BOTA with the Stanton Street port of entry.

And so these two projects we submitted, asking funding from the Feds to get these projects going. If funded, we would also contribute a match with our dollars that we collect at the bridges via the P3 program, the program that we essentially retain and save money for investment at the ports of entry.

So it will be a partnership with the federal government, matched with the city to fund these two projects. They've been added to the list of projects from Ms. Veronica Escobar and so she's been supportive of it. You know, out of dozens of projects she added two of our projects at ports of entry.

So really great news, one step closer to getting these funded. They're not a guarantee. You know, the bill has to be adopted by Congress, signed by the president, but again, really good news for us. We're really excited about this. There's some positive, perhaps good news coming up down the line.

And then also, we are working right now at the
City of El Paso on amending our CIP to get it realigned, get those projects and the facing and the timelines updated. Because of the COVID impacts on the budget and on crossings, we're having to do that, go through that process, and so we'll keep you posted. I'm going to be working with the Bridges Steering Committee on getting those projects reviewed by the committee, getting their support, getting their comments, their feedback, and then taking it to city council for approval.

And with that, that's my update, quick update for you all, so thank you. I believe Rafael is next.

MR. ALDRETE: Thank you, David.

So for the last one year, we have been conducting research and looking at the effects of the pandemic on mobility at the border. And about a year ago we started looking at assessing the speed of spread on border communities on both sides of the border, comparing them to what was going on at the time with communities away from the border. And at that time we found that communities on the border were twice as likely as others -- had an infection rate of COVID that was twice the others.

So subsequently we started looking at what the benefits would be of coordinating contract tracing and we developed an epidemiological model to basically figure out
to what extent contact tracing would allow to restore
mobility at the border faster. And so moving on to -- now
that we have started with vaccinations and as contact
tracing became less relevant in the face of the pandemic,
what we did -- can you move to the previous slide, please.

So right now we're conducting a study to
identify the time frame when the COVID-19 border
restrictions are no longer beneficial from a health
perspective in El Paso County. So what we're doing is
we're using an epidemiological model that we developed in
the previous study that links cross-border mobility to
COVID-19 infectivity and vaccination efforts to predict
the number of new cases in El Paso County for several
restriction-lifting date scenarios.

Can we move to the next slide? So for this, we
are making some assumptions and these assumptions are
moving, changing every month, depending on the new data
that we get on some of our assumptions.

So first, the model logged in the percent of El
Paso County considering trips from Ciudad Juarez. We're
assuming that the maximum vaccination rate is going to
reach 80 percent for the adult population, and we soon
will be including the effects of the newly allowed
vaccination of children between 12 and 16 years old.

Another assumption is that by removing COVID-19
restrictions, the border restrictions, the daily number of crossings is expected to reach the pre-pandemic levels, or that is an assumption we are making, that it's going to return to normal. We're also assuming that the number of cases in Ciudad Juarez estimates about the same rate as the number of deaths, the same fatality rate as in El Paso County. This is just to make the data more comparable.

So finally, we're assuming right now -- and this is data from last month -- that about 5 percent of the Juarez residents were fully vaccinated. And at that time the pace of vaccination in Ciudad Juarez was 1,800 people per day. This, based on news reports, has been increasing.

We've received some fresh data that we are going to be analyzing. But what is important here is in Ciudad Juarez I understand that yesterday they started vaccinating 50-year-old plus individuals.

Can we move to the next slide, please? So the next slide is going to show some preliminary findings. So what we found is that by keeping restrictions in any case under any scenario, El Paso County would see about 3,700 new cases through June of 2022, and that amounts to about ten cases per day.

Then what we did is we ran several removal date scenarios and then modeled the new cases, how much would
they increase by increasing mobility at the border, and we did the same analysis through June 2022. So what you see on the screen, the bars that you see in green, those are the additional cases that we would see depending on the opening date, fully restoring mobility.

So what we see is, for example, in September we have 3,000 additional cases in El Paso County. And the further out you go in time, if you go to February that's when we get to one less new case per day. So those are some preliminary findings that we have.

If we can move to the next slide, please. So we see to some extent there is a balance between keeping the border mobile and having an effect on the spread of COVID-19. So what we can see is that for now, based on the numbers that we have run, is that border restrictions have helped mitigate the spread of COVID-19.

But it really depends on -- when we can accelerate the opening date really depends on achieving a significant vaccination rate on both sides of the border, getting the maximum percentage of the population vaccinated, and also on Ciudad Juarez, at least in the Juarez-El Paso case, accelerating their speed of vaccination. The other factor that we're looking at is what is going to be the expected severity of the new cases.
So for example, if we were talking about 3,000 cases if we opened this September, about how many of those would require hospitalization? How many of those would result in deaths? That is part of what we are doing now.

So we're updating our model based on updated information and now we are going to get data on people under 16 years old. We're also getting new data regarding the pace of vaccination in Ciudad Juarez, and we're also incorporating the expected outcome of new cases in terms of hospitalizations and deaths. So we should have, you know, more results in a couple of months and we're updating these numbers every month.

