

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
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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

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P R O C E E D I N G S

1
2 SECY. HUGHS: Good morning, everyone. This is
3 Texas Secretary of State Ruth Hughs, and I want to thank
4 you all for joining us via videoconference for our second
5 Border Trade Advisory Committee, or BTAC, meeting of 2021.
6 I hope you've all been staying safe and healthy since we
7 last met.

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

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

24 So as always, I want to begin by thanking our
25 TxDOT partners, starting with recognizing Commissioners

1 Alvin New and Laura Ryan for their service, in particular,
2 and their participation in these meetings. We really
3 thank you for your enduring commitment to ensuring that
4 Texas's trade relationship with Mexico grows even
5 stronger.

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

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

20 On December 10 of last year, by way of a
21 review, Caroline and I had the pleasure of presenting the
22 BTMP to the TxDOT Commission. And subsequently this year,
23 on March 25, the Commission voted unanimously to approve
24 the completed Texas Border Infrastructure Transportation
25 Master Plan. The approval of this plan, as you know, was

1 such a monumental effort, culmination of years of hard
2 work and the collaborative efforts of countless
3 stakeholders from the U.S., Texas and Mexico who
4 contributed their expertise and commitment.

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

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

18 Earlier this month I had the pleasure of
19 meeting in person for the first time -- we have met
20 virtually throughout the year -- with Robert Velasco, the
21 Mexican Director General and Undersecretary for North
22 America in Mexico. And Undersecretary Velasco was
23 wonderful in expressing his commitment to understanding
24 and appreciating the importance of the bond between Texas
25 and Mexico and how that has to remain strong.

1 So together we affirmed our desire to work
2 towards our continued mutual prosperity and success and
3 were able to thank each other for the partnership. So I'm
4 looking forward to -- and it was particularly interesting
5 to me to hear his interest and commitment to making sure
6 that we do coordinate efforts on these infrastructure
7 projects and so that we have alignment and the priorities
8 of the projects going forward. So that was very
9 encouraging.

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

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

25 Speaking of our partnership with our Mexican

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

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

22 Thank you all so much for your participation
23 today.

24 Welcome everyone. Thank you for your continued
25 commitment helping to create a brighter future for all on

1 both sides of the border. I'm excited for today's
2 discussion as we begin coordination of the plan's
3 implementation, and I look forward to your continued and
4 consistent engagement in today's meeting. Thank you all
5 for allowing me this time to provide you an introduction.

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

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

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

20 MS. MAYS: Thank you very much, Secretary.
21 Appreciate, again, your leadership.

22 And we'll go into the agenda quickly before we
23 go to roll call. Can we put the agenda on so I can go
24 through it fairly quickly, then we'll do the roll call.
25 And while we're doing the roll call, as you heard

1 Secretary is stepping down at the end of this month, I
2 want to give the members about 10-20 seconds to say
3 something to Secretary, just our appreciation for her
4 leadership for the last two years. So when your name is
5 called during the roll call, take a few seconds to say a
6 few words if you do choose.

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

16 Then also we will be providing you -- last year
17 we talked a lot about COVID impact. Most of the data we
18 used in the plan is from 2019, so we've asked our
19 consultants to help look at what happened between 2019 and
20 2020 with the COVID impact. And you all will be very
21 interested in this data, so we will present that and
22 you'll see really the impact of COVID on the Texas-Mexico
23 Border.

24 And then the next item, as Secretary mentioned,
25 the plan was adopted in March and soon after that we

1 started working on several things, initiatives that we
2 want to share with you today to start implementing some of
3 the recommendations of the plan. And then the final
4 agenda will be hearing from you.

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

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

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

14 Marc, would you like to say a few words?

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

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

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

1 you've done.

2 SECY. HUGHS: Thank you, Marc.

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

5 (No response.)

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

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

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

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

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

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

23 And Secretary, before we actually get to the
24 roll call, I want to introduce kind of a new addition to
25 the team, Aisa Showery. Some of you know Aisa from either

1 work with TxDOT or work with the Governor's Office. As
2 you guys remember, Tim retired at the end of February so
3 we do have a new addition.

4 Some of you might have already interacted with
5 her. She's only four weeks young to her role at TxDOT, so
6 you all will be having opportunity to work with Aisa
7 moving forward.

8 So that's it kind of on the TxDOT side, so
9 let's go to the roll call. Eduardo, you're handling that?

10 MR. HAGERT: Yes. Good morning, Secretary
11 Hughs, Commissioner New and Commissioner Ryan. My name is
12 Eduardo Hagert, I work with Caroline Mays, and I'm going
13 to be conducting roll call, so I'll start.

14 Rafael Aldrete?

15 MR. ALDRETE: Rafael Aldrete present. Good
16 morning, everyone.

17 Madam Secretary, it was a pleasure and an honor
18 to work under your leadership over the past two years in
19 developing a critical document for our state and for our
20 border. Thank you. Good morning.

21 MR. HAGERT: Jon Barela?

22 (No response.)

23 MR. HAGERT: Luis Bazán?

24 MR. BAZÁN: Good morning. Buenos días.

25 Secretary Hughs, first and foremost, thank you for your

1 recent visit to the Pharr International Bridge. We
2 appreciate your visit and your words, your advice. On
3 behalf of our mayor, Dr. Ambrosio Hernandez, the city
4 commission, the bridge board and my team, we truly
5 appreciate your work, service and dedication to the
6 Texas-Mexico Border region. Thank you for all you do and
7 we wish you well in all your future endeavors.

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

10 MR. BAZÁN: You bet. Thank you.

11 MR. HAGERT: Eduardo Calvo?

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

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

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

25 SECY. HUGHS: Thank you, Eduardo. And I know

1 this work will continue because of all of you, so
2 regardless of the chair, really the work that you all do
3 and the commitment that all of you have I know will keep
4 this work going forward.

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

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

10 MR. HAGERT: Eduardo Campirano?

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

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

20 SECY. HUGHS: Thank you.

21 MR. HAGERT: Andrew Cannon?

22 MR. CANNON: Good morning, everybody.

23 I think I've covered most of my sentiments, but
24 again, Secretary, thank you so much for the visit to the
25 RGV. On behalf of my board, Chairman Hernandez, Vice

1 Chairman Judge Treviño, we appreciate your time, your
2 diligence and all your participation that you're doing to
3 make sure that this Border Master Plan is successful with
4 your guidance over the past few years with this. So just
5 God bless and hope that your future endeavors go just as
6 well, if not better.

7 SECY. HUGHS: Thank you, Andrew.

8 MR. HAGERT: Sergio Contreras?

9 MR. CONTRERAS: Present.

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

16 SECY. HUGHS: Thank you, Sergio.

17 MR. HAGERT: David Coronado?

18 MR. CORONADO: Hi, everybody.

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

24 So thank you for your time, appreciate
25 everything you've done for us. It was great to visit with

1 you and the mayor when you came to El Paso right before
2 the pandemic. It was great to talk to you, get to meet
3 you, get to show you around a little bit of our city.

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

6 David Coronado present here.

7 SECY. HUGHS: Thank you, David.

8 MR. HAGERT: Warren Erdman?

9 MR. ERDMAN: Present and good morning.

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

14 SECY. HUGHS: Thank you, Warren.

15 MR. HAGERT: John Esparza?

16 MR. ESPARZA: Good morning. Present.

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

21 And I will say one of our wise governors once
22 told me, you cannot lead from Austin alone. And clearly
23 by the comments thus far, you have spent a lot of time
24 traveling, being hands-on, and I think that means a lot to
25 everybody, and certainly not lost on me.

