

TEXAS DEPARTMENT OF TRANSPORTATION
BORDER TRADE ADVISORY COMMITTEE
MEETING

Dewitt C. Greer
State Transportation Building
Ric Williamson Hearing Room
125 E. 11th Street
Austin, Texas 78701

Tuesday,
July 19, 2022

COMMITTEE MEMBERS:

John B. Scott, Presiding Officer
Rafael M. Aldrete (by Jolanda Prozzi)
Daniel Avila
Jon Barela
Luis Alfredo Bazan
Eduardo Calvo
Andrew Canon
Sergio Contreras
David A. Coronado
Warren Erdman
John Esparza (by David Moore)
Raquel Espinosa
Juan Antonio Flores
Dante Galeazzi
Cynthia Gaza-Reyes
Jake Giesbrecht
Iliana Holguin
Lisa Loftus-Otway
Marga Lopez
Mayor Bruno Lozano
Stan Meador
Juan Olaguibel
Jesus Reyna
Mayor Pete Saenz
Mayor Rolando Salinas (by George Antuna)
Gerardo "Gerry" Schwebel
Megan Shea
Tommy Taylor
Sam Vale
Cameron Walker

ON THE RECORD REPORTING
(512) 450-0342

Also Present:

Laura Ryan, TxDOT Commissioner

Alvin New, TxDOT Commissioner (via telephone)

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P R O C E E D I N G S

1
2 SECY. SCOTT: I know everyone knows this, but
3 Caroline is the one who should have her microphone on, but
4 thank each of you for being here.

5 And I want to especially welcome --
6 Commissioner Ryan is here. Thank you so much for allowing
7 us to participate at TxDOT and the job that you are doing
8 at TxDOT. I think we have Alvin New -- Commissioner New
9 is online, I'm told, and is here.

10 Jessica Butler is not here, so forget it,
11 Jessica; you don't get a compliment today.

12 (General laughter.)

13 SECY. SCOTT: And Caroline, again I'll start
14 with Caroline because without her efforts and the folks
15 for her -- this is awesome, so thank you.

16 We'll go ahead and get introductions, if we
17 could. And we'll get everybody to introduce themselves,
18 but we're so glad that you're here.

19 One of the things today, before we speak, my
20 name is John Scott, I work for the State and in that role
21 I'm chair of this at least by our equals here today. And
22 so with that, I would like everyone seated at the table to
23 go ahead and introduce themselves. And as we speak
24 throughout the record, so that we meet with our Open
25 Records requirements, the court reporter gets a really

1 good record if each person would say their name before
2 they go on with their comments.

3 And so with that, I'd ask that those folks
4 around the table go ahead and introduce themselves.

5 MR. MARENTES: I'm Pablo Marentes, Mexico. But
6 I'm also -- I went to a high school incorporated to Texas
7 A&M, and I enjoyed very much those two years at that space
8 in that wonderful high school. So I really feel --
9 because I never failed to come for the next ten years at
10 least once a week to go to the house of the Tichenors.

11 Herbert Tichenor was the head of the physical
12 education department of Texas A&M. He was responsible for
13 Johnny Weissmuller to win in the breaststroke in the
14 Olympics of 1938. So the people that went -- the
15 Tichenors was the head of the department of physical
16 education.

17 We were big shots of A&M at that time and we
18 enjoyed it very, very much, although I was only about
19 eleven years old. But they looked at me as if I were a
20 guy that had been always from here, and I was proud to be
21 that way.

22 So I'm here again with the wonderful committee
23 that the Secretary of State, Mr. Scott, has been willing
24 to have us here with him and with all of you, and all
25 these people that know what Texas really is.

1 SECY. SCOTT: Thank you, Pablo.

2 Mr. Secretary.

3 SECY. GOTES: Mi nombre es Gerardo Berlanga
4 Gotes, Secretario (Speaking Spanish). Thanks for the
5 invitation to your state.

6 MR. LOO: Hi. My name is Emmanuel Loo. I'm
7 the director of International Relations for the State of
8 Nuevo Leon, and I'm here representing Marco Gonzalez,
9 regional development secretary.

10 MS. HOLGUIN: Good morning, Mr. Secretary, good
11 morning, everyone. My name is Iliana Holguin, and I am a
12 county commissioner in El Paso County.

13 MR. WALKER: Good morning. My name is Cameron
14 Walker. I am executive director of the Permian Basin
15 Metropolitan Planning Organization in the Midland-Odessa
16 area.

17 MR. SCHWEBEL: Good morning, everyone. Good to
18 see everybody in person again. I'm Gerry Schwebel, IBC
19 Bank.

20 MR. ANTUNA: Good morning. My name is George
21 Antuna, I am the city manager for the City of Eagle Pass,
22 Texas. I am here on behalf of our Mayor Rolando Salinas,
23 so thank you for having us.

24 MR. MOORE: Good morning. My name is Dana
25 Moore. I'm with the Texas Trucking Association, and I'm

1 here in place of John Esparza, our president and CEO.

2 MR. MEADOR: Good morning, everybody. My name
3 is Stan Meador, I'm with Texas Pacifico Transportation.
4 Pleasure to be here.

5 MR. ALVAREZ: Buenos días. Good morning,
6 everyone. Pete Alvarez, Pharr District Engineer with
7 TxDOT. Glad to be here.

8 MS. PROZZI: Good morning. My name is Jolanda
9 Prozzi. I'm with the Texas A&M Transportation Institute,
10 and I am representing my colleague, Rafael Aldrete.

11 MR. CAMPIRANO: Good morning. My name is
12 Eduardo Campirano. I'm the port director at the Port of
13 Brownsville.

14 MR. TREVINO: Good morning. Tomas Trevino,
15 TxDOT El Paso District.

16 MS. GARZA-REYES: Good morning, everyone. My
17 name is Cynthia Garza-Reyes. I'm the director of external
18 affairs for the City of Pharr and Pharr EDC.

19 MR. GIESBRECHT: Good morning. I'm Jake
20 Giesbrecht from Presidio International Port Authority.

21 MS. SHEA: Good morning, everyone. My name is
22 Megan Shea from BNSF Railway in Fort Worth.

23 MR. CANON: Good morning. Andrew Canon,
24 executive director of the RGV MPO.

25 MR. CALVO: Good morning. Eduardo Calvo,

1 executive director of the El Paso MPO.

2 MR. R. VALE: Robert Vale, vice president,
3 Starr-Camargo Bridge.

4 MR. S. VALE: Sam Vale, president, Starr-
5 Camargo Bridge.

6 MS. LAGOS: Good morning. I'm Claudia Lagos,
7 and I'm with the International Trade and Border Planning
8 Branch of TxDOT.

9 MS. RYAN: Good morning. Laura Ryan with the
10 Transportation Commission.

11 MS. MAYS: And all of you know me, Caroline
12 Mays with TxDOT.

13 And Secretary, before we move on, we do have
14 Commissioner New on the line, so the committee can know.

15 Commissioner New, can you hear us?

16 MR. NEW: Yes, I can hear everything. Good
17 morning, everyone. Thanks for your time on this advisory
18 committee, and I'm here to listen. Thanks.

19 MS. MAYS: Thank you very much, Commissioner
20 New, for your time and for being part of the committee
21 meeting this morning.

22 So with that, I want to introduce Claudia. She
23 introduced herself very briefly, but I wanted to introduce
24 Claudia Lagos. She is now the International Trade and
25 Border Planning manager that oversees this committee, and

1 hopefully the next time I'll sit on her seat and she'll
2 sit next to the secretary, but she is overseeing that.

3 And I really say that we hit the lottery. She
4 was -- if you guys remember, maybe a year or so ago she
5 was representing one of the Mexican states, the State of
6 Tamaulipas. She worked with that governor for a very long
7 time, but also she has worked in Mexico extensively, as
8 some of you know, with SAT and she actually was the port
9 director for the Port of Laredo world trade on the Mexican
10 side and then also Colombia border crossing.

11 So she brings a wealth of information, a wealth
12 of knowledge, understanding the Mexican side,
13 understanding the Texas side now by representing Texas and
14 TxDOT in all matters related to borders. So I hope you
15 all will rely on her. We're really relying on her on a
16 lot of things.

17 She is brokering a lot of relationships and
18 really helping us advance our Border Planning Office. I
19 just wanted to recognize her and let you all know that you
20 have somebody to go to now.

21 We're really working -- you've seen two
22 secretaries here and others to come. There's a lot of
23 things changing with the states. Tamaulipas just elected
24 a new governor so we're in a transition period there with
25 that leadership. As you know, they were very involved in

1 the Border Master Plan.

2 And we'll continue to work with all the Mexican
3 states because it's very, very critical to the work that
4 you all do, but also to the work that we do as TxDOT. So
5 she's going to be a really great asset for us here at
6 TxDOT.

7 And now of course, you know, you all have been
8 working with me for a very long time. Some of you
9 probably knew, some of you probably not, I have a new role
10 within TxDOT as director of Planning and Border Programs.

11 So that means I'm overseeing everything doing with
12 planning at TxDOT.

13 And then also we have Aviation Division, we
14 have Maritime Division, we have Roads Division, we have
15 Public Transit Division, and then the Planning Division is
16 where I came from so that's now my new role here at TxDOT.

17 But border planning and all the efforts before are still
18 funneled through the Transportation Planning and
19 Programming Division, which is still a part of my role.

20 And I've been told to make sure that you all
21 continue to do the work because border issues is very
22 critical, not just to TxDOT but also to Texas. So you'll
23 be seeing me around here quite a bit still to make sure
24 that we continue to represent, with the Secretary of
25 State, the needs of Texas, especially when it comes to

1 border and border issues.

2 So with that, Secretary, I'll just say I will
3 send this around. BTAC members, please sign, and if
4 you're a proxy, you can put your name right next to
5 whoever you're representing.

6 So I think, Secretary, we have a quorum and we
7 can move forward with the meeting.

8 SECY. SCOTT: And with that, I would ask that
9 someone move for the adoption of the minutes.

10 MR. CALVO: So moved.

11 MS. HOLGUIN: Second.

12 SECY. SCOTT: If we can get you to state your
13 name on the record as you move.

14 MR. CALVO: Eduardo Calvo moving.

15 SECY. SCOTT: And the second?

16 MS. HOLGUIN: Iliana Holguin.

17 SECY. SCOTT: All in favor, aye.

18 (A chorus of ayes.)

19 SECY. SCOTT: Those opposed?

20 (No response.)

21 SECY. SCOTT: Being unanimous, the minutes are
22 adopted, and so with that, we will now move on with the
23 program.

24 Francisco.

25 MS. MAYS: And as a reminder, as the secretary

1 mentioned, please when you make your remarks, please state
2 your name before you make those remarks so the court
3 reporter can know who spoke. Otherwise, it's hard for
4 them to transcribe. But also, the Secretary of State's
5 Office does a summary of the minutes, so it always helps
6 if you state your name before you make your remarks.