And that's the end of my presentation.

Eduardo, it's yours.

MR. CALVO: Thank you, Rafa.

So I'm going to try to wrap up here the update for the El Paso region, but again, you know, I'm tying up to what Rafa just said, you know, right now it's COVID, COVID, COVID, and I think we're all sick of it. We know that the border is closed at least through June 21 of this year. That's what we know.

But again, you know, we can't wait until the border is reopened. There's an economic impact to the border communities that we all know, to local businesses, to sales tax. But also, let's not forget the personal,
the impact to individual people and families, that we all have friends and family on both sides of the border.

One thing that connected to what Rafa was saying, you know, what happens about herd immunity, right, it's one thing that we're a little bit concerned. If you combine the population of Ciudad Juarez and El Paso, we've got more than two million people. Right?

So you know, one concern is that if we are dropping our guard too soon, what happens in terms of containing the spread? Will El Paso be safe? I don't think we will be completely safe until Ciudad Juarez reaches higher levels of vaccinations.

In El Paso we are over 50 percent now. I think we've had a very successful experience, but like Rafa was saying, in Ciudad Juarez we only have 5 percent. So it is to our benefit to increase the vaccination rates of the folks in Ciudad Juarez.

Now in recent days we have seen that supply and demand has been shifting, right? You know, there is more locally and that's a great thing. There is a lot more supply, so I really think that it is to our benefit to set up vaccination programs.

As soon as we open up the border, let's have the people from the Mexican side -- in our case from Ciudad Juarez -- come in and get vaccinated as quickly as
possible. That's going to help us reach that herd immunity connected on both sides of the border, because we truly are one community, especially after they reopen the border.

Next slide. So now I'm going to wear my MPO hat for a little bit in terms of what COVID means in long range planning. You know, we heard Donald's presentation earlier about the 2020 data. So when we think about long range or long term planning, is 2020 a blip? Are we going back to normal at some point?

But you know, what is normal. Right? We do see some dramatic changes in travel pattern, especially now as we go back to normal. Right? But we do see, for example, with white collar jobs that those are the ones that are still taking advantage of telecommuting, so people are still working from home.

What does that do to our travel pattern, especially to peak hour travel? You know, the downtowns are still not that active. I see it here in El Paso. Slowly you see more people, but it's not the same as pre-COVID levels. Right?

So one of the things that we are doing right now is developing our new travel demand model, which is a tool that all MPOs use to evaluate current and future traffic congestion. You've got demographic side which is
a demand, basically forecasting how employment population
and households are going to grow and how are they going to
be distributed within our region. Right?

And then we have the supply side which are the
projects, you know, how are we going to address those
mobility needs in the future. Right? We look at it from
a multimodal perspective and fiscally constrained and all
that.

But what I wanted to bring up here is that as
we develop this tool and having this uncertainty about the
future, you know, scenario planning is more important than
before. Right? You know, we need to run different types
of scenarios to help us understand the range of impacts or
range of needs that we're going to have out in the future.

Next slide. This is a really cool graph that
actually David Coronado referred me to. This is from the
Federal Reserve Bank of Dallas. And it shows this
mobility and engagement index. Not really sure exactly
what goes into this index, but it gives you a pretty good
idea of the level of activity.

In this graph specifically, we're showing the
black line is U.S. and then the other lines represent the
metropolitan areas, the bigger ones in the State of Texas.
So you see the pattern tracks pretty well.

Interesting to see in February, towards the
right end of the graph, you see the big dip. All of the
metro areas in the State of Texas were impacted by that
freeze. In El Paso we were lucky that we only got the
snow and cold temperatures one day instead of a whole
week. But this shows that little by little the activity
is coming back to that horizontal line, that zero, which
is back to pre-pandemic levels.

Next please. So back to our travel demand
model. You know, this is how the population is looking,
you know, using our 2017 which is our base year data.

Then next slide. What you see there, those
additional brighter points is what we're forecasting how
population is going to grow within our MPO region. So you
see that, unfortunately, we're going to be spreading,
sprawling a little bit more.

Next slide. But what I really wanted to show
is, we are developing -- yes, our MPO model for our region
here which we have to use for the legal and procedural
stuff. But the one thing that I'm very excited is that we
are also developing a new binational travel demand model
which is going to help us really better understand the
movement of people across the border.

So the same model that we use for the U.S.
side, we are extending it and creating a true binational
travel demand model. Again, that's going to help us
better understand the travel pattern, the choices that people make in terms of what border crossings to use, and so on.

This map, again we've showed it before but it's still one of the key strategic plans that we have, working together with Ciudad Juarez to create our true binational transportation system.

Next slide. And just to close off, now that we are moving towards the implementation phase of the Border Master Plan, we're very excited about finally getting to implementation. Because, you know, we've been so far talking a lot about great data, the value of the importance of the border and all that, but at the end of the day, we're interested in implementing projects. So here we are just reinforcing these are the priority projects that the MPO region has identified and they continue to be our priorities.