1 Thank you and good luck. We'll be in touch.

2 SECY. HUGHS: Thank you, John.

3 MR. HAGERT: Raquel Espinosa?

4 MS. ESPINOSA: Good morning, Madam Secretary.

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

9 SECY. HUGHS: Thank you, Raquel.

10 MR. HAGERT: Juan Antonio Flores?

11 MR. FLORES: Present. Good morning, everyone.

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

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

23 SECY. HUGHS: Thank you so much.

24 MR. HAGERT: Dante Galeazzi?

25 MR. GALEAZZI: Present.

1 Madam Secretary, I think I only have to say
2 that I echo everything that everyone has said. You have
3 been a tremendous leader. You have done so much for our
4 region and you've shown a true empathy for our
5 stakeholders, for our industries, for the very challenges
6 that we have every single day. And so we thank you.

7 We wish you the best of luck as you move on,
8 and we really look forward to the great things that you
9 will continue to do for this state. Thank you, ma'am.

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

13 MR. HAGERT: Josue Garcia?

14 MR. GARCIA: Good morning, everyone.

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

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

23 SECY. HUGHS: Thank you, Josue.

24 MR. HAGERT: Cynthia Garza-Reyes?

25 MS. GARZA-REYES: Good morning. Secretary,

1 first and foremost, thank you for all that you've done,
2 not only for each one of our communities but also for the
3 State of Texas. I think during a time this past year when
4 everything was slowed down, you made sure that this
5 committee did not miss a beat. And because of your
6 leadership, we are where we are in terms of our plan and
7 moving forward.

8 So thank you for everything that you've done.
9 We're so glad you were able to visit the Pharr
10 International Bridge, and we do look forward to working
11 with you, hopefully, in another capacity in the future.
12 Thank you again.

13 SECY. HUGHS: Thank you.

14 MR. HAGERT: Jake Giesbrecht?

15 MR. GIESBRECHT: Good morning.

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

23 SECY. HUGHS: Thank you, Jake.

24 MR. HAGERT: Commissioner Iliana Holguin?

25 MS. HOLGUIN: Good morning, Secretary Hughs. I

1 think I am probably one of the newest members of this
2 committee, if not the newest member of this committee, and
3 so unfortunately, I have not had the honor of meeting you
4 personally. But in my short time on this committee, your
5 leadership, your commitment, your professionalism has been
6 very, very apparent. You will certainly be missed and I
7 wish you the best of luck in the future.

8 SECY. HUGHS: Thank you so much.

9 MR. HAGERT: Lisa Loftus-Otway?

10 (No response.)

11 MR. HAGERT: Marga Lopez?

12 MS. LOPEZ: Good morning all.

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

17 SECY. HUGHS: Thank you.

18 MR. HAGERT: Mayor Bruno Lozano?

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

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

1 SECY. HUGHS: Gracias.

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

4 MR. OLAGUIBEL: Good morning, Madam Secretary
5 Hughs. Good morning, everyone.

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

11 SECY. HUGHS: Thank you.

12 MR. HAGERT: Stan Meador?

13 MR. MEADOR: Yes, present.

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

19 I really want to personally thank you for your
20 accessibility and your engagement and your tireless
21 efforts throughout this really difficult last year, and
22 the leadership that was put forth to bring this all-
23 important plan through during such a tough year. It was a
24 remarkable effort by all, but through your leadership.
25 And so we really appreciate that. Godspeed.

1 SECY. HUGHS: Thank you, Stan.

2 MR. HAGERT: Jesus Reyna?

3 (No response.)

4 MR. HAGERT: Mayor Rolando Salinas?

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

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

14 SECY. HUGHS: Thank you.

15 MR. HAGERT: Mayor Pete Saenz?

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

21 And with that said, I just want to say on
22 behalf of Mayor Saenz, Madam Secretary, the Laredo City
23 Council, and the city leadership, we obviously are in
24 great gratitude to your service here and what you've done,
25 especially regarding the Border Master Plan. I know Mayor

1 Saenz has always spoke every highly of you and the
2 process, and we want to thank you again for your service
3 and bringing this plan home. Really appreciate it. Best
4 wishes on your next adventure. Thank you.

5 SECY. HUGHS: Thank you, Teclo.

6 MR. HAGERT: Gerry Schwebel?

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

9 Madam Secretary, there are those individuals
10 that wait for things to happen and there's those
11 individuals that make things happen. You've been one of
12 those that has made so much happen for the State of Texas.

13 I want to thank you for everything you've done. And at
14 the same time, you know, for your patience with Sam Vale
15 and with Gerry Schwebel, yours truly, on this committee,
16 the committee work.

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

25 SECY. HUGHS: Thank you, Gerry.

1 MR. HAGERT: Megan Shea?

2 MS. SHEA: Good morning, everybody.

3 On behalf of BNSF Railway, thank you, Secretary
4 Hughs, for your leadership and support of this committee.

5 We very much appreciate being included in this group and
6 in this conversation because plans like this are so
7 important, and they wouldn't be possible without your
8 support. So thank you for your commitment to this effort,
9 and we wish you the best of luck.

10 SECY. HUGHS: Thank you.

11 MR. HAGERT: Tommy Taylor?

12 (No response.)

13 MR. HAGERT: Sam Vale?

14 MR. VALE: Present.

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

22 And I can tell you that you're better than the
23 best, and some of them are very good friends of mine, so I
24 can honestly say that you've beat them all. And looking
25 forward to your future career and everything that you can

1 contribute to the State of Texas. You're quite a lady.
2 Thank you.

3 SECY. HUGHS: Thank you so much.

4 MR. HAGERT: Cameron Walker?

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

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

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

17 MR. HAGERT: And Caroline, we have quorum.

18 MS. MAYS: Thank you.

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

21 SECY. HUGHS: Thank you.

22 MS. GARCIA: Can I speak?

23 MS. MAYS: Oh, yes. Sorry, Erika, go ahead.
24 Our Mexican counterpart.

25 MS. GARCIA: (Speaking Spanish).

1 SECY. HUGHS: (Speaking Spanish).

2 MS. GARCIA: Gracias, un placer.

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

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

16 MS. MAYS: Yes.

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

20 MR. CONTRERAS: Sergio moves to move forward.

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

23 MR. CALVO: Second. This is Eduardo.

24 SECY. HUGHS: Okay. Eduardo has seconded that
25 motion and forwarded the adoption of the minutes. Are

1 there any objections?

2 (No response.)

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

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

7 MS. MAYS: Thank you, Secretary.

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

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

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

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

24 And finally, we needed to hear from the three regions
25 about their priorities, especially any challenges or

1 roadblocks they're concerned about as we move into the
2 implementation phase.

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

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

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

23 During the last walk-through of the final
24 report and executive summary, we were asked to make some
25 changes to some of the updated information we included in

1 Chapter 10. We were asked to clarify the differences
2 between financing mechanisms and funding sources. We
3 heard that adequate funding to implement the strategies in
4 the BTMP will be a challenge for border cities and
5 counties due to the COVID-19 pandemic, especially because
6 it's not clear how long the recovery will take or when
7 finances will return to pre-pandemic levels.

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

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

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

23 In response to the final walk-through of the
24 executive summary, we were asked about including the
25 cities associated with the different border crossings,

1 since people who aren't familiar with the border might not
2 know which cities the crossings are in or near. We've
3 included this information in the regional crossing maps in
4 the summary.

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

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

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

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

25 Caroline.

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

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

7 So we have the booklet. Giacomo will walk
8 through that quickly. The booklet is more of a condensed
9 version of the executive summary. And then what we did
10 was, if you remember, the Border Master Plan is about a
11 400-page document, so what we did is we distilled
12 information for each of the regions and we packaged it in
13 what we're calling the regional plans.

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

21 Giacomo will walk through that fairly quickly.

22 Giacomo.

23 MR. YAQUINTO: I will do the walk-through of
24 the BTMP booklet, and since Caroline covered the regional
25 plans, we have a slide for that but we'll just move

1 through that very quickly here at the end.