7 There you go. Francisco, state your name.

8 MR. ALMANZA: Hi, everyone. I'm Francisco
9 Almanza with TxDOT. I want to thank you all for joining
10 us.

11 (Audio feedback.)

12 MR. ALMANZA: So I'll provide a brief recap of
13 the last BTAC meeting we had. The last BTAC meeting, we
14 had three tasks. First, representatives from TxDOT border
15 regions and the Traffic Safety Division provided an
16 overview on traffic safety issues and trends in the border
17 regions and beyond.

18 Second, we reviewed and discussed the
19 implementation milestones and progress of the Texas-Mexico
20 Border Transportation Master Plan. And third, we provided
21 a brief update on the Senate Bill 1308 study and next
22 steps.

23 At the start of the last BTAC meeting, a joint
24 presentation was given by Michael Chacon, Director of the
25 Traffic Safety Division, Pedro Alvarez, Pharr District

1 Engineer, David Salazar, Laredo District Engineer, and
2 Eddie Valtier, El Paso Deputy District Engineer. They all
3 briefed our members on their respective border district's
4 safety trends and issues.

5 We heard about statewide and district
6 statistics on measures such as roadway fatalities, speed-
7 or alcohol-related incidents, as well as pedestrians and
8 bicycle-related incidents.

9 Our presenters noted that November 7, 2000, was
10 the last deathless day on Texas roads due to crashes.
11 It's been 21-1/2 years without a deathless day, so if we
12 work hard, we can "Break the Streak" and try to stop
13 fatalities on the roads.

14 Therefore, we learned about the ongoing
15 efforts, such as the task force that was established
16 between TxDOT districts and the metropolitan planning
17 organizations and how they will collaboratively look at
18 different sources of funding for safety projects.

19 Members pointed out different initiatives, such
20 as how the City of El Paso will apply for a \$50 million
21 grant with USDOT to improve conditions for pedestrians at
22 their three ports of entry. We were also reminded about
23 how in the Valley there's \$1 billion in construction, yet
24 only one-third the rate when it comes to work zone
25 accidents and how it is important to continue working

1 closely with the agency regarding work zone safety,
2 signing and enforcement.

3 We also heard that in the Laredo District
4 they're working on illumination, traffic signal
5 improvement, widening, mapping and hazard information,
6 with over \$20 million spent in 31 safety improvement
7 projects. It was also noted that in the UTP there is
8 about \$14 billion worth of funds that are dedicated
9 towards projects with safety components.

10 Our presenters and members all emphasized the
11 importance of collaboration between all stakeholders and
12 agencies involved at every level to address traffic safety
13 concerns and increasing accidents in the border region.

14 Our next discussion topic looked at the Texas-
15 Mexico Border Transportation Master Plan implementation
16 milestones and progress. Several speakers provided
17 updates on ongoing implementation efforts such as US-83,
18 US-57, and I-10 corridor studies, as well as the border
19 wait-times measurement system expansion and the BTMP
20 project implementation time. The presenters noted how the
21 corridor studies are including connectivity, capacity and
22 enhancing crossing safety among its objectives. And
23 members voiced their strong support for these projects and
24 their objectives.

25 Further, we were provided a high-level overview

1 of the border wait-times measurement system expansion, and
2 the plan to expand to the remaining six commercial vehicle
3 crossings and the plan to expand the personal vehicle
4 crossings.

5 Regarding the project implementation tracker,
6 members pointed out that it's a good start so that we can
7 help visualize the progress for everyone to see, track and
8 report the BTMP projects and programs. Members reminded
9 us of the importance to constantly educate public and
10 state officials about what the plan is all about. We
11 requested support from our members in order to keep the
12 project implementation tracker up to date.

13 Our final presentation was an update on the
14 Senate Bill 1308 study. This is a study that is jointly
15 conducted by TxDOT, DPS, and in consultation with TTI.
16 The study team presented the timeline, ongoing and
17 upcoming efforts in order to meet our upcoming deadline.
18 This was a brief presentation and we look forward to
19 sharing more on the upcoming agenda item.

20 That concludes the report. Thank you.

21 SECY. SCOTT: Francisco, thank you. We'll get
22 you to stay close to the mic, and we'll roll into the SB
23 1308 update. And then Mike Williamson also will be up
24 there with you, I think.

25 MR. ALMANZA: Hello again. So as I noted

1 earlier, at the last BTAC we provided a very brief
2 high-level overview. And since that last meeting we've
3 had working group meetings, we've had financial and
4 regional steering committee meetings, we've had interview
5 meetings. So we are very excited to share our progress,
6 our findings, and we really look forward to hearing your
7 reaction and feedback, comments, questions, concerns.

8 Next slide, please. I'd like to start by
9 giving everyone a brief reminder on Senate Bill 1308. So
10 Texas Senate Bill 1308 calls for TxDOT and the Texas
11 Department of Public Safety, in consultation with the
12 Texas A&M Transportation Institute and the appropriate
13 federal agencies, to jointly conduct a study on two
14 things: the potential benefits of using automated driving
15 systems, connected driving systems, and other emerging
16 technologies to alleviate motor vehicle traffic congestion
17 at ports of entry between Texas and Mexico, and the
18 overall impact of using automated driving systems,
19 connected driving systems, and other emerging technologies
20 on the transportation industry workforce and the broader
21 Texas economy, including the effects on driver and public
22 safety.

23 The Texas Senate Bill requires that the results
24 of the study be submitted to the Governor, the Lieutenant
25 Governor, and the Texas Legislature no later than January

1 1, 2023.

2 I will turn it now to Mike to present the rest
3 of it.

4 MR. WILLIAMSON: Thanks, Francisco.

5 Next slide, please.

6 SECY. SCOTT: If you'd go ahead and state your
7 name too, for the record.

8 MR. WILLIAMSON: Sure. My name is Mike
9 Williamson with Cambridge Systematics, the lead consultant
10 for the project.

11 So thank you for the introductions, Francisco.

12 We're happy to be here today to give you a little bit
13 more of an overview than we were able to do at the last
14 BTAC meeting. We now have our draft findings, so we're
15 very excited to share with you kind of what we're working
16 on this summer to finalize the report, and you'll hear a
17 little bit about our schedule and what our plan is as we
18 move forward.

19 We wanted to take some time with you here this
20 morning to make sure that you have an opportunity to see
21 what those findings are, particularly as they relate to
22 the border component, and to help us identify any comments
23 or concerns that you may have in what you're hearing
24 today. Because we're just now rolling out the draft and
25 we're looking for feedback kind of over the entire course

1 of the summer.

2 Next slide. We just wanted to take a moment to
3 remind everybody what we mean by automated and connected
4 driving systems. When you talk about automated driving
5 systems, it's fairly simple. It's actually defined in
6 Texas Transportation Code, and basically it's hardware and
7 software that allow your cars to operate without a driver.

8 So we're looking at the higher levels of
9 automation as part of this study, where you actually are
10 looking at a driverless vehicle. You can see, several of
11 the examples on this slide represent some of the
12 technologies that are already on the streets here in Texas
13 today, as well as around the country.

14 Next slide. When it comes to connected driving
15 systems, that also consists of hardware and software, but
16 in this case it's hardware and software that allow your
17 vehicle to communicate with other vehicles, with other
18 roadway users, including bikes, pedestrians and such, to
19 help share information on mobility and safety, to
20 communicate and to prevent crashes and to improve mobility
21 options and driving courses that way.

22 The senate bill also called out other emerging
23 technologies, and within the confines of this study we've
24 defined those to be transportation-related emerging
25 technologies that basically have the ability or the

1 potential to help advance ADS and CDS systems.

2 Next slide. We have a quick sixteen-month
3 schedule for this project. We started last fall; we're on
4 month eleven here today. You can see we've gone through
5 and done a lot of analysis.

6 When we met with you in February, we were right
7 in the crunch of going through and developing our
8 scenarios and our approach and methodologies. Right now
9 where we are is we're documenting our findings and working
10 with our significant number of stakeholders to gain input
11 and finalizing and trying to figure out the best way to
12 message our findings in a way that makes sense and to give
13 folks an opportunity to point at certain items where they
14 may think we need to do a little bit more work.

15 As Francisco mentioned, we are working to have
16 a final draft to start the routing process by the end of
17 September to go through so that we can in fact deliver to
18 the Governor, Lieutenant Governor and Legislature by the
19 end of the calendar year.

20 Next slide. So you're going to hear a little
21 bit about the scenario planning process that we used to
22 come up with these results. We're looking at the year
23 2050 and what our environment might look like by then when
24 it comes to automated and connected driving systems.

25 And when you're looking that far out on

1 something like emerging technologies that are still
2 emerging today, we felt the scenario planning process was
3 the right way to go about doing that. That allows you to
4 look at a variety of futures and engage stakeholders in a
5 detailed conversation about what the key considerations
6 are going to be that drive what that future looks like.

7 So stakeholder engagement was a critical part.

8 We just wanted to highlight here for you what we've done
9 so far. We are guided by a working group that was
10 designated specifically for this study. We've briefed
11 them four times; our fifth time will be next week.

12 We've briefed the Binational Regional Steering
13 Committees, and we're briefing them again next week as
14 well on our findings. We've done over 30 interviews and
15 continue to do interviews binationally with both Mexico
16 and Texas and some other peers from around the country,
17 and a whole variety of other committees that we've
18 briefed. So we've really made a strong effort to engage
19 as many people as we can to help us envision what those
20 futures might look like.

21 Next slide. So what does that mean? We've had
22 463 unique individuals that have participated, to date.
23 They represent almost 230 companies and agencies on both
24 sides of the border, for a total of 650 interactions. And
25 that was before we started talking today, and as I

1 mentioned we have a whole lot of outreach over the summer.

2 And that's what you see in that box there. We
3 have two more working group meetings. We're briefing the
4 BNRSCs next week, four more statewide focus meetings, and
5 some other key committees like the Connected and
6 Autonomous Vehicle Task Force that TxDOT leads, and then,
7 of course, our agency leadership briefings this fall
8 before it goes to the Legislature and the Governor's
9 Office.

10 Next slide, please. So we do want to make sure
11 that we have ample opportunity for you all to provide
12 input in a very short amount of time here this morning, so
13 we are going to use a Mentimeter. But as we're going
14 through and asking questions, please feel free to raise
15 your hand and provide dialogue as you're seeing answers
16 come in as well, if you'd like to give your feedback that
17 way.

18 But if you do have a handheld device with you
19 here today, you can go to www.menti.com and enter that
20 code, or you can use the QR code. But your code number is
21 6738 0001. That same information will show up on each
22 slide where we're looking for your input.

23 MS. MAYS: If I can just make a quick comment.
24 This exercise is for committee members only, not the
25 audience, and so just want to make sure that we don't get

1 other people. So all the BTAC committee members will
2 participate in this exercise, not the audience. Thank
3 you.