In the map you see the yellow dots which represent the crossings, Santa Teresa in New Mexico to the left or to the west, then going through the downtown and the Bridge of the Americas in Zaragoza. Again, all of these are connected directly to I-10. And as we know, all the traffic gravitates to I-10, which is one of the reasons why the priority projects consist in rebuilding and expanding I-10.
Unfortunately on this map we're not showing the Tornillo-Guadalupe crossing which is farther east or farther south, but that is also one of the bridges that is part of our system.

And with that, just to close, we are looking forward so much, Caroline and team, to the next phase of the Border Master Plan, the implementation. And we're looking forward to participating with everybody and making sure that our border projects get moving. Thank you.

MS. SHOWERY: Thank you, El Paso.

Up next we have the Port of Brownsville, Eduardo Campirano, the President, CEO and director of the port. If you will please share your presentation.

And before, so are there any questions about El Paso?

(No response.)

MS. SHOWERY: Hearing not, we will move forward. Thank you.

MR. CAMPIRANO: Well, thank you all, and again, good morning. Thank you for the opportunity. I'll be brief since we're running short of time.

Next slide, please. Really want to just talk about the maritime industry in Texas and particularly South Texas ports and how important they are to cross-border trade. You know, Brownsville in particular,
by virtue of its location as being the only deepwater seaport on the U.S.-Mexico, our business is focused on trade with Mexico. Ninety percent of what we do is related to import or export to and from Mexico.

These are some of the examples of the bigger trades that we saw and the activity that we saw in 2020, and continue today. The wind energy business has been particularly strong. In 2020, we had quite a significant year.

The reason I highlight wind is one, a lot of these projects were projects that were occurring in South Texas or even in the northern border of Mexico. But as of now, because of the transportation connection to Matamoros where some of these wind blades are manufactured, they will be coming to the Port of Brownsville for distribution, not only domestically where it may be projects in the Midwest, but obviously for foreign export as well.

You know, the ports offer the multimodal connectivity, not only the deep ocean connection with ships that provide that global connectivity but also the brown water connectivity, or the barges that connect us with the Gulf Intracoastal Waterway all the way from Brownsville to the east coast of Florida, and more importantly, to the inland waterway as well. We've got
rail connectivity with our rail partners. We own our own rail service called the Brownsville Rio Grande International Railway, and it specifically exists to serve port customers. But more importantly, it interconnects with Union Pacific and BNSF for northbound service and it interconnects with Kansas City Southern for southbound service. And in our case, the majority of our rail car moves are heading south. Again, energy is one of the big areas that we saw, primarily in the area of wind components, but we also are a heavy mover of petroleum-based products. We're one of the largest exporters of refined petroleum products to Mexico, primarily in the area of premium gasoline, low sulfur grade diesel, lubricants, jet fuel and other commodities. Probably our biggest bulk commodity that we handle in terms of -- is going to be steel. We are one of the biggest movers of steel into Mexico, and we're not talking about finished product. In many cases we're talking about the feed stock that is going to the mills in and around Monterrey, as far as customers in the San Luis Potosí area as well that are recipients of either steel slab or hot rolled coil that, again, are manufactured to meet the needs of the customers. Ternium de Mexico, a premier steel provider in Mexico, again a big provider to
the steel industry.

So in effect, what we do is we provide a lot of the feed stock that goes to the mills then turns around and crosses at places like Laredo as home goods or other areas as automobiles. So that continues to be a very strong course of business for us.

Next slide, please. When we talk about cross-border trade and what we do, this is an example. This is according to the latest numbers on foreign trade zone activity.

The Port of Brownsville ranks number two in the nation for the value of exported commodities, and again, in our case we import a lot of commodities from around the world and turn around and export them to a foreign country. Of course, Mexico is the primary recipient of that export.

And again, this really relates to the handful of participants that we have in the foreign trade zone. This does not address the value of total commodities that move back and forth across the border. As a whole, our foreign trade zone ranks number 18th in the nation for the value of both exported and imported commodities.

Next slide, please. This is just an example of the significant activities that we have going on in the port. You know, we have the largest full service shipyard
in the Gulf Coast, and by that I mean full service meaning that they don't just specialize in repairs or they don't just specialize in construction. This is a facility, Keppel AmFELS, that can actually build and they can do a vessel from really design to delivery for the customer. Their primary focus was in the offshore, supporting the nation's interests in offshore oil, as well as Mexico and other parts of the world in offshore oil.

Because of the slowdown in basically oil production, they've pivoted to shipbuilding, primarily focusing on the Jones Act trade, and that's trade within the United States trade lanes. They are building, and they will deliver this year, two 774-foot container vessels that will operate in the Jones Act trade from California to Hawaii.

These are vessels that will have the capability of handling 2,550 40-foot containers in that trade lane, and more importantly, they were also designed using the latest in LNG propulsion technology. And so this has been a huge boon for not only our region but certainly for the State of Texas.