2 The BTMP booklet is an educational outreach
3 tool that we worked with the consulting team to craft.
4 Its purpose is to provide a condensed high level overview
5 of the key facts and figures presented in the BTMP final
6 report so that decision-makers, including elected
7 officials from other states or from the border, can
8 understand why the border matters both locally and beyond.

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

15
16 On the right side of the spread, we put the
17 focus on the Texas-Mexico Border's importance by
18 highlighted details from the BTMP final report, like the
19 value of trade that crosses our border, the fact that the
20 border creates well-paying jobs that improve quality of
21 life, as well as more technical details like the number of
22 roadway crossings and freight rail crossings. Next
23 spread, please.

24 In the next spread, the left-hand side of the
25 booklet focuses on economic impacts both now and into the

1 future. We've highlighted BTMP figures for GDP and job
2 growth related to the movements of both people and goods.
3 On the right-hand side we're providing important context
4 from the BTMP like the nine goals identified in the plan,
5 key issues and needs, as well as a summary of the
6 extensive stakeholder engagement effort we relied on
7 throughout the planning process.

8 Next spread, please.

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

11 On the top we've identified changes in population,
12 employment and income between now and 2050. On the bottom
13 we're showing how people and goods movements have changed
14 over time and how we're forecasting them to change by
15 2050.

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

23 The left-hand side of this spread focuses on
24 border crossing times. Specifically, we're identifying
25 the changes in crossing times for the movement of people

1 and goods under the BTMP's do-nothing scenario between
2 2019 and 2050 that we included in the BTMP final report.
3 The bottom of the page highlights the total increase in
4 northbound crossings to 2050.

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

10 Next spread, please.

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

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

25 Next spread, please.

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

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

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

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

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

1 MR. WALKER: I do see the alignment.

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

4 MR. WALKER: Well, yes and no.

5 MS. MAYS: Okay.

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

10 MS. MAYS: Okay. We'll add the I-20 shield
11 there because it's still an east-west trade corridor. A
12 lot of things come to the El Paso region and either takes
13 20 or takes 10, so yeah, it's a major east-west trade
14 corridor, so we'll add that shield there.

15 MR. WALKER: Thank you.

16 MS. MAYS: Okay. You're welcome.

17 Back to you, Giacomo.

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

20 MS. MAYS: And while they're pulling the
21 PowerPoint slide deck on both the booklet and the regional
22 plans, we just sent this to you last night, you haven't
23 had a chance to review it. Please take your time to
24 review it, and then let us know if you have any comments.
25 We'll be more than happy to address it.

1 So again I'll mention, this was added products
2 that were developed since the Border Master Plan has been
3 completed.

4 Giacomo.

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

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

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

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

25 MS. SHOWERY: Jake had a question about the

1 corridor map.

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

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

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

14 (No response.)

15 MS. MAYS: Okay. If not, let's move to the
16 next agenda item, and this is looking at the 2019 versus
17 2020 data and analysis of the impact of COVID. So Donald,
18 who you guys know very well, will be presenting this.

19 Donald.

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

22 MS. MAYS: Yes.

23 MR. LUDLOW: Okay, excellent. Thank you very
24 much for the opportunity to look back at this anomalous
25 period in time.

1 So today, if we'll move to the next slide,
2 we'll go through a few items that summarize what happened
3 over this last year. I want to walk you through some of
4 the highlights specifically in five areas today,
5 highlighting some of the timeline of what happened in
6 2020, some of the changes in socioeconomics, movement of
7 people, movement of goods and supply chains.

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

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

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

1 potential disruptions.

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

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

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

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

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

25 Things have really started to recover. Right

1 now the unemployment rate in Texas is about 6.7 percent,
2 so you see through the end of December it was at 9.2. So
3 the recovery is already strong. In April there was even
4 an improvement over March, so things are on the mend
5 definitely.

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

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

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

25 So let's move on first to buses. And again, a

1 number of these slides kind of show things going off the
2 cliff, so to speak, in 2020 versus past years. But
3 showing the long term trends, the top line is the border
4 total, and then the three lower lines, color-coded red for
5 El Paso, gold for Laredo, and green for RGV, show those
6 long term trends since 1996 and even up through last year
7 and what happened.

8 And you see that major change from about 90
9 million northbound bus passengers in 1996 -- I'm sorry,
10 90,000, down to 47,000 buses in 2020. Again, we expect
11 this to rebound after the travel restrictions are removed.

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

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

24 The next slide is personal vehicles and shows a
25 similar story. Although we see a few declines in years

1 past, this one was the largest we've ever seen, at least
2 in the last 30 years. So we expect also this to continue
3 to improve as the travel restrictions are eased and people
4 get back to normal.

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

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

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

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

25 I should also note that most of this change

1 occurred in March. Most of the dip occurred in March and
2 April of 2020, and then we saw a recovery largely to
3 pre-pandemic levels by September, peaking in October of
4 2020. So when we talk about 2020 being a low year, it
5 wasn't a low year for the whole year, it was a low year
6 for a few months, and then it was a very strong year in
7 other parts of the year, especially through the fall.

8 We'll keep going. So this next slide provides
9 us with the big picture and it helps us understand 2020 in
10 terms of total trade, northbound and southbound, over a
11 period from 2006 through this last year. You'll see that
12 2009 with the economic crisis, that period, the Great
13 Recession, and then 2020 are the low points in this trend
14 line.

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

24 So the next slide shows the summary of the
25 modes. And over the next few slides we'll get into some

1 of the specific modal changes, but this is the total for
2 the year.

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

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

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

19 Another way that we looked at this in the next
20 slide is from a supply chain perspective, and when we look
21 at 2020, which is on the top. It's that multi-colored bar
22 on the top -- versus 2019, which is the multi-colored bar
23 on the bottom, we see an overall contraction in the total
24 trade for the year that's reflected in the long term
25 trend.

1 When we look at this carefully we notice a few
2 things, particularly. One of the major lessons here is
3 that we all needed our groceries during 2020 and maybe not
4 as much of everything else. During this period of time,
5 fruits, vegetables, grain and food manufacturing were the
6 only supply chains that grew significantly during this
7 year, year over year. Everything else saw a decline,
8 especially for southbound.

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

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

24 There were a lot of disruptions at the first
25 and last mile, so at the warehouses, at the first and last

1 mile. There were fewer disruptions than we would normally
2 see on the main line.

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

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

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

21 So there's 12 slides left, but I'm going to
22 pass through them pretty quickly to get to a discussion.
23 Each of them summarizes a change in a cross-border trade
24 for one of the major supply chains that we've focused on
25 during the development of the Border Master Plan. So on

1 each slide I'm just going to highlight one or two things.

2 So let's start out with animal products.

3 Again, this was the grocery demand, people staying at home
4 and cooking. And it's reflected here, 7.3 percent
5 increase during this period of time.

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

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

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

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

23 The next slide shows petroleum products, and
24 this was the single largest drop and the one that affected
25 really Texas more than anything between Texas and Mexico

1 trade. And again, this was really related to people not
2 driving as much and some lower industrial demand in some
3 circumstances.

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

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

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

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

1 disruptions.

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

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

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

21 The border transportation system resiliency was
22 tested by a surge in E-commerce, by extreme weather
23 events, political protests and other system disruptions,
24 but the border continued to support 73 percent of trade.
25 And again, things are getting better. They're rebounding.

1 March 2021 was the strongest single month for
2 trade in over two years. With the relaxation of the
3 personal travel restrictions over the coming weeks and
4 months, we expect to see a sharp rebound, possibly not as
5 sharp as the trade rebound but a fairly sharp rebound in
6 personal travel as well.