4 MR. WILLIAMSON: And Francisco mentioned the QR
5 code on your printout in your folder can be scanned.

6 With that, I'm going to hand it over to my
7 colleague, Sam Van Hecke, to walk you through our border
8 findings to start with.

9 MR. VAN HECKE: Thank you, Mike. Thank you,
10 committee. Sam Van Hecke with Cambridge Systematics.

11 And what you can see here is we're diving kind
12 of right into some of the key preliminary findings of the
13 impact of connected driving systems and automated driving
14 systems on border crossings. As Mike mentioned, we used
15 this scenario planning process to deal with the
16 uncertainty of looking that far out. And looking at
17 technologies that while proving themselves in lots of
18 demonstrations, we recognize that border crossing is a
19 complicated use case.

20 And so we thought about the different levels of
21 the capabilities that these technologies can deliver. We
22 thought about the readiness of the border environment to
23 service some of the more complicated use cases. And then
24 of course, we looked at how many vehicles, both trucks and
25 cars, may be adopting automated driving system

1 technologies and connected driving system technologies.

2 And so when we look at vehicles approaching,
3 crossing and exiting the border, we see there's some real
4 potential impacts in terms of smoother, more efficient
5 operation within the complicated approaches within the
6 ports of the entry and then in the exits -- the fact that
7 self-driving vehicles can get greater capacity and move
8 more efficiently and more safely. There's also
9 facilitated data exchange, the idea that packets of data
10 can be easily exchanged and that all supports more
11 streamlined safety and security checks.

12 And of course, the option of the removal of
13 truck drivers in some cases for border crossings all
14 factored into what we modeled, as across all POEs across
15 all vehicles, we saw the potential for 38 percent
16 reduction in border crossing times, average border
17 crossing times for trucks.

18 This is looking out at the year 2050. And you
19 can see we have a more conservative estimate, and we have
20 the optimistic estimate as well, based on different levels
21 of adoption and different vehicle capabilities. Then on
22 the car side we see the potential for a 27-percent
23 reduction in average border crossing times within the year
24 2050. So these are some the larger, more significant kind
25 of numeric take-aways from the study.

1 And I guess I'll just pause here a second and
2 see if anyone has any immediate questions or reactions as
3 you see these numbers.

4 (No response.)

5 MR. VAN HECKE: Okay. We'll move on to the
6 next slide then. So of course, when you see delay
7 reductions like this, it translates into delay savings,
8 you know, time saved. This is fewer truck drivers sitting
9 in line. This is fewer travelers, either for business or
10 for pleasure, waiting unnecessarily in line, and that
11 equates to delay savings.

12 Time savings is worth money, and then those
13 delay savings translate into economic growth. And our
14 best estimate identifies the Texas GDP impacts for the
15 year 2050 in a range of \$1.8- to \$3 billion. And then
16 these economic impacts are accompanied by benefits of job
17 creation, greater income and tax revenue. As time is
18 saved, it boosts the economy.

19 Any questions about these results?

20 SECY. SCOTT: So on the preceding slide, you
21 know, worst case, base case and best case scenario kind of
22 number analysis, is there another place in the world that
23 is making use of this type of system, number one. And I
24 guess, number two, how are you able to come up with these
25 numbers? I'm not questioning what you got; it seems like

1 it's almost make-believe a little bit.

2 MR. VAN HECKE: Thank you for that question.
3 There are very few applications of this that have been
4 fully explored in an environment like the Texas-Mexico
5 Border. So we don't have a lot of existing established
6 research on the impacts, and so we're forced to do a lot
7 of estimation.

8 And there is very good research about different
9 areas where automated driving systems can provide benefit,
10 and what we had to do was essentially do our best to model
11 that out. And that's one of the reasons why we did that
12 scenario approach, so you can see there's a pretty
13 generous range within our results. And that's just
14 because it gets rather difficult to forecast that far
15 ahead within this environment, but we used the best
16 available research and modeling.

17 And the other thing was it was really crucial
18 to stakeholders that we spoke with -- they really gave a
19 strong reasonableness check at every point. And that's,
20 again, what we're hoping to get today, right. Does this
21 difficult question seem like we're landing in a reasonable
22 range for those results?

23 SECY. SCOTT: Thank you.

24 MR. VAN HECKE: Thank you.

25 MR. CANON: Andrew Canon, RGV MPO.

1 I guess my questions, to follow on what the
2 Secretary was asking, is how? I'm wondering how you get
3 to these reductions, if you will, conservative or
4 optimistic.

5 I mean, a lot of what happens on our bridges
6 are in the way of capacity, also in the way of inspection.

7 So I'm not certain how automated vehicles address those
8 two scenarios which are very problematic at a couple of
9 our bridges. So I'm just not certain how having a
10 driverless vehicle is addressing those situations.

11 MS. MAYS: If I can just answer that quickly.
12 One of the basis for this was the Border Master Plan
13 where, you know, compilations were done for border wait
14 times today but also projected into the future. And then
15 taking on the inspections and the capacities used right
16 now on the border crossings, we have trucks that travel
17 the lanes, the fast lanes, et cetera.

18 So when you take some of the lesser inspections
19 at the border crossing, applying driverless trucks in that
20 environment, you know, a lot of it is, that's where you're
21 seeing the numbers coming from that. They took some of
22 those into account.

23 If now you have lesser -- not really lesser but
24 much faster inspection that CBP is doing right now at
25 pretty much all our border crossings and then you take the

1 driver inspection out. So there's three inspections at
2 the border: you have the driver, you have the vehicle
3 itself, then you have the load itself, the commodity that
4 CBP is checking for those.

5 So now if you took the driver inspection out,
6 so that's one element of inspection that you don't have to
7 go through. And then now you have to go through only
8 those two other inspections. So a lot of this was baked
9 into these numbers, or at least assumptions.

10 Sam.

11 MR. S. VALE: Mr. Secretary, I can tell you
12 that the Peace Bridge in Buffalo has invested
13 significantly in these types of activities to measure, and
14 quite frankly, CBP is now even using their system. CBP
15 has approved it to measure the skill sets of their
16 employees.

17 So there's a lot of ways that we can benefit,
18 but I don't think it's a total -- they have to go out and
19 put sensors all over the place, and they had that ability
20 to control. So those are more difficult in our area, but
21 they did develop some very good concepts, and I think this
22 is all what we have to do.

23 Video cameras are also very, very productive.
24 We use them to measure the entry to import lot and the
25 exit. We have cameras with time stamps and then we can

1 come back and measure the license plate and see how long
2 it took to get through customs. That's not the whole wait
3 time but that's one component of the wait time.

4 So there's a lot of new things that I think we
5 need to explore, not just what they're talking about. But
6 we need to go out and look and see what's working in a lot
7 of places.

8 We have a small bridge. We're authorized 14
9 lanes but we only have two, but we go both ways in each
10 lane because we have ways to move that around. And it's
11 very interesting.

12 It reminds me of the old police guy who sat in
13 the middle of an intersection and told you to stop and you
14 to go. Well, those things are sometimes factored in
15 computers. So there's a lot that we have to learn but if
16 we don't make the effort, then it's going to be much
17 worse.

18 Thank you.

19 MR. CALVO: This is Eduardo Calvo with the El
20 Paso MPO.

21 Just a question. So what are we actually
22 measuring? It's a reduction in travel time, but measured
23 from where to where? Is it just within the -- you know,
24 you start measuring once you enter into the queue, so what
25 is it that we're measuring?

1 Because if we're only measuring the actual
2 crossing time, we still need to account what happens
3 before and after, right? I mean, is there some time that
4 needs to be accounted for when you start platooning these
5 vehicles, right, whether it's for private vehicles or for
6 trucks?

7 The second question is: when we're looking at
8 crossings for cars and you take away the driver, well,
9 who's crossing? Right? So can you explain a little bit
10 more in detail what is it that we're measuring, what is
11 our baseline, and so that we understand the reductions are
12 on what?

13 MS. MAYS: Well, let me just answer that. The
14 first question, the bill is only asking about motor
15 vehicles, so we're not even looking at passenger vehicles.
16 That question has been asked.

17 Senator Blanco from El Paso is the one that
18 authored this bill. So it's focusing on motor vehicles,
19 we took that as commercial vehicles, so we're not looking
20 at passenger vehicles.

21 So in your case, if it was passenger vehicles,
22 there would still be passengers but there would just be
23 nobody driving the vehicle, so there will still be
24 passengers in that vehicle. The whole driverless -- it
25 takes the driving from a physical person to, you know, a

1 computer. So that's one element, we're focusing on motor
2 vehicles.

3 Your question about what are we measuring. I
4 think we had a lot of discussion during the Border Master
5 Plan development. It's the same exact measurement that
6 we're using.

7 It's total crossing. It's not just the wait
8 time within the federal compounds. They modeled their
9 analysis after the Border Master Plan metrics and the
10 definition so they did not create new definitions for
11 measuring the border wait time.

12 I hope that answers your question.

13 MR. CALVO: Okay. Thank you.

14 MS. SHEA: Megan Shea, BNSF. Of course I have
15 a train question. Did you do the same kind of analysis,
16 or could you do the same kind of analysis with train
17 interchanges across the border?

18 MS. MAYS: The bill focused on motor vehicles.
19 And generally when we get a legislative bill, we have to
20 stay within the confines of the language, and this one
21 just talked about motor vehicles so we focused just on
22 vehicles.

23 Yes, we've had those questions asked, and yes,
24 we can do a similar analysis when it comes to trains. But
25 for this bill, legislative bill, we did not look at train

1 crossings at the border.

2 MS. SHEA: Okay. Thank you.

3 MR. SCHWEBEL: This is Gerry Schwebel, IBC
4 Laredo.

5 Did you distinguish in regards to your studies
6 and your estimates those commercial vehicles that are in
7 the trusted shipper programs versus those that are not?

8 MR. VAN HECKE: Yes, we did, and we looked at
9 the expansion of programs such as that sort of pre-
10 screening, trusted traveler, expedited processing, non-
11 intrusive inspection, and how automated driving systems
12 and connected driving systems could potentially drive
13 greater adoption of those programs and efficiencies within
14 those programs.

15 MR. SCHWEBEL: Again, Gerry Schwebel. So in
16 regards to that, if you had more carriers that were part
17 of the trusted shipper program would it enhance these
18 numbers, these percentages?

19 MR. VAN HECKE: Yes, that's correct.

20 MR. SCHWEBEL: So the more facilitation of
21 these programs, you know, also creates some additional
22 relief to the wait times. Correct?

23 MR. VAN HECKE: Absolutely, yeah. And we do
24 include that in our findings that we'll discuss a little
25 later on as well.

1 MR. SCHWEBEL: And the only reason I raise that
2 is because I think if we go back and look at solving a
3 wait-time issue for us on the border, that we also have to
4 incorporate the processes of CBP and other agencies in the
5 facilitation of the movement of those goods. Correct?