They currently have announced two other major constructions of vessels. We're currently building the largest hopper dredge in the United States for Manson, a major dredging company in the United States, and most

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recently announced the construction of what would be the first Jones Act vessel that will be used to not only transport but to actually erect the offshore wind projects that are being announced by the administration beginning off the coast of Massachusetts and then continuing southward towards Florida.

The administration just recently announced the approval of one of the first large projects which would be off the coast of Massachusetts. And this project is being done in coordination with Dominion Energy, which is going to be a huge developer of offshore wind. This is probably the next generation of wind industry in this country moving from on land to offshore and we should see that continue to expand.

Another area that also is in the area of steel is ship recycling. You know, the Port of Brownsville is the premier entity in the United States and has global recognition for this industry. It's taken hold here for many, many decades; we've been in this trade for over 50 years.

And again, the value of a lot of the steel that's coming off of what in many cases is Navy vessels or other government obsolete vessels in the MARAD service as well as private vessels. The quality of that steel is in high demand. Not only is it in demand in Mexico and
domestic mills, but throughout the world.

We're also in consideration for the potential of what we call recycling the USS Enterprise. That is a huge project, Navy project. The Enterprise was the Navy's first nuclear carrier. We're the only non-Navy shipyard that's being considered for that project, and we're excited about the project and what it means for the long term sustainability of the industry.

We also happen to have one of the ship recyclers here who is the first U.S. shipyard to receive accreditation to recycle ships from the European Union. In fact, we have one in port now. And this will only bolster the ability to be able to provide quality steel coming from these vessels that we'll use to support the construction of many commodities that rely on steel, so that is also a huge plus for us.

Could you go to the next slide, please? And I really just want to conclude with a couple of comments, and let me start with the others. You know, we move a whole host of commodities to and from Mexico. It isn't just focused on the refined products or it isn't just focused on steel.

We do a lot of aggregate. We do agricultural commodities, sorghum, corn, we do sugar. We do a whole host. We support the Mexican Navy and its supply vessels
here at the Port of Brownsville. So it is really a whole
host of commodities that we move.

And one of the things that recently we started
in collaboration with the Port of Tampa is a cross-ocean
service container on barge that will go directly from the
Port of Brownsville to Tampa Bay. We were one of the
first ports in the nation that got designated as a marine
highway with the M-10 designation, hence, TxDOT has gotten
designation for the entire Gulf Coast or the entire Texas
coastline as a marine highway through the M-10.

And what this allows us to do is really take
and provide a much shorter route to not only transport
overweight commodities that can be sent by ocean, it's the
cheapest, it's the safest and most environmentally
friendly method of moving commodities, volume commodities.

This service is particularly focused on the 53
high cube or the truck chassis. It is particularly
effective for the home goods market. Right now we're
seeing, you know, the port receives commodities that cross
at the bridges from Laredo all the way to Brownsville.

Currently the home goods market is a big user
of this service, but we're also shipping not only home
goods but Mexican beverages, home construction materials
such as tile that is coming out of the Monterrey area to
Laredo, to the Port of Brownsville, then directly to
Florida. A lot of this commodity not only is used in Florida but what it also provides is access to the Eastern Seaboard and other markets beyond there. And so we're excited about this service.

We continue to see a growing number of users and growing number of containers added every week to this service. This has an opportunity to not only increment both in the terms of service offerings to the Port of Brownsville, but it also has the potential to provide other connectivity to other ports in the Gulf Coast. So we launched this in August, early September, and again, all the sailings we see incremental growth in that service.

We also have a new terminal under construction in town, which is the Sunoco terminal, which will be used primarily to support its operations for refined products to its outlets as well as in South Texas but just as important in northern Mexico. And one of the things that is kind of something we monitor pretty significantly is that their final market continues to grow. We don't see any slowdown.

The number of trucks that come to the Port of Brownsville, the number of rail cars that are moving liquid commodities is increasing primarily because of the shift away from pipeline to other users, but every one of
our liquid terminals here in the port is in expansion mode. We have over 6-1/2 million barrels of capacity to be able to move what primarily will be, again, premium gasoline, low sulfur grade diesel, as well as jet fuel and lubricants into Mexico not only from abroad but also from U.S. refineries, especially in Texas. So activity in our port is actually quite robust.

2020 was a record year in spite of the pandemic, and I'll give you an example. We moved the largest number of railcars that we've ever moved in 2020, and 85 percent of those railcar moves were into Mexico. And for the first quarter of this year, we're already ahead 27 percent of last year's period for railcar moves. So we see that continued activity.

And obviously connectivity to the border crossings is very important for us and certainly believe that it's very important to the rest of the state. And again, the maritime industry, or specifically ports, are those unseen kind of transportation modes but they are very, very effective and very needed.

In fact, more cargo moves by water in the State of Texas, whether it's inbound or outbound, than any other state in the nation, so don't forget about maritime transportation.

So again, thank you very much.
MS. SHOWERY: Thank you for sharing with us all of the wonderful and exciting projects going on in the Port of Brownsville. Definitely we're going to save all questions for our regional presenters at the very end, so again, thank you. Again, very exciting to hear about all the wonderful things going on in the port.