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

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

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

21 So this is the actual story map product. And
22 we will distribute the link for this, but essentially
23 you're able to click on any of these major areas and
24 scroll through at your leisure, because I know this was a
25 lot to present today, and kind of look at some of these

1 trends and understand some of the nuances and depth and
2 some of the graphics here. So thank you very much.

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

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

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

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

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

1 for that participation.

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

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

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

15 MS. MAYS: Thank you, Secretary.

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

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

23 So BTAC members, do you have any initial
24 comments or questions, any specific regional observations
25 that you'd like to make.

1 MS. MAYS: Yeah, Eduardo.

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

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

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

20 I think it's so important to note that the
21 maquila industry and the production of high tech
22 electronics and the ones that the supply chains have hit
23 us here, I mean, they are very resilient, and you see
24 that. And I'm sure David will show you some of the
25 numbers here more local as far as the movement of trucks

1 through our crossings here, but, you know, it's also a
2 testament to how resilient some of these supply chains and
3 industries are.

4 Just a comment about that.

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

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

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

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

24 So I would suggest that we have some people
25 take a look at that because it can very much affect the

1 cost of doing business in ports-of-entry states. I don't
2 want to get into details now but there is and I could send
3 some later -- but they're adding some language and we're
4 talking to our congressman and all to get it out because
5 it would really harm ports of entry, seaports included.

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

7 Dante Galeazzi had asked to make some comments.
8 Dante, please.

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

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

21 One of the small issues that we saw that came
22 up again and again was the movement of people across the
23 border, right, identifying essential workers, how do you
24 clarify essential workers, how do we communicate between
25 CBP and DHS and the entities in Mexico essential workers,

1 and the difference of essential workers between countries.

2 That was tremendously important, created a whole lot of
3 headaches in the middle of the pandemic, but it did get
4 addressed. And I think that was something that taught us
5 an important message about, hey, we've got to make sure
6 that as we're talking about moving products, how do we
7 move people.

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

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

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

24 Now we have a pending shortage on cardboard, on
25 plastic resin, on chemicals, on a million other materials.

1 I realize that's specific to my industry, but I have to
2 assume that some of the others in the manufacturing
3 industries on this call also are experiencing those
4 challenges.

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

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

15 Thank you.

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

22 Are there other questions or comments about
23 this material? And especially, what does this mean for us
24 going forward? How can we be a more resilient border in
25 the future based on what we felt and saw in 2020?

1 MR. SCHWEBEL: Donald, this is Gerry, Gerry
2 Schwebel.

3 MR. LUDLOW: Thanks, Gerry. Go ahead.

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

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

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

20 We've created a culture over the last 14 months
21 of not allowing our friends from the Mexican side to come
22 over because we consider them a threat, whether it be for
23 COVID or whatever other. And therefore, my concern with
24 CBP is that we've created a culture in a lot of their
25 inspectors that they'll be much more defensive and

1 cautious, because they've been doing it for 14 months or
2 15 months, as everyone is essential on the border.

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

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

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

17 We've had ongoing blockades as a mechanism on
18 our ports of entry, our bridges, you know, from our
19 friends from Mexico because they think they want to make a
20 political statement, and we still do not have proper
21 protocols and processes of how we react to that.

22 Everybody requests that somebody else solve that problem.

23 We all have challenges of the growth in trade would put
24 more strains on personnel at our ports of entry on both
25 sides of the border.

1 Just last night in Laredo, Texas, I drove back
2 at nine o'clock. Southbound traffic into Mexico was lined
3 up for miles because the SAT systems, the S-A-T systems
4 tend to be going down more often. Those are disruptors
5 that has to be ongoing issues impacting our processes.

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

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

22 All of that I'm concerned about -- you know,
23 the politics of NAFTA, the USMCA, that what we build up
24 that we live off trucks and rail and that any disruptions
25 to the jobs related to that process of supply chain

1 impacts our economy at the border tremendously. I am
2 positive -- I feel positive that through this BTMP, we'll
3 tell a better story to all about what the border is all
4 about but what the needs of the border are.

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

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

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

25 So I just want to put that on the table for

1 everyone to consider and keep that in mind as we look at
2 how we're going to go out there and present this plan with
3 those challenges that I've just alluded to.

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

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

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

21 MR. SCHWEBEL: I think the secretary of state
22 role and working together with TxDOT, I just hope that our
23 governor and lieutenant governor really pay attention to
24 what this information is being shared with them. Because
25 quite frankly, the attention that we get on the border is

1 not all positive. And therefore, this is a lot of good
2 stuff, a lot of good positive stuff that adds value to our
3 state, not takes away.

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

11 MR. LUDLOW: Thank you very much, Gerry.

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

15 MS. MAYS: Just wanted to see first if there's
16 any additional comments from any of the members before we
17 take a quick five-minute break so we can get back on time.

18 Any comments from the members? We did send this
19 presentation yesterday.

20 David, you have a comment?

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

23 MS. MAYS: Okay, sure.

24 MR. CORONADO: Thank you. I'll make it brief
25 because I know you want to get ahead of the schedule.

1 In El Paso, here at the city, we're tracking a
2 lot of metrics in the city about performance and how we
3 are doing the recovery. You know, in El Paso, at least as
4 far as we're concerned in El Paso, trade here between
5 Juarez and El Paso recovered in about June of 2020. With
6 trade alone we saw a V-shaped recovery, or we saw a sharp
7 decline for two or three months and then a sharp recovery,
8 and then now essentially we're on par with pre-pandemic
9 levels.

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

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

24 You know, people were spending more time at
25 home so they were spending more time investing in their

1 homes to repair, to paint, to do work in their yard, so
2 home repair services. And food banks, those folks that
3 had no employment, no income had to go to these services
4 to get support from the community. And so everything else
5 shut down. Right?

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

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

23 I disagree with Gerry. I think actually,
24 personally, once the restrictions are lifted there is a
25 lot of pent-up demand for crossing to El Paso from

1 Mexicans and those that are visa holders. So I think
2 there's going to be a burst in crossings once those
3 restrictions are lifted.

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

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

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

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

22 So we'll actually take five minutes, not ten,
23 so we can get back on time. So Francisco, it's five
24 minutes, not ten. Thank you. We'll be back at 10:13,
25 that's five.

1 (Whereupon, at 10:08 a.m., a brief recess was
2 taken.)

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

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

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

9 MS. MAYS: Yes, Stan, sure.

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

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

24 You know, Donald did a great job of giving that
25 overview of the differences in the last year, and while

1 that might normalize a little bit over time, it's still
2 going to continue to move all over the place. And that's
3 where the real value of this is. And so I just wanted to
4 kind of raise that and throw it out, and maybe that's a
5 better discussion for somewhere else in the presentation,
6 but that's just kind of been going through my mind here
7 this morning.

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

13 As we continue with the implementation, as data
14 becomes available, we will definitely have the ability to
15 analyze it and bring that back to you all. We have the
16 2020 census, that's coming up, so all of those we're going
17 to continue to do that periodically, come back to BTAC and
18 share any of the new data that we have that's relevant to
19 the work effort. Appreciate that.

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

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

25 Juan, if you're speaking, we can't hear you.

1 MR. VILLA: Yeah. I was double-muted. Sorry.
2 Thank you, Caroline. I'll keep it short so we can be
3 back on time.

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

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

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

23 Next one. So the expansion basically consists
24 on moving towards the next border crossings that we have
25 not implemented. You know, we have all these ones that

1 are shown in blue and then in pink with the POV, but we're
2 going to concentrate, as requested by TxDOT, on the truck
3 border crossings.

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

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

19 Next one. So on the next slide we can see the
20 program is basically taking eleven months for all these
21 crossings, and also we'd like to discuss with you the
22 importance of southbound border wait time measurements.
23 We have also developed a plan for that, but I think we
24 need to identify what the priority is, whether to continue
25 with implementation of these crossings or work as well on

1 the southbound, as well. You know, southbound border wait
2 times, which will use the same technology.