6 MR. VAN HECKE: That is correct, yes.

7 MR. SCHWEBEL: Thank you.

8 MS. MAYS: And, Gerry, if I can just add, I
9 think that is -- you know, the study team and the
10 stakeholders that we've talked to so far, they see that as
11 the greatest areas of opportunity but also kind of
12 low-hanging fruit in terms of being able to not just
13 demonstrate but also be able to really interject
14 technology in terms of the actual vehicles.

15 CBP right now has a ton of technology,
16 inspection, screening, everything, you name it. FMCSA
17 with the inspections of the vehicles, those autonomous
18 trucks, they have everything in them. They can tell you
19 everything about that vehicle, about everything that's
20 operating there.

21 So I think there's a lot of opportunity there,
22 especially with the trusted shipper programs and pre-
23 clearance. That could be where the economies of scale are
24 gained in the border crossing process, because now you're
25 really eliminating -- some of us think that -- and

1 enhancing it by really using the technology that exists.

2 But some of the process improvements that are
3 being done, the pre-clearance, all of that, UCPs, all of
4 that could be part of what's packaged with, you know,
5 driverless trucks across the border with the fast lanes
6 and all those expansions really moving away from the
7 general lanes to more -- the fast lines to expedite, you
8 know, traffic across the border.

9 MR. SCHWEBEL: I'd like to follow up on that
10 comment. Again, Gerry Schwebel.

11 The fact that the element of technology that is
12 incorporated with 21st Century customs facilitation
13 programs includes non-intrusive inspection processes --
14 and on the national level we've been working with CBP and
15 DHS on that -- that they're incorporated within the whole
16 concept of these delays. And one is this one element, the
17 other element is the actual inspection process that is
18 driven by technology to facilitate the flow of secure
19 freight.

20 MR. S. VALE: Sam Vale. You still need also to
21 put into the mix the whole concept of unified inspection
22 services by both the Mexican and U.S. officials in one
23 location. They make one inspection, so those are very
24 beneficial.

25 We also need to keep in mind that you need to

1 have parking spaces for trucks and where trucks can
2 switch. And if you don't have that, it creates congestion
3 right at the port. So there's a lot of the needs that we
4 need to have and much more acreage at ports of entry than
5 what is just the port of entry. It's all the supporting
6 facilities on both sides of the border.

7 MR. WALKER: Mr. Secretary, members, Cameron
8 Walker, Permian Basin MPO.

9 I wonder if there's any review or at least some
10 thinking about improvements in air quality that may also
11 result by the connected vehicle systems.

12 MS. MAYS: Yeah, and Cameron, great comment.
13 We did not look at it as part of this study because it
14 wasn't in the scope. The challenge was, again, this late
15 in the study we have to stick with what we're asked to do.

16 But no, you know, in a lot of border
17 communities, El Paso, even Laredo and all them, the trucks
18 waiting and idling at the border crossings certainly
19 creates air quality issues that something like this could
20 help. Because autonomous trucks are very new trucks with
21 a bunch of gadgets and a lot of them are looking at
22 electric trucks. So they're looking at much more cleaner
23 vehicles for the autonomous trucks.

24 So yes, there could be some of those benefits
25 realized from community air quality impacts and noise and

1 several other elements that we did not include as part of
2 this study, but certainly something that we can explore in
3 the future to look at potential what could be the air
4 quality impacts, not just for the border but also
5 statewide. Part of what the group will talk about later
6 is statewide safety impact or potential benefits of having
7 autonomous vehicles.

8 And the statewide is all vehicles, whether it's
9 trucks or cars, what's the potential safety benefits,
10 looking at that. So some of those things, I think, in the
11 future could be considered.

12 MR. VAN HECKE: And, Tyler, we may want to
13 advance to the first Mentimeter question which I think
14 will keep along the lines of this discussion. You know,
15 we did want to ask what, in your opinion, would be the
16 biggest obstacles to achieving these reductions in delay
17 for commercial motor vehicles and POVs.

18 MS. MAYS: Use your Menti to respond. I know
19 the team is looking to document some of this. I know Sam
20 said people, so we actually want to write some notes.

21 And again, committee members can speak as well.
22 You don't necessarily have to feel that you just have to
23 use the Menti. So if you have any comments, please feel
24 free.

25 What are the obstacles? Some of you here are

1 bridge owners and you operate those bridges, and what
2 would be some the obstacles you see from achieving this?

3 Some of it has been brought up and I want to
4 mention that I wrote, definitely inspections and
5 processes. Sam and Gerry have mentioned those. So those
6 could be some of the impediments that need to be studied
7 and looked at to be able to address those.

8 The binational complexity of the border is
9 another one at least the team has outlined.

10 MR. S. VALE: Trucks have to wait till they're
11 cleared for crossing. There's a difference to being in
12 the line already approved for the documentation. It's
13 getting the documentation when they come from other parts
14 of the country and the customs brokers need to have their
15 stuff done. And so that's why you need staging areas
16 close to the port of entry for trucks to be able to
17 respond when they get the clearance, go, and then they get
18 in line.

19 MR. VAN HECKE: It's great to see some
20 responses rolling in. I see inspections, people,
21 binational policy and legislative framework, money focused
22 by the federal governments of U.S. and Mexico. I think
23 that really speaks to that collaborative element being
24 very, very critical.

25 And as we heard earlier, just the idea of CBP's

1 sort of adoption and collaboration with these
2 technologies, some specific staging issues. Really
3 appreciate that.

4 As we start to see the responses slow down, I
5 think we'll move on to our second question within this
6 sort of set, and we want to ask: What are the most
7 critical factors impacting our confidence in these
8 results? We want to produce, you know, a report that
9 generates some confidence. We understand that there's a
10 rightful amount of skepticism and it helps us to
11 understand anything that you view as what's impacting your
12 confidence in the reality of what we're presenting.

13 I'm seeing someone noted about the funding for
14 the facilitation of the technology. That's a good
15 example. And the trust in the technology, lack of
16 funding. I'll leave this open for another minute --

17 MR. WILLIAMSON: I just want to make one
18 comment. I know, Andrew, you may ask where do the numbers
19 come from. I think it goes to some degree to this
20 question as well, where does the trust come from?

21 But I want to make it clear that those percent
22 numbers -- Sam, correct me if I'm wrong here, but those
23 represent the aggregate for the entire Texas-Mexico
24 Border. We actually have estimates for what the impacts
25 are at each individual port of entry and we applied

1 different technology assumptions at individual border
2 crossings as well.

3 Some of the large commercial vehicle crossings
4 are the ones that have AV only lanes, where some of the
5 smaller crossings didn't, so we did look at the
6 difference. So this is a customized analysis that built
7 up to those numbers.

8 And we did have a lot of conversation about the
9 different coordination that needs to happen with all the
10 different Mexico and U.S. customs folks. And that was a
11 clear part of some of the assumptions that we've
12 identified that need to happen to make those inspections
13 happen so that they can actually move forward. And the
14 input you've given us today so far has been really great,
15 so thank you for that.

16 MR. VAN HECKE: Great. Then let's advance to
17 our next slide, please.

18 You know, we went over the computative outputs
19 of the study, the numbers, right. But you know, within
20 the report there's a real story-telling element here. And
21 so we just want to give you a couple slides on what our
22 preliminary findings were in more of a narrative form.

23 So what we found was that, you know, as the
24 Border Transportation Master Plan told us, motor vehicle
25 congestion at the border is significant and it's

1 forecasted to grow. We looked at automated driving
2 systems and connected driving systems, and we noted that
3 while they are developing, there is a strong likelihood
4 for adoption by ports of entry users.

5 We note that ADS and CDS have the potential to
6 function effectively within the border environment. It
7 may be a challenge, but we believe it's one that can be
8 overcome; that ADS and CDS applications at the Texas-
9 Mexico Border can directly target congestion; and then
10 modeling of automated driving systems and connected
11 driving systems applications shows measurable improvements
12 for motor vehicle congestion at the ports of entry. And
13 those are the results that we just showed you.

14 On the next slide, just kind of continuing on
15 this discussion, we note the impacts of ADS and CDS on
16 delay reduction can then lead to economic growth. We
17 haven't talked much about electric vehicles yet today, but
18 we believe that that will accompany automated driving
19 system and connected driving system adoption and provide
20 additional benefits.

21 I know air quality was noted earlier as a
22 potential benefit. And I'll just note the electric
23 vehicle piece is something that our Mexican stakeholders
24 were extremely vocal about, very interested in.

25 You know, we do note that stakeholders have

1 identified ADS and CDS as potential solutions to
2 congestion at the border, not the only solution but
3 certainly a part of the solution package. And then
4 finally, we note that Texas has a real opportunity to be a
5 frontrunner in ADS and CDS border applications.

6 Given the permissive regulatory environment,
7 there are many private sector companies that are testing
8 trucks on roadways today. And given just the need for the
9 progressive congestion at the border, there's a real
10 opportunity for leadership in this area.

11 So on the next slide, we'll just open another
12 question: Are there any findings of that list that we
13 just provided that you do not agree with or have concerns
14 about? We'd appreciate your help in sort of identifying
15 any issues.

16 And we'll have one more question following this
17 about anything that's not adequately discussed. So why
18 don't we move on to the next one if anything is not
19 adequately discussed in the findings. Now is your chance
20 to weigh in, and then we'll keep moving so we don't slow
21 you down too much.

22 MS. RYAN: Laura Ryan, Transportation
23 Commission.

24 Maybe out of the scope of the question, but a
25 few years ago -- and I'm thinking it might be the emerging

1 technology -- this committee had a presentation on
2 biometrics. How could that technology incorporate with
3 possibly the connected car aspect?

4 I've used it instead of a boarding pass several
5 times on flights lately, so I know it's becoming a more
6 viable option. Is that something that has been integrated
7 as an emerging technology that might partner with this?

8 MS. MAYS: Yeah, I can answer that. Scan and
9 others, CBP uses biometrics for drivers coming into U.S.,
10 you know, for screening. But with this one, because the
11 driverless truck would not have a driver, so the
12 biometrics may not be used on the driver itself but maybe
13 on the vehicle and some of the, you know, passengers that
14 are coming in the passenger vehicles.

15 So again, a lot of that would still be able to
16 enhance some of the processing reduction piece beforehand
17 on primarily the passenger side of things. But the
18 trucking side, if there's no driver in there, so you can
19 eliminate the driver biometrics and things that would be
20 needed. But certainly it's part of the package.

21 MS. RYAN: Okay. I was thinking the connected
22 car versus the autonomous and with the passenger aspects.
23 Okay. Thank you.

24 MR. S. VALE: Sam Vale. Facial recognition has
25 really become something that's a must. I can remember the

1 time that I would have said I would never have agreed to
2 facial recognition, but the way you see it working in the
3 airports and other locations, it's the fastest thing that
4 they've got and it's trustworthy.

5 So I think that we've got some real hard
6 thinking to go with how we're going to be moving forward.

7 And I agree that even a truck can have an identification.

8 It can be a biometric and you know where it came from,
9 when it did, who put it together, who's touched it, so
10 those things are all part of it.