Our next speaker is Sergio Contreras. He's the president and CEO of the Rio Grande Valley Partnership.

Sergio, take it away.

MR. CONTRERAS: Good morning, everyone. Thank you for the opportunity. You know, international trade is a full contact sport. It's competitive and it is a great economic driver for our region.

Before I begin, I do want to recognize TxDOT for hiring Aisa Showery as manager of international trade. We're finding Aisa is great to work with over the years and a great addition to our TxDOT BTAC and pretty much the Texas border communities. So congratulations, Aisa.

Secretary Hughes, thank you so much for prioritizing each and every one of us that are part of your BTAC team, so thank you so much.

Although you'll see about eleven slides, I'm only going to focus on about four to five of them.

Overall, trade jobs and growth in the Texas-Mexico border are on the following slides, so if you can go to the next
one, please.

Secretary Hughes, you emphasized on the following points, which are that total assessment of trade transported between the Texas-Mexico Border is valued at about $650 billion and accounts for 68 percent of all U.S.-Mexico trade. I'll emphasize that one more time: 68 percent of all U.S.-Mexico trade those through Texas.

And we sustain close to one million jobs because of trade, and in particular in regards to GDP, we're at about $350 billion. So for economic development individuals who are investors we always crave for data, and we certainly appreciate the help of TxDOT, Caroline, ensuring that we do have this data readily available as we see key markets expand in this specific sector.

At the regional level, we've seen our employment grow by 111 percent from 1990 to 2019, up to 516,000 jobs, which is forecasted to grow by 100 percent, which will be about 103 million, by 2050. You know, Sam and Gerry, you guys recall this: prior to NAFTA in the mid '90s, unemployment rate in the Valley was close to 23 percent.

Now fast forward to 2019 before COVID, our region varied from 4 percent up to 6 percent in unemployment rate. Obviously we all got hit by COVID. However, that emphasizes the importance of trade for our
region and how NAFTA kicked in.

Next slide, please. In our region you'll notice that the movement of goods that cross through the RGV contribute to $40 billion in GDP of the U.S. And we currently have nearly 300 maquiladoras from Matamoros and Reynosa on our borders, and we'll continue to see that increase.

Again, that's because of USMCA and ally-shoring. Now, what does that do? That's creating certainty in the marketplace, and COVID certainly impacted that ability for us to be able to see additional investment. And in the Valley, as you will know, produce continues to cross and continues to increase with $4.8 billion of trade in fruits and vegetables that cross through our ports.

We'll go ahead and go the next slide and skip that slide, please. What I'll focus on now, the following slides provide a glimpse of the recent economic developments as a result of trade which impacts our roadways and also the need of investment in our ports of entry.

For example, Weslaco -- and I'm not going to dive into all of these because you can see those there -- but total investment over the last couple of years is close to $23 million, close to 200 jobs, and they continue
to attract new investments. In fact, they're expanding into a brand new industrial park. They don't necessarily have a port of entry, but Progreso is just down the street from them so that's where they see that growth.

Next slide, please. And in Mission they continue to see growth because they do have a port of entry. Right? And so the most however of interest that you don't see on your slide is rooftops.

You have the Killam development that is expanding a 3,400-acre tract of land right next to Anzalduas, one for rooftop, commercial and retail. They're expanding that project with 400 homes here in the next month or so. You have also R.L. Investments in Mission expanding about three subdivisions with about 110 new homes in that area. And you'll see there the construction. You'll see the investment that continues in that region when it comes to warehousing space that are on your screen.

Of interest is Edinburg. So Edinburg doesn't have a port of entry, right. It's north of McAllen, north of Pharr; however, they're beginning to see expansion in warehouse space when it comes to cold storage facilities.

And some are existing, however, they do have about three new cold storage facilities in the works that will turn dirt here in the next couple of weeks.
Next slide, please. McAllen continues to call for additional investment in warehouse space, as we have seen that all the way from El Paso to Brownsville. They're celebrating about 50 years now that they've had their FTZ with over 100 clients of interest to all and they represent close to 42 countries worldwide.

Recent news are that there are two or three -- actually three warehousing space groundbreaking ceremonies that were hosted recently. You'll see there one of them was 110,000, the other one is about 62,000, and then they're planning a 45-acre stretch of land to have close to 800 square feet for industrial space. So we expect to see additional announcements in the City of McAllen as they continue to see the increase for warehousing space, adding new jobs to our region, asking for new rooftops as well.

City of Pharr, well, we all know what happens at the Pharr commercial bridge. Up to maybe, what, four years ago they invested in a 98-acre produce park and they've sold out there. They've got about 20 new cold storage facilities, each one being close to $4- to $6 million and 40 to 50 jobs. And they're actually planning a 100-acre produce park as they continue to expand and meet the needs that are needed there.