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

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

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

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

20 Again, I think Juan mentioned in the beginning
21 of his presentation, if you all remember the analysis we
22 did with border wait times, this was one of the data
23 sources we used, CBP data, BCIS data, as well as INRIX and
24 other data sources. But as Juan mentioned, the limitation
25 is that we have it at not all our border crossings.

1 So the first phase we're looking to do is to
2 expand it to all the commercial vehicle border crossings.

3 And then the next phase is essentially have all the
4 border crossings implemented with this technology to be
5 able to collect better wait time and crossing time data.

6 Questions, comments from committee members?

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

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

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

25 And to your point, the data piece, the

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

5 MR. CALVO: Excellent. Thank you.

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

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

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

24 MS. MAYS: Yeah.

25 MR. VILLA: I think --

1 MS. MAYS: Go ahead, Juan.

2 MR. VILLA: No, go ahead, Caroline.

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

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

14 Juan.

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

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

1 your analysis.

2 MR. CALVO: Thank you.

3 MS. MAYS: You're welcome.

4 Any other questions for Juan on this from
5 committee members?

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

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

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

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

25 MR. VILLA: Thank you, David, and yes, we can

1 coordinate with Rafa and with Swapnil, and we can
2 participate in the meeting and show you the new system.

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

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

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

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

25 And working also with other agencies. For

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

7 MS. MAYS: Okay, thanks.

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

11 MS. GARCIA: Buenos días. Erika Garcia.
12 (Speaking Spanish).

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

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

25 MS. GARCIA: Gracias.

1 MR. VILLA: (Speaking Spanish).

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

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

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

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

21 If you all remember, especially Sam and the
22 folks from Laredo and from RGV, east-west connectivity
23 between the RGV and Laredo, and really US 83 is a major
24 corridor, but unfortunately it's not the most feasible
25 corridor. So we have started discussions, and the

1 consultant that's going to help us do this, working with
2 the two districts, will present just a quick snippet of
3 what we're going to be looking at and kind of what are
4 some of the issues in that corridor.

5 So please take it over. Who is presenting?

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

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

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

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

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

21 There are five border crossings along these
22 limits and several others nearby at either end. The
23 corridor provides the primary connection between the Rio
24 Grande Valley and Laredo, and it's also part of the Texas
25 Highway Freight Network, the Strategic Highway Network,

1 and is a hurricane evacuation route.

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

9 So what's the purpose of the feasibility study?

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

22 Next slide, please. So this slide outlines the
23 general approach we will take to conduct the US 83
24 feasibility study. Our first step will be to conduct
25 traffic safety analyses to identify existing and

1 forecasted transportation problems related to safety,
2 congestion, freight mobility, connectivity, system
3 continuity that meets driver expectations, infrastructure
4 deterioration, and geometric designs that do not meet
5 current standards.

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

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

18 We'll formulate a phased and prioritized
19 program development and funding plan, applying appropriate
20 corridor evaluation tools and project prioritization
21 metrics, and identifying foreseeable funding and financing
22 sources and strategies. And throughout the entire study
23 process we will be conducting stakeholder and public
24 involvement, incorporating stakeholder input to identify
25 transportation related problems, project goals, sensitive

1 environmental and community features, and inform the
2 development and refinement of the transportation
3 solutions.

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

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

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

23 And this slide is focusing in on the severe
24 crash locations along US 83 that occurred between 2015 and
25 2019. In the most left-hand graphic you can see there

1 were 22 crashes that resulted in a fatality along this
2 stretch of US 83, and those crashes were clustered around
3 the Rio Grande Valley area from the I-2 terminus west of
4 Palmview to Roma and from Rio Bravo to Laredo. In the
5 middle section you can see that there were over 100
6 incapacitating injury crashes that were clustered
7 similarly along US 83, as well as in Zapata.

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

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

22 If no improvements are made to US 83, then
23 congestion is expected to continue to increase beyond
24 2039, which may cause what you see on the map to further
25 deteriorate. And when you compare the crash maps that we

1 looked at previously with these congestion maps, it's very
2 apparent that where you have the most congestion, we're
3 also seeing the highest crash rates and the most severe
4 crashes.

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

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

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

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

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

24 But certainly want to give you a few minutes to
25 do that. I know we have a lot of RGV and Laredo folks on

1 the line, and don't make me pick on a couple of you.

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

4 MS. MAYS: Sure.

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

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

25 All those stop lights, passing through the

1 cities, it does not make for good transportation of cargo,
2 and I think those accidents are really speaking to that.
3 So I think the transportation need there is, how do we
4 move trucks and people from one region to the other
5 without those accidents.

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

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

20 So just a few initial comments.

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

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

25 MS. MAYS: Okay. Go ahead, Teclo.

1 MR. GARCIA: Thanks for calling me out,
2 Caroline, really appreciate it.

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

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

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

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

24 MR. LINDSEY: Yes, sir, absolutely.

25 I'm sorry. Go ahead, Caroline.

1 MS. MAYS: No, that's okay. I was just
2 thanking Teclo.

3 Go ahead, Steve.

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

9 MR. GARCIA: Thank you.

10 MS. MAYS: Any other comments?

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

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

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

24 MR. CAMPIRANO: Caroline?

25 MS. MAYS: Yes.

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

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

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

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

24 So appreciate, Steve, and your team for pulling
25 this so quickly and being able to share with BTAC. So

1 thank you, BTAC, also for your feedback on this.

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

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

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

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

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

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

25 It's located in Maverick, Zavala, and Frio

1 counties, in the Laredo and the San Antonio districts.
2 This corridor is also on the Texas Highway Freight
3 Network, as well as the Energy Sector Corridor Network.
4 Tying in with Steve's presentation before, US 57
5 intersects US 83 in the town of La Prior.

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

12 Next slide.

13 Go ahead, Caroline.

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

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

23 MR. LINHART: Great. So if there's any
24 insights that the committee members have with regard to
25 this corridor, I'd like to get your insights captured here

1 as we start developing our scope of services and making
2 sure that we identify what the potential outcome for this
3 corridor feasibility study would be. And if you're aware
4 of any certain areas of concern along the corridor, that
5 would be great to note at this time. Again, this is the
6 first opportunity.

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

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

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

21 Thank you.

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

24 MR. ZAPATA: Caroline, this is David Zapata.

25 MS. MAYS: Yes, David.

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

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

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

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

1 we've done with all of our corridor studies.

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

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

9 57 is not directly connected to Laredo but very
10 important for this region. It does help Eagle Pass,
11 obviously, in any sort of way that it would be improved,
12 as David mentioned for those obvious reasons. But there's
13 a lot of connectivity between Laredo and Eagle Pass, and a
14 better 57 would definitely be better for Laredo as well,
15 as we both continue to send product back and forth from
16 our ports and also to San Antonio.

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

20 Thank you.

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

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

25 (No response.)

1 MS. MAYS: Okay. Steve, thank you very much
2 for presenting. Like I mentioned with the US 83, we'll
3 continue to come back to BTAC, you know, as we launch the
4 studies. So as Steve mentioned, probably later on in the
5 fall we'll come back to you for your input, but also those
6 that are in this region definitely you'll be part of the
7 stakeholder engagement to hear your feedback on just not
8 identifying the needs but also the strategies moving
9 forward.

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

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

15 Aisa.

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

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

24 And so we're going to kick off our regional
25 presentations with Teclo Garcia, the director of economic

1 development for the City of Laredo, and he is representing
2 Mayor Saenz for this presentation.

3 Teclo. You're muted, Teclo.

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

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

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

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

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

25 The ranking is just a byproduct of what we're

1 doing here, and that is adding capacity to Texas's trade.

2 Laredo is not a manufacturing center. What it is,
3 however, is a very strategically located transit and
4 distribution and processing hub for Mexico and Texas.