11 I still am always concerned about how do we
12 work it when we've got two governments putting in their
13 individual concepts? And that is really the biggest
14 hurdle we have to succeed.

15 MR. VAN HECKE: Great. Thank you for that.

16 So then looking at future considerations. You
17 know, as we look to try to achieve -- you know, use this
18 tool to reduce congestion at the border, some things that
19 jump out are the opportunity for coordinating the
20 different technology projects that are occurring, ensuring
21 that technology initiatives inform state efforts,
22 partnerships, et cetera; monitoring and engaging of
23 private sector because so many critical advances are
24 happening on the private sector side; ensuring
25 compatibility of border improvements, be they operational,

1 be they capacity projects, ensuring that they are aligned
2 with future technology; and then finally and kind of more
3 directly, the idea of running demonstrations that sort of
4 showcase that this use case is achievable in certain
5 situations, I think, could be something that generated a
6 lot of enthusiasm.

7 So any other comments on the considerations?
8 Otherwise, we're going to kind of move into the other
9 study area.

10 MR. SCHWEBEL: This is Gerry Schwebel. When we
11 look at all of these programs and we're trying to relate
12 to congestion and to ports of entry, I don't want to lose
13 sight of the fact that we have another inspection process
14 beyond the border zone at the checkpoints.

15 So we could facilitate and speed up the process
16 at the port of entry, which we all want, but then we've
17 got to go up to a checkpoint. Our friends in the trucking
18 industry are going to wind up at those border checkpoints.

19 Are we planning -- are we coordinating these efforts with
20 those checkpoints at all, and has there been any dialogue
21 in how we add the technology?

22 They have some that is non-intrusive, but you
23 still only have limited lanes on the highway, and we want
24 secure trucks, safe trucks on our highways. That's what
25 our governor always reminds us of.

1 MR. S. VALE: Sam Vale.

2 Gerry, you know that it's even pretty crazy
3 when you've got eight miles, because you can virtually,
4 with today's technology, unload a tank truck and load a
5 tank truck in less time than it takes to go eight miles.
6 So that changes the composition of what that truck is.

7 And some people for their purposes do that, and
8 especially going into Mexico, what leaves the Port of
9 Brownsville is not necessarily what arrives at the Port of
10 Matamoros. So if you know those things, that creates a
11 whole lot more complications for all of us because it's
12 different product that actually gets there.

13 MS. MAYS: So if I can answer your question,
14 Gerry, no, we did not look at the checkpoints as part of
15 this, because again, the bill says POE -- we did not as
16 part of this. But no, that's a big consideration. If and
17 when autonomous trucks will be criss-crossing our border
18 crossings, we'll have to think about the checkpoints and
19 how that's handled, so there's going to be needed
20 coordination.

21 But I can tell you all that right now as we
22 speak, we have ten companies moving goods across our
23 highways, including I-35 -- you're probably driving next
24 to them and you don't know -- I-45, they're moving real
25 loads, I-10, name all our interstates today and there's

1 over ten companies. And I think the next meeting, we may
2 have one or two of them can come talk to you, show you
3 want they're doing in real time of actually moving light
4 loads throughout the State of Texas.

5 I might mention our very generous state for
6 allowing them to come here and operate in the magnitude
7 that no other state is experiencing. So that by the
8 technologies there, this truck is being, you know,
9 electronically and visibly watched the entire trip.
10 That's how secure -- and that's how they know they have
11 gadgets on there that you cannot even believe. So the
12 secure and the security, they've gone through all of that.

13 And I think the border environment provides a
14 very controlled environment. But from the port of entry
15 to the checkpoint, this company would probably instrument
16 it with technology to provide CBP access to see when a
17 truck leaves the port of entry to the checkpoint to make
18 sure it's not tampered with, it's not stopped anywhere,
19 and be able to go through the checkpoint pretty much in no
20 time.

21 So I think there's opportunity there, or
22 wherever this is an issue. I think they're thinking
23 through that. And some of them are actually interested in
24 doing cross-border operations as we speak now.

25 So, you know, hopefully if something like that

1 happens -- so we can see that it actually can be done, you
2 know, and be able to address some of those issues that you
3 brought up at the checkpoint.

4 MR. WILLIAMSON: And I might just add, we did
5 talk to DPS as part of our stakeholder interviews and as
6 part of our working group. And they're actively engaged
7 in trying to deal with what to do with autonomous trucks
8 at their checkpoints today.

9 So the lessons they're going through and the
10 Federal Motor Carrier Safety Administration and CASA,
11 Commercial Vehicle Safety Alliance, they're all working
12 together trying to figure out what happens if a driverless
13 truck pulls up at our weigh station. So that was really
14 informative to us in the type of technology that we
15 included and considered as part of the border crossings
16 too. So it's kind of all linked as far as the type of
17 technologies that make it possible and all of those folks
18 are actively engaged in the process.

19 MS. MAYS: You have a couple of comments, Jake?

20 MR. GIESBRECHT: I had a couple of questions.
21 And one was, I realize what you're talking about and what
22 Sam and Gerry said about the coordination between the
23 agencies, but one of my questions would be, okay, the
24 first agency was the FMCSA and then DPS, right, on the
25 trucking side of it. And then how is the communication

1 between them and what would we do to make that better, not
2 just the FMCSA and TxDOT or DPS, with that coordination
3 with our border Homeland Security or CBP?

4 I live at the border and I do this every day so
5 that's why a lot of times I find myself the middleman
6 between four or five agencies. And my question is, have
7 you addressed all of the agencies? And if you have, what
8 part does the Mexican side -- it's a real challenge just
9 to get the two port directors together between the Mexican
10 side and the American side. And I can imagine this
11 agency, how many do you have -- five, six, involved in
12 this that need to be speaking to each other and accepting
13 it, first of all.

14 And then what part of this would Mexico play?
15 Have you had communication with the Mexican government?
16 Because naturally if you're going to have a driverless
17 truck, you're going to have to have all of the agencies
18 very well coordinated.

19 And that's where I can see this going, I can
20 see this going where if we get this -- we're trying to get
21 a driverless truck, but in the process of getting there,
22 we have to get all the agencies very well coordinated.
23 And if you get that done, if you get all those agencies
24 coordinated, I'll give you a cigar.

25 (General laughter.)

1 MR. WILLIAMSON: I would say -- and, Sam, weigh
2 in here -- I believe we spoke to all of the different
3 agencies that you're referring to. We got input from all
4 of them on what they'd like to see and the challenges and
5 opportunities that they see. And I think that I would be
6 accurate in saying that they all identified what you just
7 said as the ultimate challenge.

8 So the technology is going to be there.
9 Whether it's adopted or affordable is a question, and
10 whether you can get the key agencies together and the
11 private sector together, those are the big challenges that
12 we have to accomplish between now and 2050.

13 Our numbers are based on what would happen in
14 2050. It's not saying something won't happen before then,
15 but those numbers we gave you are what happens in that
16 time frame. We actually are doing a 2035 set of numbers
17 that we'll be rolling out next week with our next round of
18 stakeholder engagement.

19 If you guys are interested in joining any of
20 BNRSCs next week, you're welcome to come hear a little bit
21 more detail than we have time to go into today. But we
22 are looking at an evolution over time.

23 But you're right, because the challenges you
24 raise, that's a whole separate institutional study to
25 bring those folks together and all the things that have to

1 happen. And technology and acceptance of technology can
2 help that happen

3 MR. GIESBRECHT: Thank you.

4 SECY. SCOTT: I don't want to cut the
5 discussion short, but I think we're getting way behind and
6 Caroline is going to kick me.

7 MS. MAYS: Just let's speed it up.

8 MR. WILLIAMSON: So this is the end of our
9 discussion, we just have a very high level on the other
10 two questions just to give you a sense. No more Menti,
11 but certainly we'll pause for any questions.

12 If we can go to the next slide. So as
13 Francisco mentioned at the beginning, we're looking at two
14 other questions as well: we're looking at the impact of
15 ADS and CDS on public safety across the entire State of
16 Texas, and we're also looking at the impact of those same
17 technologies on the Texas transportation workforce. So
18 those are the last two pieces I'll just talk very briefly
19 about.

20 For the safety piece, we really looked at,
21 well, how can these technologies reduce crashes and in
22 doing so, reduce fatalities, reduce injuries and property
23 damage? So you can see on this slide there's lots of
24 research out there, a lot of it focused on ADAS systems.
25 It's basically the early version of where we expect ADS to

1 come from, the driver assist programs that a lot of you
2 have in your cars today. You can see a variety of
3 percentages that have already been estimated as far as
4 what their capability is to reduce certain types of
5 incidents, whether it's lane departures, different types
6 of forward collisions or rear collisions.

7 Next slide. So we used the same scenario-based
8 process. We used the same three levers that Sam talked
9 about, as far as technology capabilities, adoption rates,
10 and infrastructure readiness. And we looked at a range of
11 technologies, ADS and CDS, within those three levers,
12 looking at it in time, and we estimated what we think the
13 reduction in crash victims would be.

14 And what you're seeing here is that our best
15 estimate for the crash scenario planning process was a
16 32-percent reduction in crash victims. That amounts to
17 over 1,500 lives saved, and almost 72,000 injuries
18 prevented. You can see the range across the bottom,
19 anywhere from 11 to 52 percent, and the reduction as high
20 as almost 2,500 lives saved on the high end most
21 optimistic options.

22 Next slide. When you transition those again
23 and look at the economic impacts out of it, those saved
24 lives, prevented injuries and property damage, there's
25 almost \$29 billion in societal cost savings, \$25 billion

1 in state GDP impacts, and the potential for almost 200,000
2 additional jobs based on the impacts we saw. And this is
3 statewide across the state. The first analysis we gave
4 you was focused on the border; the other two questions are
5 focused statewide.

6 Any questions on these numbers? I know we're
7 way over but I don't want to rush too much. Just raise
8 your hand as I'm going if you have something.

9 Next slide. So again, so what came out of that
10 from our initial take-aways -- and we'll have more detail
11 draft findings to roll out in the next couple of weeks --
12 the existing information, as I mentioned, it's somewhat
13 limited based on a lot of it is on ADAS systems. And as
14 you know, if you have it in your car, lots of folks
15 disable those.

16 So people are still learning what the actual
17 impacts of technology that you can't turn off is.
18 However, in all cases these technologies are expected to
19 save lives.

20 We actually had some of our stakeholders on the
21 safety enforcement side tell us that they don't see any
22 way to achieve "End the Streak" without technology. So it
23 is a big part of the solution, but it's not the only part.

24 Usage rates are going to drive on all of these just how
25 comfortable people are with these technologies, how

1 affordable these technologies are, drive their prevalence
2 in our fleet industry turnovers.