There's a private investment, Pharr Bridge
Business Park. They're already finalizing the third phase which is going to be a total of 330 square foot warehousing development that will sustain over 150 jobs. That's close to $30 million of investment that is actually coming to the City of Pharr which is going to continue to sustain that effort, and it's million versus billion.

Can we go to the next slide, please? So for Cameron County, it's of interest to all of us. Right? So we see that they continue to see the growth because of the maquiladoras, the Port of Brownsville.

Of interest is the current aerospace expansion for Cameron County, Brownsville, which is also going to impact our trade community. In fact, SpaceX has about 1,500 employees. Ninety percent live in Brownsville. The Musk Foundation has donated $10 million to Downtown Brownsville revitalization and $20 million towards Cameron County schools.

And then you have Spaced Ventures, an innovative investment platform that -- investments in private space. And then they're actually going into the airwaves with a Space Channel and are going to hire talent here from the region. So again, that is going to also impact our trade community and our roadways because you'll have more folks driving and crossing through our ports as well.
So we'll go to the next slide, please. So Harlingen, at the airport they continue to see investment at the FedEx facility as they expand. Also, the Port of Harlingen, we have a port in Harlingen that generates about a billion dollars in economic activity, sustaining over 4,600 jobs. And again, what does that mean to us? It's $70 million in local and state revenue, and that also impacts our trade community with additional investment that is needed to continue to sustain our growth.

Raymondville, not connected to a port. However, they continue to see also warehouse space needs where CIL Cotton has presence throughout the region. They've invested in about a $100,000 facility.

Next slide, please. Starr County. Starr County port of entry over there right by Sam and we know that their industrial park continues to see expansion. They're focusing on two new developments and that is expansion to be able to meet those needs, and again, that expands into rooftops and retail because there's a trickle effect when it comes to trade, and it goes back to demonstrate how the economic activity impacts other sectors.

So it's interesting to see how Starr County, over the last couple of years they've seen quite a bit of investments in rooftops and retail because of the growth
that they continue to see in their industrial park and
also investment in cold storage facilities.

Next slide. As I close I will say that the
growth is calling for the dire need for infrastructure
improvement and initiatives to reduce our wait times. The
Border Master Plan has brought to light that if nothing is
done between now and 2050, the wait time will produce a
negative impact of border delays on GDP and grow by a
factor of more than 50, meaning that delays at the border
resulted in $68.3 million in economic productivity losses,
reducing the U.S. GDP by $1.1 billion. And in 2050 border
delays may result in an economic productivity loss of $4.4
billion.

So what does this mean? It means that we
certainly appreciate that this Border Master Plan is in
place, because we were able to extract this data to the
demonstrate the dire need that we need to continue to see
that investment in our region. So we certainly appreciate
the efforts of all that were part of this over the many
years.

And I'll finalize with this comment as well.
Our region in the Valley, we continue to see expansion and
diversity on economic development. In fact, our health
care and bioscience industry is valued at $13.7 billion,
meaning that 43 percent of the new jobs over the last ten
years have been in that sector.

So our region is focused on economic
development. Our region is focused on sustaining the
State of Texas, and also taking advantage of the trade
community that is driving that.

And that concludes my presentation.

MS. SHOWERY: Thank you, Sergio, for that great
overview of all the economic development and all that
relates to trade in each of the regions and also the
counties. We really appreciate your presentation.

And last but not least, we have Dante, the
president and CEO of the Texas International Produce
Association. Dante.

MR. GALEAZZI: Yes, ma'am. So I'm going to go
quickly since I'm the last one here and I'm standing
between us and lunch.

So let's go ahead and go on to the first slide.

Importantly, I wanted to show everybody the massive
increase that we've had very quickly, especially over the
last 13 years, in fresh produce that has crossed from
Mexico into the U.S. And I'll get to those factors of
why, but what I wanted to show is that in 2007, Texas was
trailing Arizona for fresh product.

By 2011, we overcame Arizona. By 2015, we had
broken the benchmark of 200,000 fresh loads of fresh
produce, and by 2020 we are blowing past everybody. You can see that in the last 13 years we have increased the amount of fresh produce coming across by truckload volume by 186 percent. That's an annual average of 14 percent every year growth, as compared to Arizona at 3 percent and the national average of 7.8 percent.

Next slide. Briefly, this is where the fresh produce is crossing in Texas. As you can see, Pharr is far and away -- no pun intended -- the leader when talking about volume crossing of fresh produce, 180,000 loads of fresh produce. They by far are crossing fresh produce more than any other port of entry in the U.S.

To dive into those numbers, for what commodities are crossing, this is in total all the fresh produce from Mexico through Texas. It's these commodities: avocados lead, followed by tomatoes, limes, cucumbers, bell peppers and mangoes.