5 It's located on the I-35 corridor, and it's
6 been in the trade business since its founding in 1755.

7 Currently right now about more than one-third of our
8 workforce is in logistics. So that's what we do, and
9 that's what we do not just for Laredo but for the state.

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

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

24 So again, this is what we do for the state and
25 the country: we move goods and we're adding capacity and

1 jobs to both sides of the border. The trade that goes
2 back and forth here in Laredo, like other ports, is
3 amazing.

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

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

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

23 They're normally crossed over through Laredo by
24 truck and then sent to Memphis and Dallas-Fort Worth for
25 distribution around the U.S. and the Americas. So next

1 time you step on a Lego, you have kids or grandkids, and
2 it hurts, think about Laredo as facilitating that sale.

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

11 Laredo International Airport is about the fifth
12 or sixth busiest cargo airport to Mexico and it's in the
13 midst of about a \$200 million expansion. Right now we
14 have about 25 to 40 cargo flights a day arrivals and about
15 80 altogether for freight operations. And then our
16 friends at UP and KCS both have intermodal facilities here
17 in Laredo. All extremely important to moving goods
18 throughout Texas, to the Port of Houston, to DFW, to San
19 Antonio, and all the other trade nodes in Texas.

20 Next slide. There's about two dozen Fortune
21 500 companies that have major presence in Laredo,
22 including UPS and FedEx and KC Southern and UP and many
23 others that do business here.

24 So on this particular slide I'm talking about
25 the cold storage and produce investments that we've had in

1 the last couple of years. There's about 26 cold storage
2 facilities in Laredo. We've had about \$100 million in
3 produce investment in the last couple of years, and then
4 we've had about close to half a billion dollars in
5 distribution and warehouse construction in the last five
6 years.

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

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

17 We don't have enough drivers, and when I say
18 we, this sector, Texas. You know, we know of many cases
19 where transportation companies are flying drivers down
20 from the Midwest to pick up vehicles to drive them back to
21 the Midwest. Any given day unscientific survey by myself
22 shows that there's anywhere from 300 to 500 CDL openings
23 in the Laredo area. I mean, that kind of gives you an
24 idea of how many drivers that we're short of just in our
25 area, much less DFW or Houston or something like that.

1 Obviously, the chip shortage, technology has
2 impeded and disrupted the supply chain, the manufacturing
3 business in Mexico. So you've seen a little bit of that
4 in terms of less imports, especially in the auto sector,
5 but those chips and that technology are important to just
6 about every sector. Anything that is a smart appliance or
7 a smart phone, obviously that's going to be impacted
8 somehow, and you're beginning to see that.

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

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

22 Lastly, the trade environment. It was talked
23 about before. Gerry brought up some really good points
24 about watching certain things that happen in D.C., but as
25 well, the USMCA trade accord, that is coming to fruition

1 in all sorts of ways but there's challenges there. In
2 addition to outside of the USMCA, obviously there's trade
3 wars with China and there's other things that we have to
4 watch, but that's always a challenge in a place like
5 Laredo.

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

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

12 MS. SHOWERY: Thank you, Teclo.

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

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

20 Thank you, Mr. Schwebel, appreciate it.

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

24 Thank you, Teclo, you did a great job.

25 MR. GARCIA: Appreciate it. Thank you.

1 MS. SHOWERY: Next we have Eduardo Calvo. He
2 is the executive director and he's representing the El
3 Paso Metropolitan Planning Organization. And take it
4 away, Mr. Calvo.

5 MR. CALVO: Thank you, Aisa.

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

12 Take it away, David.

13 MR. CORONADO: Thank you both.

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

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

21 So this is data for northbound crossings for
22 vehicles, and I have pedestrians coming up next and also
23 have cargo. And we're looking here at data going back to
24 2000, so the last 20-21 years of data, and this is monthly
25 crossings. We do have applied here a six-month moving

1 average, so the patterns are easier to see here.

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

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

15 And then before COVID, not at pre-COVID levels
16 or pre-recession levels, and then again a sharp decline in
17 2020 along with the impacts of the shortage in agents in
18 2019 because of the migrant crisis. So every event
19 impacts crossings differently. Right?

20 In this case in March, like I said before, we
21 are seeing really good progress in the U.S. and in El Paso
22 as far as vaccination efforts go. And so if you can sort
23 of squint your eyes really closely here, the last
24 observation is for March of 2021 and you see that sharp
25 decline in that faded orange line. That's due to what we

1 believe is that surge that we are seeing in those folks
2 that are fully vaccinated in El Paso that feel more
3 confident going into Juarez for visiting family members,
4 buying groceries, going to dentist appointments, doctor
5 appointments and all those things that were paused during
6 the pandemic.

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

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

16 And the next slide, you know, similar to what
17 we were saying earlier, we are seeing that on the cargo
18 environment we are seeing a really good recovery. As I
19 mentioned also earlier -- go to the next slide, please.
20 There it is. Thank you.

21 So we do see a V-shaped recovery from COVID.
22 We do see a few months of downturn in cargo crossings from
23 Juarez to El Paso, but then a really sharp decline in just
24 a couple of months, and then now we're essentially back a
25 pre-COVID-19 levels. Really good positive signs for the

1 industry, for trade overall, and also for production in
2 the U.S., so we do see a small pause in activity, right,
3 or a small downturn, but again, positive recovery.

4 And then if we go to the next slide, please.
5 So there's a picture that's missing here but that's okay.

6 There's an update that we have. I wonder if you can --
7 you can go the next one if it shows. There it is. Thank
8 you.

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

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

22 So now we have lane assignments as well for
23 PEPA empties on the right lane and then regular and pass
24 traffic on the left. So as they go into Juarez-Aduana,
25 the trucks actually on the U.S. side start to pick and

1 choose the lane that they're going to choose, helping
2 expedite those crossings. Once they arrive at the Mexican
3 customs in Juarez, we work with CBP with Aduana and with
4 the desportistas, and we essentially installed different
5 VMSs.

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

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

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

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

1 in the industry and on the east side of Juarez with the
2 industry as well on the Mexican side.

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

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

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

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

24 And so we're trying to essentially work on a
25 feasibility study to modernize the port, to expand the

1 port perhaps, to reconfigure the inspection areas, add
2 more lanes, perhaps expand the number of lanes at the
3 bridge, and so looking at this study. And then also we
4 want to expand the ITS infrastructure at the ports of
5 entry to complement our efforts at Ysleta and BOTA with
6 the Stanton Street port of entry.

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

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

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

25 And then also, we are working right now at the

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

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

12 MR. ALDRETE: Thank you, David.

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

23 So subsequently we started looking at what the
24 benefits would be of coordinating contract tracing and we
25 developed an epidemiological model to basically figure out

1 to what extent contact tracing would allow to restore
2 mobility at the border faster. And so moving on to -- now
3 that we have started with vaccinations and as contact
4 tracing became less relevant in the face of the pandemic,
5 what we did -- can you move to the previous slide, please.

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

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

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

25 Another assumption is that by removing COVID-19

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

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

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

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

24 Then what we did is we ran several removal date
25 scenarios and then modeled the new cases, how much would

1 they increase by increasing mobility at the border, and we
2 did the same analysis through June 2022. So what you see
3 on the screen, the bars that you see in green, those are
4 the additional cases that we would see depending on the
5 opening date, fully restoring mobility.

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

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

17 But it really depends on -- when we can
18 accelerate the opening date really depends on achieving a
19 significant vaccination rate on both sides of the border,
20 getting the maximum percentage of the population
21 vaccinated, and also on Ciudad Juarez, at least in the
22 Juarez-El Paso case, accelerating their speed of
23 vaccination. The other factor that we're looking at is
24 what is going to be the expected severity of the new
25 cases.