3 And as I mentioned, the other traffic safety
4 improvement strategies. So your strategic highway safety
5 plan has a whole set of strategies. Technology is one of
6 them, can be a big part of it, but it's not the only thing
7 that we need to do to improve safety.

8 Any questions about the safety component? I
9 told you it was a quick one.

10 (No response.)

11 MR. WILLIAMSON: Let's go to the next slide and
12 talk just briefly about workforce. So we also looked
13 workforce and we looked specifically at what is the impact
14 of ADS and CDS technologies on our workforce, is it going
15 to eliminate jobs, create new jobs, require retraining in
16 some jobs. And the answer -- the short answer is yes to
17 all three of those questions.

18 We started by looking at what has happened over
19 the last 15-20 years from an employment trends perspective
20 within the transportation industry, and then we talked to
21 our Texas Workforce Commission folks. We talked to some
22 of our folks who spend their time developing workforce.
23 Some of our technology companies are actually working with
24 local and state colleges and universities to make sure
25 they have the capabilities to maintain these automated

1 trucks that are coming online. So we got a lot of input
2 from all these folks on what they expect the workforce to
3 look like in the future.

4 On the next slide you'll see kind of how we
5 categorized different sectors in the workforce, so it's
6 not kind of a one-size-fits-all. Some industry sectors
7 are going to have great opportunities, going to have a
8 positive increase in jobs. And you see here on the slide
9 some of those listed at the top that we expect to see kind
10 of a net growth into the future. And some of them are
11 going to have -- a lot of them actually fall in the
12 neutral range.

13 What does that mean? It means, well, there
14 might be job loss, but there's going to be new job
15 creations, retraining within some existing jobs, and
16 you're going to pretty much stay the same and move
17 forward. And then there are a handful, of course, that
18 are going to have some job losses.

19 And so that's how we categorized each of our
20 transportation industry sectors into these and were
21 able -- based on the other factors that I talked about as
22 far as adoption, infrastructure readiness and actual
23 capabilities, we were able to come up with our same three
24 estimates.

25 On the next slide we're going to talk quickly

1 about some of the take-aways from that analysis. So as I
2 mentioned, the yield across all those different impacts,
3 some negative, some positive, some neutral. There is a
4 full expectation over the next 30 years that even if we
5 have limited adoption -- so kind of a low end of the
6 range -- we could potentially impact one full percentage
7 point of state GDP. So it could have a very positive
8 impact on the economy.

9 In any cases where you might actually have a
10 decrease in jobs in a certain industry sector, that
11 increase in GDP typically will make up for that from our
12 analysis. And moving forward, any of the scenarios that
13 we looked at we're going to have more jobs in the future
14 than we have today. So it's just a question of where we
15 are in that range of what that future looks like, and
16 that, to some degree, is unknown based on what these
17 technologies and these companies can be from their success
18 perspective.

19 If you just think quickly about that,
20 employment in 2019 statewide was roughly 18 million.
21 We're saying that by 2050 you're going to have anywhere
22 between 24.7- and 25.6 million, so where in that range you
23 are is the difference between the low, medium and high,
24 the conservative, optimistic and our best guess.

25 Any questions on workforce? I know I went

1 really quickly. We are going to have statewide listening
2 sessions on August 2 and August 3 which are going to go
3 into much more detail on just the safety piece for one
4 meeting and the workforce piece for another, if you're
5 interested. I'll make sure you all get included in those
6 invites.

7 Next slide. So where do we go from here? I
8 mentioned we are pulling together that 2035 interim year
9 to give everybody a shot for each of these three
10 questions, kind of where we end up at kind of the midway
11 point between here and 2050.

12 For technology, it's not really a linear ramp-
13 up. It's going to have jumps as you move forward with bit
14 advancements here and there. So in the outer years we
15 expect there to be a greater adoption rate than we do in
16 the next five, for example.

17 And as I mentioned, our next steps are add that
18 mid-year in. And then we have several outreach activities
19 that I talked quite a bit about today -- we hope some of
20 you may be able to join them -- next week and the week
21 after. We'll be going through several versions of our
22 draft report to get it ready for public consumption, and
23 then to start the routing process and approval process in
24 early October.

25 Look forward to any continued input you guys

1 may have in the future. Francisco is our project manager,
2 so he can get any comments you might have to us. If you
3 want to follow with us or you want to have any kind of
4 one-on-one, just let us know. We'll be more than happy to
5 have additional conversations.

6 SECY. SCOTT: Mike, Sam, Francisco, thank you
7 very much.

8 Folks, we're going to keep moving through, so
9 if you need to get up or you want to get up and move
10 around or just run to the facilities or get you a new
11 coffee, please don't hesitate. We're just going to keep
12 moving forward, though.

13 And so with that, I think next is our update on
14 the nearshoring study.

15 MS. MAYS: You guys have got to be fast, see if
16 we can get back on schedule.

17 MR. HAGERT: Good morning. I'm Eduardo Hagert
18 and I'm department manager for the nearshoring study. The
19 study is a direct recommendation of the Texas Border
20 Transportation Master Plan, and we're scheduled to
21 complete this study at the end of August.

22 I'm going to go ahead and turn to Michael
23 Bomba.

24 MR. BOMBA: Thank you, Eduardo. And thank you,
25 members of the committee.

1 To give you an update on the study we've been
2 working on -- as Eduardo said, hopefully this topic is
3 familiar to you. It was in the Border Transportation
4 Master Plan as high impact issue, and the impacts of the
5 COVID-19 pandemic, as well as conditions that existed
6 before the pandemic were becoming more obvious where
7 supply chains were becoming more complex, all but breaking
8 down during the pandemic. And then also the pandemic
9 highlighted the fact that we don't have as much
10 manufacturing in North America as we once did, and there's
11 a desire to rebuild the manufacturing.

12 So the purpose of the study. There are three
13 goals of the study. One is to better understand
14 nearshoring and reshoring and its impacts on the border.

15 The second is through solicitation of
16 information from stakeholders and from analysis of data to
17 better understand how it might affect border
18 infrastructure as well as affect the corridors to the
19 border. And then third, to develop recommendations from
20 those findings to support nearshoring and reshoring in
21 Texas and Mexico, as well as to facilitate the efficient
22 movement of trade.

23 So our study approach was first to ask the
24 question: is this real or is this hype? Because back a
25 decade, these ideas of nearshoring and reshoring became

1 very popular in certain circles. And the tsunami of
2 reshoring manufacturing that was promised didn't really
3 materialize.

4 And so rest assured, it is happening. We are
5 seeing a lot of nearshoring in Mexico. We're starting to
6 see more reshoring in the United States. And to better
7 understand it, we first started with a review of not only
8 academic literature, but also trade journals and other
9 industry-related information.

10 We analyzed a lot of data. That was in
11 addition to the sources that you're probably familiar
12 with, like the transporter surface data from
13 transportation statistics and census trade data. We also
14 looked at data from the OECB looking at trade and value-
15 added, as well as [inaudible], to get a better look under
16 the hood of these economies and understand them.

17 And then lastly, we had a lot of stakeholder
18 interviews. And those happened in two forums. One forum
19 were individual interviews primarily using Zoom or
20 Microsoft Teams with individuals.

21 And some of you here in the room were part of
22 those interviews. And they occurred not only with Texas
23 participants, but also a lot of stakeholders in Mexico.
24 So we have a very heavy emphasis with our partners in
25 Mexico.

1 And in addition to that, we had assistance from
2 Roberto Treviño to set up a meeting in Monterrey. We had
3 two panels and they'd gave us industry perspectives and
4 [inaudible] perspectives.

5 So from all that we sort of distilled down some
6 of the key reasons why nearshoring and reshoring are
7 happening. And so like I said, there were these various
8 conditions that existed during the pandemic, but also
9 before the pandemic, that were sort of supporting the move
10 towards reshoring and nearshoring. And on these next two
11 slides, I'm going to kind of summarize what those were.
12 And some of those came out of the literature review and
13 some of those came out of our interviews with different
14 stakeholders.

15 So the first one is just lower transportation
16 costs. It's much less expensive, in many cases, to move
17 cargo across the border from northern Mexico than it is to
18 ship something all the way from Asia to the West Coast and
19 then transfer and ship it across half of the United States
20 to get it to market.

21 Also, because you have these complex supply
22 chains, especially what we found in the pandemic, is they
23 don't always work. Things were happening where they were
24 breaking down and products were being stranded and we had
25 the shortages that many of us experienced.

1 And also these delays, in many cases,
2 particularly for like retail customers, would provide them
3 with products that there really wasn't much demand for
4 when they arrived, like outdoor furniture in December or
5 something like that. And so that created a lot of
6 problems. And so these closer supply chains made more
7 sense.

8 Many companies have corporate climate change
9 policies that they want to implement, so that means
10 shortening their supply chains. Maybe there are
11 greenhouse gases, so nearshoring can help with that.

12 U.S. tariffs on Chinese goods that were
13 implemented under the Trump Administration and that
14 continue under the Biden Administration has made goods
15 that were once cheaper in China not as cheap as they once
16 were.

17 And then there's this idea of total cost of
18 ownership. And so this is especially promoted by a man
19 named Harry Moser with the Reshoring Initiative. And the
20 idea is that if you look at the entire cost of production
21 of a good from sort of tail to nose, going from
22 development to where you're getting ready to go to the
23 customer, is that cheaper manufacturing in Asia or is it
24 maybe cheaper to do it in Mexico or in the United States.

25

1 And in some cases, companies are finding that
2 once you add it all together, all the costs that are
3 involved in something this long distance, maybe you're
4 getting it really cheap from China but there's all these
5 other uncertainties of cost. Maybe it's not really a good
6 deal. And so some companies are moving for that reason.

7 Next slide, please. Another reason we heard
8 from a lot of our stakeholders, especially those in
9 Mexico, were requirements of USMCA. So particularly in
10 the automotive industry, there needs to be a certain level
11 of North American content.

12 There's been a trend from the car manufacturers
13 on their suppliers to push a lot of those components out
14 of Mexico even into China and other countries of Asia.
15 And so as a result, they can't do that because they need
16 to build up that level of North American content. So
17 what's happening is they're either getting new suppliers
18 that are in North America, or they're telling the
19 companies in China you need to come here into Mexico so
20 maybe you can manufacture in North America. We can't keep
21 going to China.

22 There have been rising labor costs in China.
23 In many cases, production in Mexico is actually cheaper
24 from a labor perspective than it is in China. There have
25 been concerns about the quality of Chinese products. You

1 can frequently get it cheap and fast but it's not always
2 good. And so the commodities produced in Mexico and the
3 U.S. are frequently of higher quality.

4 This is sort of the elephant in the room, but
5 it was discussed by some of the folks. There are concerns
6 looking out into the future -- this is like a C-suite
7 level concern -- if there was ever a confrontation between
8 China and the United States, how would they function.