So I included Nogales, Arizona's volume there at the bottom so everyone can see. That used to be our competition. Now you can see they're easily 30,000 loads less than Pharr, Texas

Next slide. So there's a variety of factors. Quickly, the big one is the infrastructure in Mexico has really resulted in why more fresh produce is crossing through Texas, especially the Super Villa between
Matzatlán and Matamoros, and that bridge project that went in in Durango. What it did is it basically cut 12 hours or one day of transit time for fresh produce coming out of the western part of Mexico to the Rio Grande Valley. That's important because a lot of the high dollar, high value fresh produce is grown on the west coast of Mexico in greenhouses.

More importantly, it's a transportation cost savings. You're saving about $600 on freight in Mexico. You're also saving -- well, it used to be $2,500, it's probably closer to $4,000 per load by crossing here in Texas and then delivering to the East Coast as opposed to delivering out of California or Arizona.

Next slide. Why is this important? Well, in 2019 the U.S. brought across $13 billion of fresh fruits and vegetables. I'm still waiting for the final numbers in 2020, but it looks like we crossed just over $14 billion on fresh produce.

This is important to the state because in 2017 A&M saw that fresh fruit and vegetable imports had a direct economic impact of $850 million to the state, but more importantly, it resulted in 7,800 jobs in Texas. Now, that was in 2017, so by 2025 they believe that we will continue to grow to about 338,000 truckloads. We are very much on track to hit that number.
Next slide. So I'm actually not going to go into these next two but these are -- and if anyone wants to discuss you can absolutely reach out to me -- but this slide here is why we're seeing so much production moved to Mexico.

Next slide. And this slide talks about the challenges that we have in Mexico as the fresh fruit and vegetable industry -- as we continue to grow the business down there.

Next slide. This is what I really wanted to focus on was the South Texas Assets Consortium Agricultural Grant. This is an important program, and I think a lot of people on this call have heard me talk about it.

And this is one of those policies that really goes to support infrastructure development, because one of the things that we've learned, especially for fresh produce, is we can build all the bridges we want but if CBP, FDA and USDA don't provide the appropriate personnel to staff those bridges, then we are not going to see any more increases in fresh produce. We're going to continue to see delays, and eventually that business is just going to circumvent any of the ports of entry and look for alternative methods and modes of transportation to deliver that fresh produce to North America.
We don't want that because that's very important for our region. Like I said, it has a massive economic impact, and more importantly, it brings a lot of value to the entire supply chain for fresh fruits and vegetables.

So real quickly, what does this program do? This program, the STAC-A Grant, is specifically put in place to address the personnel shortages. In 2019 CBP cited a shortage of 721 ag specialists. They projected that 70 to 80 percent of those shortages were along the Texas-Mexico Border.

So this program is put in place as a partnership between public/private entities to pay for additional personnel to help increase the efficiency and expedite the crossings of fresh produce and other agricultural movement across the Texas-Mexico Border.

Next slide. So what do those programs look like right now? Today we have three programs in place, one and the most prominent is the overtime hours. So the STAC program helps pay for overtime hours for CBP ag specialists.

This is important because what was happening was the ag specialists would accept trucks until 5:00 p.m. and they would conclude their inspections at about 7:00 p.m. And if a truck was not included in that inspection,
then they would have to wait until the next day. So we were seeing at least 10 to 20 trucks per night, during peak periods it would be as many as 50 trucks per night.

As soon as this STAC overtime hours program went into place, especially at the Pharr Bridge, we saw those numbers drop literally the next day and now they are anywhere from zero to four trucks per night. So that speaks volumes to the importance of this program.

Also what does it do? It helps pay for full-time agents for CBP ag specialists. This is important because it means they can process more trucks during their day. So right now we have one full-time agent in place at Pharr and one full-time agent in place at Starr-Camargo with this program.

And finally, we have a very new program that was put in place in July, and that is an internship program. So CBP has reported they have this shortage problem so they don't know how to fill it. For those who are familiar with the CBP process, it takes approximately 12 to 15 months to hire a new agent. By any means, that is an extraordinary issue but that's something aside.

So we decided that there was an opportunity to not only help increase the efficiency at the borders today but to also build a pool of qualified local candidates
from our community and create these career pathways. This intern program, which is a partnership with UT RGV out of Edinburg, has been in place since July. There are several interns at Pharr. There is, I believe, one or two interns at Rio Grande City. And so this is a paid internship that functions through the STAC program.

And that's all for my presentation.

MS. SHOWERY: Wonderful. Thank you, Dante, for showcasing all of the produce numbers as well as what's happening as far as those new initiatives and partnerships with CBP and our higher institutions. That sounds wonderful.

Are there any questions about any of the presentations that we've heard today?

MR. VALE: This is Sam Vale. I'd like to make a comment that if all of these master plans prove anything, it's the fact that we're a much larger community than just the ports of entry. I would say the entire border area, just the repositioning of equipment between Laredo and Brownsville for the ports' use or anybody's use, is a huge economic savings because you don't have to bring a truck from San Antonio or Dallas or Houston, they're moving up and down the border.

So you will notice that TxDOT is starting to look at east-west type of traffic, because that's how we
move around in the border area. And we're soon going to have a parallel road to US 83 that will go all the way to the seaports. So those are very important issues.