1 So for example, if we were talking about 3,000
2 cases if we opened this September, about how many of those
3 would require hospitalization? How many of those would
4 result in deaths? That is part of what we are doing now.

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

13 And that's the end of my presentation.

14 Eduardo, it's yours.

15 MR. CALVO: Thank you, Rafa.

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

22 But again, you know, we can't wait until the
23 border is reopened. There's an economic impact to the
24 border communities that we all know, to local businesses,
25 to sales tax. But also, let's not forget the personal,

1 the impact to individual people and families, that we all
2 have friends and family on both sides of the border.

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

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

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

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

23 As soon as we open up the border, let's have
24 the people from the Mexican side -- in our case from
25 Ciudad Juarez -- come in and get vaccinated as quickly as

1 possible. That's going to help us reach that herd
2 immunity connected on both sides of the border, because we
3 truly are one community, especially after they reopen the
4 border.

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

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

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

22 So one of the things that we are doing right
23 now is developing our new travel demand model, which is a
24 tool that all MPOs use to evaluate current and future
25 traffic congestion. You've got demographic side which is

1 a demand, basically forecasting how employment population
2 and households are going to grow and how are they going to
3 be distributed within our region. Right?

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

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

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

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

25 Interesting to see in February, towards the

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

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

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

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

23 So the same model that we use for the U.S.
24 side, we are extending it and creating a true binational
25 travel demand model. Again, that's going to help us

1 better understand the travel pattern, the choices that
2 people make in terms of what border crossings to use, and
3 so on.

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

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

18 In the map you see the yellow dots which
19 represent the crossings, Santa Teresa in New Mexico to the
20 left or to the west, then going through the downtown and
21 the Bridge of the Americas in Zaragoza. Again, all of
22 these are connected directly to I-10. And as we know, all
23 the traffic gravitates to I-10, which is one of the
24 reasons why the priority projects consist in rebuilding
25 and expanding I-10.

1 Unfortunately on this map we're not showing the
2 Tornillo-Guadalupe crossing which is farther east or
3 farther south, but that is also one of the bridges that is
4 part of our system.

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

10 MS. SHOWERY: Thank you, El Paso.

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

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

16 (No response.)

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

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

22 Next slide, please. Really want to just talk
23 about the maritime industry in Texas and particularly
24 South Texas ports and how important they are to
25 cross-border trade. You know, Brownsville in particular,

1 by virtue of its location as being the only deepwater
2 seaport on the U.S.-Mexico, our business is focused on
3 trade with Mexico. Ninety percent of what we do is
4 related to import or export to and from Mexico.

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

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

19 You know, the ports offer the multimodal
20 connectivity, not only the deep ocean connection with
21 ships that provide that global connectivity but also the
22 brown water connectivity, or the barges that connect us
23 with the Gulf Intracoastal Waterway all the way from
24 Brownsville to the east coast of Florida, and more
25 importantly, to the inland waterway as well. We've got

1 rail connectivity with our rail partners.

2 We own our own rail service called the
3 Brownsville Rio Grande International Railway, and it
4 specifically exists to serve port customers. But more
5 importantly, it interconnects with Union Pacific and BNSF
6 for northbound service and it interconnects with Kansas
7 City Southern for southbound service. And in our case,
8 the majority of our rail car moves are heading south.

9 Again, energy is one of the big areas that we
10 saw, primarily in the area of wind components, but we also
11 are a heavy mover of petroleum-based products. We're one
12 of the largest exporters of refined petroleum products to
13 Mexico, primarily in the area of premium gasoline, low
14 sulfur grade diesel, lubricants, jet fuel and other
15 commodities.

16 Probably our biggest bulk commodity that we
17 handle in terms of -- is going to be steel. We are one of
18 the biggest movers of steel into Mexico, and we're not
19 talking about finished product. In many cases we're
20 talking about the feed stock that is going to the mills in
21 and around Monterrey, as far as customers in the San Luis
22 Potosí area as well that are recipients of either steel
23 slab or hot rolled coil that, again, are manufactured to
24 meet the needs of the customers. Ternium de Mexico, a
25 premier steel provider in Mexico, again a big provider to

1 the steel industry.

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

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

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

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

23 Next slide, please. This is just an example of
24 the significant activities that we have going on in the
25 port. You know, we have the largest full service shipyard

1 in the Gulf Coast, and by that I mean full service meaning
2 that they don't just specialize in repairs or they don't
3 just specialize in construction. This is a facility,
4 Keppel AmFELS, that can actually build and they can do a
5 vessel from really design to delivery for the customer.
6 Their primary focus was in the offshore, supporting the
7 nation's interests in offshore oil, as well as Mexico and
8 other parts of the world in offshore oil.

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

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

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

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

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

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

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

1 domestic mills, but throughout the world.

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

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

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

23 We do a lot of aggregate. We do agricultural
24 commodities, sorghum, corn, we do sugar. We do a whole
25 host. We support the Mexican Navy and its supply vessels

1 here at the Port of Brownsville. So it is really a whole
2 host of commodities that we move.

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

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

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

21 Currently the home goods market is a big user
22 of this service, but we're also shipping not only home
23 goods but Mexican beverages, home construction materials
24 such as tile that is coming out of the Monterrey area to
25 Laredo, to the Port of Brownsville, then directly to

1 Florida. A lot of this commodity not only is used in
2 Florida but what it also provides is access to the Eastern
3 Seaboard and other markets beyond there. And so we're
4 excited about this service.

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

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

22 The number of trucks that come to the Port of
23 Brownsville, the number of rail cars that are moving
24 liquid commodities is increasing primarily because of the
25 shift away from pipeline to other users, but every one of

1 our liquid terminals here in the port is in expansion
2 mode. We have over 6-1/2 million barrels of capacity to
3 be able to move what primarily will be, again, premium
4 gasoline, low sulfur grade diesel, as well as jet fuel and
5 lubricants into Mexico not only from abroad but also from
6 U.S. refineries, especially in Texas. So activity in our
7 port is actually quite robust.

8 2020 was a record year in spite of the
9 pandemic, and I'll give you an example. We moved the
10 largest number of railcars that we've ever moved in 2020,
11 and 85 percent of those railcar moves were into Mexico.
12 And for the first quarter of this year, we're already
13 ahead 27 percent of last year's period for railcar moves.

14 So we see that continued activity.

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

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

25 So again, thank you very much.

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

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

9 Sergio, take it away.

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

14 Before I begin, I do want to recognize TxDOT
15 for hiring Aisa Showery as manager of international trade.

16 We're finding Aisa is great to work with over the years
17 and a great addition to our TxDOT BTAC and pretty much the
18 Texas border communities. So congratulations, Aisa.

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

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

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

1 one, please.

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

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

15 At the regional level, we've seen our
16 employment grow by 111 percent from 1990 to 2019, up to
17 516,000 jobs, which is forecasted to grow by 100 percent,
18 which will be about 103 million, by 2050. You know, Sam
19 and Gerry, you guys recall this: prior to NAFTA in the
20 mid '90s, unemployment rate in the Valley was close to 23
21 percent.

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

1 region and how NAFTA kicked in.

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

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

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

22 For example, Weslaco -- and I'm not going to
23 dive into all of these because you can see those there --
24 but total investment over the last couple of years is
25 close to \$23 million, close to 200 jobs, and they continue

1 to attract new investments. In fact, they're expanding
2 into a brand new industrial park. They don't necessarily
3 have a port of entry, but Progreso is just down the street
4 from them so that's where they see that growth.

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

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

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

23 And some are existing, however, they do have about three
24 new cold storage facilities in the works that will turn
25 dirt here in the next couple of weeks.

1 Next slide, please. McAllen continues to call
2 for additional investment in warehouse space, as we have
3 seen that all the way from El Paso to Brownsville.
4 They're celebrating about 50 years now that they've had
5 their FTZ with over 100 clients of interest to all and
6 they represent close to 42 countries worldwide.