9 Because many of these companies have offshored
10 so many of their suppliers to China or so much is
11 manufactured in China, if there was a war between the two
12 and then all of it is shut off immediately, how would they
13 continue to operate? They wouldn't have anything. So to
14 maintain corporate resiliency, they've decided to
15 diversify and have manufacturing locations and suppliers
16 from around the world, not just in China.

17 And lastly, there's just a cultural familiarity
18 between Mexico and the United States and Mexico and
19 European countries. It's much easier. When the CEOs
20 produce new sites, it's easier to interact with Mexico
21 than it is with China.

22 So with that, that's sort of a quick summary of
23 the early parts of the study. And what we're going to do
24 now is ask you a few questions. Instead of using
25 Mentimeter, however, we have another tool called

1 PollEveryone.

2 And so if you look up on the slide up there,
3 there are two ways to get to the poll: one, if you have a
4 computer or laptop you can go to PollEv.com/tti240, or you
5 can send a text on your Smart phone to TTI240 to the
6 number 22333, and that will take you to the poll. And so
7 I'll wait a second while people do that. And this is just
8 for the BTAC members, by the way.

9 (Pause.)

10 So the first question we have for you is
11 basically a followup to what we just presented. Are there
12 other reasons for nearshoring or reshoring that you can
13 think of that we didn't cover in that list I just gave
14 you?

15 Is there something else that you've heard from
16 individuals or perhaps from your own organization that
17 would explain why nearshoring and reshoring are happening
18 that we haven't already identified? So shorter time to
19 market is the first one. Any others?

20 (Pause.)

21 Okay. Well, let's move on to the next
22 question. So the next question would be: Have you
23 interacted with or do you know any companies that have
24 recently reshored or nearshored? And this could be
25 through your work or your civic engagement or your

1 personal connections.

2 Are you aware of a company in your personal
3 interactions that has actually nearshored or restored.
4 Your response is: Reshored, Nearshored, or No, I haven't
5 interacted. I see lots of nearshoring.

6 So let's go to the next slide. We're now going
7 to get into more of the transportation element of this.
8 In your opinion, which improvements to border
9 infrastructure that we listed here would best facilitate
10 the movement of freight for reshoring and nearshoring?

11 Would it be expanding the existing commercial
12 bridges, new commercial bridges, building new rail
13 bridges, creating better connectivity between the
14 commercial bridges and major highways, local street
15 improvements to eliminate bottlenecks that affect
16 commercial traffic, or would it be improvements to the
17 local network around the manufacturing facilities or
18 warehousing or industrial parks in your region, or would
19 it be to improve access to truck and rail yards?

20 It looks like we have two main choices which
21 are building new commercial bridges -- so new commercial
22 bridges and rail bridges, and many choices on better
23 connectivity between the bridges and connected highways.
24 So expanding existing commercial bridges and building new
25 commercial bridges.

1 Okay, I think we're there. So the top three
2 choices were expanding existing commercial bridges,
3 building new rail bridges and better connectivity with
4 major highways.

5 Then the last question has to do with traffic
6 operations. So among these choices here -- well, not just
7 traffic operations, but operations at the border as well
8 as traffic operations.

9 Among these choices, which improvements to
10 operations would best facilitate the movement of trade for
11 reshoring and nearshoring: expanding staffing at bridges,
12 so that's primarily inspection staffing, improve trusted
13 traveler or trusted company programs like FAST or CTPAT,
14 expanding or universal unified cargo processing at the
15 border, use of international rail crews at all rail
16 crossings, or improved traffic control leading to the
17 bridge, so light sequencing and other types of
18 improvements to make it easier to get to the border.

19 It looks like unified cargo processing is the
20 winner on that one. We also have folks interested in
21 improving these trusted company and trusted traveler
22 programs, as well as improved traffic control.

23 MR. S. VALE: I would like all of the above.

24 MS. MAYS: Don't say all of the above.

25 (General laughter.)

1 MR. BOMBA: I'll turn this over to Juan now for
2 the remainder of the presentation.

3 MR. VILLA: Thanks. I'm going to go really
4 fast, so you might just -- you have the presentation in
5 your folder. Basically I'm going to show -- I'm Juan
6 Carlos Villa with TTI -- some of the analysis we did on
7 the Mexican data sources.

8 Here we have the different sectors that have
9 bene participating in nearshoring, and this is a
10 comparison between 2020 and 2021. The interesting fact
11 here is that not only the typical industries, but also we
12 have new industries moving into Mexico, like furniture,
13 medical devices, and textiles. Textiles is more the south
14 of Mexico, central and south Mexico.

15 Next. Also the other analysis we did is on the
16 foreign direct investment. And as you can see here on the
17 right side of the chart, the rate of investment -- just in
18 the first quarter of 2022, it's already 70 percent of the
19 total 2021 investment. So it's moving really, really
20 fast.

21 Next. And then finally, the local providers.
22 As Michael mentioned, one of the key important things for
23 moving into Mexico for nearshoring is to comply with the
24 USMCA trade agreement. And these are the type of
25 industries at Tier 2.

1 That means the second tier of suppliers for the
2 auto industry, are now developing in Mexico. So on the
3 bullets, you can see the different devices or parts that
4 are needed in order to comply with these requirements of
5 the USMCA.

6 Next. And we did these interviews. So as
7 Michael mentioned, in Mexico we have been doing a lot of
8 them, not only in the border states, but we have also
9 discussed with people in San Luis Potosi, Guanajuato and
10 Carretero. And this is what we found.

11 Next. And this is some of the key takeaways
12 from the interviews that we had. Again, it's very
13 interesting. Most of them coincide in their ideas and the
14 urgency that it's moving, so this is very important for us
15 to take into the study to the final recommendations.

16 And then finally, two weeks ago we were in
17 Monterrey and we had a very good meeting. And Claudia,
18 you want to move ahead and give us more details of the
19 cabrito?

20 (General laughter.)

21 MS. LAGOS: Thank you, Juan.

22 Yes. As part of the study we wanted to have
23 feedback in here directly from the Mexican side, what they
24 are seeing. And they are already facing what is happening
25 about this.

1 So we had a workshop in Monterrey. It was July
2 7, and it was a very good meeting. We invited four border
3 states and at the central part that Juan mentioned, we
4 were trying to hear what they are facing in this part.

5 We have the participation of very high level
6 business people and representatives from the four states,
7 the border states. And we wanted to share with them
8 exactly a little bit of what you hear here. And they gave
9 us very important feedback about what they are seeing.

10 As a brief example, they were saying that in
11 some parts this is like a cultural experience, that they
12 are seeing that more companies are moving to be next to
13 the markets. For example, the ones that are selling to
14 the U.S., they are trying to move into Mexico or somewhere
15 near. The ones that are trying to sell in Europe, they
16 are moving next to Europe, or the ones that are trying to
17 sell in Asia, they are moving to Asia.

18 They mentioned also, for example, they are
19 seeing more like the nearshoring or reshoring. And they
20 explained a little bit of that and they comment that in
21 some cases they are like new companies moving into the
22 region to be next to the U.S. market, and in other cases
23 are companies probably from the U.S. or Mexico or any
24 other country that moved before to China and now they are
25 moving back to get next to the market.

1 We had the participation with some very
2 important companies. We are going to mention a little bit
3 of the ones. We had the participation of Tesla. We had
4 the participation of clusters and business organizations.

5 We had logistics companies that shared their
6 feedback with us. We had maquiladoras industry we heard
7 there, and Caterpillar and some other companies and they
8 explained what they are seeing, and in some cases what
9 they are doing, because they are also expanding their
10 operations to those markets.

11 And another important thing is that we
12 mentioned -- like the industries, as Juan mentioned, what
13 they are seeing and they exactly mentioned the ones that
14 we comment, appliances, electronics, automotive industry,
15 textile and furniture. And they are seeing a lot of
16 companies -- for example, Nueva Leon and Coahuila shared
17 they are receiving already investment from all these
18 countries and they are having like a big regrowth and
19 expansion of these companies in the area.

20 So it's not just -- for example, the companies
21 that are located in the north in some cases are the ones
22 that are located inside Mexico, like Guanajuato, San Luis,
23 Carretero. And they are seeing also like a lot of
24 movement of goods that are coming from Asia or the Pacific
25 and getting in through Mexico, like international transit

1 trying to get to the border and connecting to the
2 northeast part of the United States.

3 And I think those were like the most important.
4 Caroline, if you want to add.

5 MS. MAYS: Yeah, no. Thank you very much, the
6 team and Claudia, and I also want to thank -- I call him
7 the border ambassador --

8 MS. LAGOS: I forgot this -- with our
9 ambassador in Monterrey, we have the chance to meet with
10 some reporters. And they published in Del Norte on Monday
11 like a big section, where they gave all this part to us
12 like referring to the exercises that we did and the
13 participation and how we are seen and how people -- like
14 the business community, it's seeing the projects. And
15 they were like very collaborative with all of us, like the
16 people that was engaged there, and so just that.

17 MS. MAYS: Thank you, Claudia, and thank you to
18 the team.

19 I just wanted to underscore a couple of things
20 that we heard. So let me start with the stellar gathering
21 of folks we had there, very high level, as Claudia
22 mentioned. We had all the border states with the
23 secretaries by the industry that was there. Some of the
24 names you heard, Tesla, Caterpillar, all of those are here
25 in Texas.

1 And then we have industrial developers like
2 Prologis. You guys know Prologis, they're everywhere in
3 the United States. So really some very, very big, you
4 know, players in industrial and warehousing development.

5 One of the key things we heard is that right
6 now, they cannot keep up with warehousing demand. They're
7 like almost at zero percent of their ability to warehouse
8 and they cannot build it fast enough and they're getting
9 requests left and right. So that's one element that
10 they're really facing to be able to meet the demand for
11 the goods.

12 But in terms of nearshoring, what we heard and
13 they told us that, yes, it's happening but it's a little
14 bit different than in the past. They said that there's
15 really a move to regionalize manufacturing.

16 Claudia mentioned that worldwide what's made in
17 North America is for the North American market, what's
18 made in China is for the Chinese market, what's made in
19 Europe is for European market. One, going back to some of
20 the things that Michael mentioned, costs, transportation
21 costs, but also really reacting and being able to get
22 goods to market ASAP.

23 You guys remember, during the pandemic, we were
24 kind of strapped because all our supplies were coming from
25 outside of North America. So what they're doing now is

1 really regionalizing manufacturing, regionalizing their
2 supply chain so that they're really being very, very
3 tight.

4 Tesla, we heard from Samsung, Peterbilt and
5 others, they're literally asking all their suppliers to be
6 in North America so they can supply those products fairly
7 quickly. Because before they're waiting for supplies
8 coming from China or parts of the world really impacts
9 their assembly plants. In some instances, they had to
10 shut down. So we heard those.

11 But the last thing I want to mention is that
12 one consistent message was the border is critical. The
13 Texas-Mexico Border is paramount to what they're doing
14 because of the amount of goods they're moving today that
15 is growing but also what they expect to move in the future
16 is really, really staggering, and all of those warehouses
17 they're targeting in the United States through the Texas-
18 Mexico border crossings.