And then you have the same phenomenon going on out in the El Paso area and how they're working and developing huge benefits way beyond the port of entry. So I think that's what drives business. Business creates business.

Thank you.

MS. SHOWERY: Thank you, Sam, for your comments.

I believe we have one question for Dante in the chat. Dante, do you want to address Gerry's question?

MR. GALEAZZI: Absolutely. So thank you, Gerry, for picking up on that.

So very interesting stat. Seventy percent of the fresh produce that is eaten in Texas comes from Mexico. So think about a hamburger, right, you've got a lettuce, tomato and onion on the hamburger. The onion is grown here in Texas, so Texas 1015 Sweet, but that tomato and lettuce is coming from Mexico.

So we absolutely depend on fresh produce imports as a state. Across the United States, though, it's closer to 40 percent of the fresh produce eaten in our country is dependent on that trade from Mexico. So
it's not only vital for the economic sense, like Sam was
talking about, it's absolutely important for the health of
our society and our country that we continue to see
additional fresh produce imports come through these ports.

Thank you.

MS. SHOWERY: Thank you, Dante.

Are there any other questions?

I believe Teclo also has a comment. Teclo, would you like to share what you have added?

MR. GARCIA: Just following up on some of what Dante said, and luckily just before COVID took place, Dante came up to Laredo for a visit and checked out some of the stuff that's going on. Just to show that between Pharr and Laredo we're approaching $10 billion in produce imports and that was in 2020, which we didn't see much of a slowdown given consumer demand and some of the things that took place in 2020, and now we're hoping to capitalize on that.

But like Dante said, and Sam mentioned as well, some of the challenges are not whether the private sector can grow these products fast enough or have enough land to grow them, it's the process of moving them between the two countries and getting them to market that will be the challenge.

MR. GALEAZZI: Well said, Teclo, well said.
MS. SHOWERY: Thank you, everybody, for your comments and productive discussions. If there aren't any other questions or comments, I'm going to turn it back to Caroline for any final presentations or comments before we close.

Caroline.

SECY. HUGHS: If we don't hear from Caroline, I'm going to take that baton.

MS. SHOWERY: Oh, yes, please do, Secretary Hughes.

SECY. HUGHS: All right. Thank you. I'm not gone yet. I want to thank all of you. I know that we are running late today but the presentations were really exceptional.

It really highlights how we're talking about collectively, of course, over 1,200 miles of border and then the impact of the crossings as we've heard about today. And so it's a tremendous amount of work and a lot of area to cover in many respects, and so really appreciate the time that everyone has taken to bring forward the presentations.

I think breaking them down regionally the way that we have done and the way we're starting to define more in this process is going to be incredibly helpful as we go forward with implementation efforts, because we'll
be able to kind of break it down in ways that we can use to then explain the need for implementation through each project more specifically. And that will help us, for example, with our legislators and sort of showing the impact in their specific community or regarding their constituents, et cetera.

So I really commend the efforts that I know that TxDOT is undertaking to put these things in a more compressed format that we can share. We were talking in anticipation of this meeting really continuously as a group focusing on the "so what." Because while we greatly appreciate the "so what" and the importance of this work, it's a message that we need to kind of continuously work on expanding beyond our group and beyond our communities and making sure that everyone in our state and our federal partners and our counterparts are aware of the "so what" and why all of this is so important to focus on. So thank you all for your leadership in that space.

And just want to again thank you for the opportunity. I've really enjoyed getting to work with all of you, looking forward to staying in contact, and in the meantime, be well and do good work and please keep in touch.

At this time, given the time constraints, I will entertain a motion to adjourn.
MR. CAMPIRANO: So moved.

SECY. HUGHS: Is there a second?

MR. CALVO: Second. This is Eduardo.

SECY. HUGHS: Okay. And we are adjourned, although I did want to just mention one thing when I see Eduardo Calvo. One thing Roberto Velasco talked about when we visited was that the Mexican government in Mexico is talking to our federal government and looking at whether they might be able, instead of doing an opening of the border all at once if they might be able to look at specific cases, figure out areas where the numbers are improving, and start to open up potentially piecemeal. Obviously, what we saw instead was an extension to June 21. But we all remain optimistic, and I liked hearing that it's a priority for them as well and something that they're working on. So just want to leave you with that as well.

MR. CALVO: Wonderful. Thank you very much for the update.

SECY. HUGHS: We're adjourned.

(Whereupon, at 12:17 p.m., the meeting was adjourned.)
CERTIFICATE

MEETING OF: TxDOT Border Trade Advisory Committee
LOCATION: via Webex
DATE: May 25, 2021

I do hereby certify that the foregoing pages, numbers 1 through 151, inclusive, are the true, accurate, and complete transcript prepared from the verbal recording made by electronic recording by Nancy H. King before the Texas Department of Transportation.

DATE: June 1, 2021

/s/ Nancy H. King
(Transcriber)

On the Record Reporting & Transcription, Inc.
7703 N. Lamar Blvd., Ste 515
Austin, Texas 78752