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

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

25 There's a private investment, Pharr Bridge

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

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

11 Of interest is the current aerospace expansion
12 for Cameron County, Brownsville, which is also going to
13 impact our trade community. In fact, SpaceX has about
14 1,500 employees. Ninety percent live in Brownsville. The
15 Musk Foundation has donated \$10 million to Downtown
16 Brownsville revitalization and \$20 million towards Cameron
17 County schools.

18 And then you have Spaced Ventures, an
19 innovative investment platform that -- investments in
20 private space. And then they're actually going into the
21 airwaves with a Space Channel and are going to hire talent
22 here from the region. So again, that is going to also
23 impact our trade community and our roadways because you'll
24 have more folks driving and crossing through our ports as
25 well.

1 So we'll go to the next slide, please. So
2 Harlingen, at the airport they continue to see investment
3 at the FedEx facility as they expand. Also, the Port of
4 Harlingen, we have a port in Harlingen that generates
5 about a billion dollars in economic activity, sustaining
6 over 4,600 jobs. And again, what does that mean to us?
7 It's \$70 million in local and state revenue, and that also
8 impacts our trade community with additional investment
9 that is needed to continue to sustain our growth.

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

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

23 So it's interesting to see how Starr County,
24 over the last couple of years they've seen quite a bit of
25 investments in rooftops and retail because of the growth

1 that they continue to see in their industrial park and
2 also investment in cold storage facilities.

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

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

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

1 years have been in that sector.

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

6 And that concludes my presentation.

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

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

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

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

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

24 By 2011, we overcame Arizona. By 2015, we had
25 broken the benchmark of 200,000 fresh loads of fresh

1 produce, and by 2020 we are blowing past everybody. You
2 can see that in the last 13 years we have increased the
3 amount of fresh produce coming across by truckload volume
4 by 186 percent. That's an annual average of 14 percent
5 every year growth, as compared to Arizona at 3 percent and
6 the national average of 7.8 percent.

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

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

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

22 Next slide. So there's a variety of factors.
23 Quickly, the big one is the infrastructure in Mexico has
24 really resulted in why more fresh produce is crossing
25 through Texas, especially the Super Villa between

1 Matzatlán and Matamoros, and that bridge project that went
2 in in Durango. What it did is it basically cut 12 hours
3 or one day of transit time for fresh produce coming out of
4 the western part of Mexico to the Rio Grande Valley.
5 That's important because a lot of the high dollar, high
6 value fresh produce is grown on the west coast of Mexico
7 in greenhouses.

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

14 Next slide. Why is this important? Well, in
15 2019 the U.S. brought across \$13 billion of fresh fruits
16 and vegetables. I'm still waiting for the final numbers
17 in 2020, but it looks like we crossed just over \$14
18 billion on fresh produce.

19 This is important to the state because in 2017
20 A&M saw that fresh fruit and vegetable imports had a
21 direct economic impact of \$850 million to the state, but
22 more importantly, it resulted in 7,800 jobs in Texas.
23 Now, that was in 2017, so by 2025 they believe that we
24 will continue to grow to about 338,000 truckloads. We are
25 very much on track to hit that number.

1 Next slide. So I'm actually not going to go
2 into these next two but these are -- and if anyone wants
3 to discuss you can absolutely reach out to me -- but this
4 slide here is why we're seeing so much production moved to
5 Mexico.

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

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

15 And this is one of those policies that really
16 goes to support infrastructure development, because one of
17 the things that we've learned, especially for fresh
18 produce, is we can build all the bridges we want but if
19 CBP, FDA and USDA don't provide the appropriate personnel
20 to staff those bridges, then we are not going to see any
21 more increases in fresh produce. We're going to continue
22 to see delays, and eventually that business is just going
23 to circumvent any of the ports of entry and look for
24 alternative methods and modes of transportation to deliver
25 that fresh produce to North America.

1 We don't want that because that's very
2 important for our region. Like I said, it has a massive
3 economic impact, and more importantly, it brings a lot of
4 value to the entire supply chain for fresh fruits and
5 vegetables.

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

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

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

22 This is important because what was happening
23 was the ag specialists would accept trucks until 5:00 p.m.
24 and they would conclude their inspections at about 7:00
25 p.m. And if a truck was not included in that inspection,

1 then they would have to wait until the next day. So we
2 were seeing at least 10 to 20 trucks per night, during
3 peak periods it would be as many as 50 trucks per night.
4

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

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

16 And finally, we have a very new program that
17 was put in place in July, and that is an internship
18 program. So CBP has reported they have this shortage
19 problem so they don't know how to fill it. For those who
20 are familiar with the CBP process, it takes approximately
21 12 to 15 months to hire a new agent. By any means, that
22 is an extraordinary issue but that's something aside.

23 So we decided that there was an opportunity to
24 not only help increase the efficiency at the borders today
25 but to also build a pool of qualified local candidates

1 from our community and create these career pathways. This
2 intern program, which is a partnership with UT RGV out of
3 Edinburg, has been in place since July. There are several
4 interns at Pharr. There is, I believe, one or two interns
5 at Rio Grande City. And so this is a paid internship that
6 functions through the STAC program.

7 And that's all for my presentation.

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

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

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

24 So you will notice that TxDOT is starting to
25 look at east-west type of traffic, because that's how we

1 move around in the border area. And we're soon going to
2 have a parallel road to US 83 that will go all the way to
3 the seaports. So those are very important issues.

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

9 Thank you.

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

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

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

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

22 So we absolutely depend on fresh produce
23 imports as a state. Across the United States, though,
24 it's closer to 40 percent of the fresh produce eaten in
25 our country is dependent on that trade from Mexico. So

1 it's not only vital for the economic sense, like Sam was
2 talking about, it's absolutely important for the health of
3 our society and our country that we continue to see
4 additional fresh produce imports come through these ports.

5 Thank you.

6 MS. SHOWERY: Thank you, Dante.

7 Are there any other questions?

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

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

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

25 MR. GALEAZZI: Well said, Teclo, well said.

1 MS. SHOWERY: Thank you, everybody, for your
2 comments and productive discussions. If there aren't any
3 other questions or comments, I'm going to turn it back to
4 Caroline for any final presentations or comments before we
5 close.

6 Caroline.

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

9 MS. SHOWERY: Oh, yes, please do, Secretary
10 Hughs.

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

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

22 I think breaking them down regionally the way
23 that we have done and the way we're starting to define
24 more in this process is going to be incredibly helpful as
25 we go forward with implementation efforts, because we'll

1 be able to kind of break it down in ways that we can use
2 to then explain the need for implementation through each
3 project more specifically. And that will help us, for
4 example, with our legislators and sort of showing the
5 impact in their specific community or regarding their
6 constituents, et cetera.

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

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

24 At this time, given the time constraints, I
25 will entertain a motion to adjourn.

1 MR. CAMPIRANO: So moved.

2 SECY. HUGHS: Is there a second?

3 MR. CALVO: Second. This is Eduardo.

4 SECY. HUGHS: Okay. And we are adjourned,
5 although I did want to just mention one thing when I see
6 Eduardo Calvo. One thing Roberto Velasco talked about
7 when we visited was that the Mexican government in Mexico
8 is talking to our federal government and looking at
9 whether they might be able, instead of doing an opening of
10 the border all at once if they might be able to look at
11 specific cases, figure out areas where the numbers are
12 improving, and start to open up potentially piecemeal.

13 Obviously, what we saw instead was an extension
14 to June 21. But we all remain optimistic, and I liked
15 hearing that it's a priority for them as well and
16 something that they're working on. So just want to leave
17 you with that as well.

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

20 SECY. HUGHS: We're adjourned.

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

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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)

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