19 So they really also talked a lot about some of
20 the issues, challenges with roadways, as you see on this
21 slide -- challenges with roadways coming to the Texas-
22 Mexico Border. They talked a lot about rail issues in
23 Mexico, you know, freight rail in Mexico, how it's
24 organized, et cetera, how it limits them to be able to
25 move rail effectively or have other companies be able to

1 participate in moving goods by rail in Mexico.

2 Border crossing. Sam and some of you that own
3 border crossings, they talked a lot about the physical
4 aspects of border crossing, the number of lanes, the hours
5 of operation. Those are some of the concerns that they
6 really feel needs to be addressed.

7 They also brought up hours of operations. Why
8 do we close the border crossing at a certain time, et
9 cetera. So those are bigger policy issues to discuss with
10 CBP and others about that.

11 They talked a lot about the process of
12 inspection as well because those are the ones moving the
13 goods and it's just a cumbersome process and how long it
14 takes. You know, truck size and weight regulations are
15 different between U.S. and Mexico, that was brought up.

16 And then the policy issues. We actually talked
17 a little bit about technology and implementation, you
18 know, and identifying mechanisms to facilitate
19 collaboration between Texas and Mexico.

20 And they were literally very appreciative of us
21 going to Mexico. You know, they were just kind of
22 dumbfounded that Texas and TxDOT would go to Monterrey and
23 meet with them, you know. So we showed our commitment to
24 addressing border issues but understanding what impacts
25 our borders.

1 We told them we went there to understand where
2 all of this is coming from and hear from the people that
3 are handling it, so that we can better be prepared to
4 address issues in our border crossings. So it was a very
5 fruitful meeting and born out of that, I think we're
6 looking at how we can facilitate and maybe -- we're not
7 calling it necessarily a BTAC on the Mexican side but some
8 forum that allows us to go there on a regular basis and
9 engage with them, you know, industry, public sector on the
10 Mexican side to really understand how we can better
11 collaborate with them moving forward.

12 So that's kind of a nutshell of that trip but
13 it was a very fruitful trip. And today we actually have
14 two of the states represented here that will be
15 presenting.

16 So, Juan, did I miss anything, Claudia? Okay.

17 MR. S. VALE: Caroline, I think that was
18 outstanding. This is Sam Vale. But we also need to
19 explore going further south, because those highways don't
20 start on the border states.

21 Many of the products come from the interior.
22 You start talking about foodstuffs, the seasonality of
23 food, where you get it from, all of those put a lot of
24 stuff into the border areas. So it's an excellent,
25 excellent start to get there, but don't stop at the border

1 states.

2 MS. MAYS: Yes, Sam. Our intention, especially
3 with Claudia now to help, is navigate and facilitate
4 those. So actually I didn't mention that.

5 The secretary from Nuevo Leon drove us from
6 Monterrey to Colombia on the highway. We took a three-
7 hour trip from Monterrey to Colombia so we can see the
8 connection and the highways and some of the challenges
9 they have. Because Colombia, as you guys know from the
10 Border Master Plan, is one of the most under-utilized
11 border crossings.

12 We got to see kind of why on the Mexican side.
13 The lack of direct highway connection to Colombia really
14 inhibits their ability to attract trucking companies to go
15 there. But they have a plan to address it, and Manuel
16 will talk about it later.

17 And then Juan mentioned, before the secretary
18 presents, we also have a plan to go to Coahuila next week
19 and we'll talk a little bit about that once he presents.

20 So we're trying our best to make sure we
21 continue extensive collaboration with our Mexican
22 counterparts and we'll go as far as we can go. I know one
23 of the things we have not done is actually go to some of
24 the ports that Claudia mentioned that are funneling all
25 the Asian cargo, all the stuff coming from international.

1 And you've got the Carribean and South America, they're
2 coming to those ports and they're ending up through our
3 border crossings.

4 So, you know, these are some of the things
5 we'll be discussing later to see how we can better
6 understand that. And if we can really get a good look at
7 it as we've done in other cases, I think that's helpful
8 for us because -- so then we're not funding our border
9 crossing investments in a vacuum.

10 So thank you. I know we've taken a lot of
11 time, Secretary, so we may want to move on.

12 Juan, any last words?

13 MR. VILLA: We have two more slides, but
14 basically that's it.

15 MS. MAYS: Okay.

16 MR. VILLA: So the next step in the study is
17 what this means for transportation. At the end we want to
18 identify the impacts of the nearshoring on the
19 transportation system in Texas. So basically, as we
20 speak, we're working on developing some projections of
21 trade, not only the U.S.-Mexico trade but plus the
22 nearshoring and reshoring.

23 So next two slides, please. So this is just a
24 projection we have so far all the way to 2022, but then
25 what does this mean? On the next slide you can see the

1 actual industries that are impacted on this nearshoring
2 and also the border crossings.

3 So that's the next step. As I said, we'll
4 finish the report by September and we'll have this chapter
5 which is the final one.

6 Thank you very much.

7 SECY. SCOTT: Juan, Michael and Eduardo, thank
8 you all so very much.

9 And so we will turn our attention to the BTMP
10 project implementation status report.

11 MS. MAYS: Lorena, Paul and the team.

12 MS. ECHEVERRIA DE MISI: Good morning. For the
13 record, I'm Lorena Echeverria de Misi and I lead the
14 corridor planning program for TxDOT. This is the first
15 time I'm here in front of the committee so I appreciate
16 the little bit of time that y'all are going to give us
17 today.

18 We're here to provide an update on the progress
19 that we've made on two studies for two important corridors
20 in Texas. So the US 83 regional corridor study and the US
21 57 corridor interstate feasibility study are both being
22 conducted as a result of recommendations of the Texas-
23 Mexico Border Transportation Master Plan that was adopted
24 in 2021, so these two studies are part of the
25 implementation phase of that master plan.

1 The importance of these two corridors are this:
2 so the US 83 corridor provides critical connectivity
3 along the international border connecting Laredo to the
4 Rio Grande Valley; the US 57 corridor serves the Eagle
5 Pass port of entry, which is an international trade
6 gateway that also provides support to heavy trade flow
7 essentially reaching all regions of Texas, all regions of
8 the U.S. and into Canada.

9 I have today with me two project managers,
10 Steven Linhart who is the project manager for US 83, and
11 Paul Truban who will be providing the update for the US 57
12 corridor study. As with all our corridor studies, your
13 input informs our study, and so we certainly look forward
14 to your feedback, and I'll pass it over to Steve.

15 Thank you so much.

16 MR. LINHART: The next slide, please.

17 MS. MAYS: Can you state your name?

18 MR. LINHART: Yes. I'm Steve Linhart. I'm a
19 project development manager with the Transportation
20 Planning and Programming Division at TxDOT.

21 This is a regional map just to help you orient
22 yourselves and for some context in this presentation when
23 we talk about the US 83 regional corridor study. So the
24 study corridor, as shown in red, consists of actually
25 really two highways: primarily one is US 83 and this

1 extends from the Interstate 2 terminus just west of
2 Palmview, going to Mangana-Hein Road in the Laredo area.
3 And from there the study corridor proceeds to the north
4 and the northeast to State Loop 20, to tie in at the
5 junction of US 59.

6 As noted as you see on this map, this region
7 has extensive transportation infrastructure of highways,
8 maritime ports, the Marine Highway 69. And there's also a
9 number of highways that have been authorized by Congress
10 to be updated to interstate status.

11 Next slide. So I just want to share with you
12 some of the corridor characteristics of our study
13 corridor. This corridor functions as and is designated as
14 a hurricane evacuation route. It is a key part of our
15 Texas highway freight network.

16 It's in proximity to the Ports to Plains
17 Corridor, which is a congressionally designated high
18 priority corridor as a future interstate. US 83 is
19 actually part of our state's bicycle tourism network
20 designation here to serve pedestrians and for touring the
21 area.

22 For this region, this highway serves as a Main
23 Street for many of the communities along the corridor.
24 North of Roma, it's predominantly a two-lane roadway, and
25 then south of the city of Roma it's predominantly a four-

1 lane roadway with a center turn lane.

2 Next slide. One of the key tenets for this
3 study is connectivity. And this corridor provides rural
4 communities access to urban areas with more services and
5 activities.

6 It connects to Interstate 2, as I had
7 previously mentioned, which leads into major maritime
8 ports and waterways, and it connects to US 59 in the
9 Laredo area which is planned to be upgraded to interstate
10 standards as part of the Interstate 69 system here in
11 Texas. It provides access to numerous ports of entry
12 along the border, and it provides access to recreation
13 facilities here along the border. We have the Rio Grande
14 Valley National Wildlife Refuge and we also have Falcon
15 State Park which attracts a lot of people to the area.

16 Next slide. I just want to show you some of
17 the recent activity that we've progressed here with this
18 study. We commenced this study in April, so we're about
19 three months into it. There's been a lot of extensive
20 data collection from our consultant team to understand the
21 characteristics and existing and future conditions
22 projections for this corridor.

23 One of the key milestones we had were district
24 workshops June 1 and June 2. Our consultant team met with
25 our planning partners in the Laredo and Pharr districts to

1 gather data related to the functionality and roadway
2 characteristics.

3 We're doing planned and programmed and ongoing
4 projects that are occurring along the corridor.
5 Coordinating on our travel demand model for our traffic
6 analysis, and just traveled the corridor together to see
7 what the corridor was like and the characteristics, to be
8 able to see the traffic in the communities and get a sense
9 of the land use in the corridor. And then as noted in
10 this picture, there are a number of schools along this
11 corridor so there are numerous school zones and we know
12 that the school buses are going to be traveling along here
13 and stopping.

14 Next slide, please. These records just show
15 some of the severe crash locations over a five-year
16 period. We're going to be in the process of gathering
17 more updated crash information, but just wanted to give
18 you a sense here graphically where the crashes are
19 occurring and sort of the types of crashes.

20 On the far left one, you see where the
21 fatalities are occurring, predominantly in the more
22 developed areas. The middle slide, middle graphic shows
23 incapacitating injury locations, and then on the far right
24 it just shows the non-incapacitating injuries which, as
25 you see, occur pretty much along the entire corridor.

1 Next slide. So the key considerations for this
2 regional study are sort of depicted in these icons here.
3 These are aligned with the tenets of the Texas-Mexico
4 Border Transportation Master Plan, prior advisory
5 committee meetings that we've participated and heard from
6 that feedback on, as well as coordination with our key
7 partners in the Pharr and Laredo district planning
8 sections. They've also contributed to these elements
9 which include safety, mobility, international trade,
10 freight mobility, interstate feasibility -- that's one of
11 the elements of our study we're going to be looking at is
12 what's the feasibility of this corridor as a future
13 interstate.

14 So with that, I just want to pause and just
15 take a look at these general key considerations. Are
16 there any other topics to explore in this planning study
17 that the committee may be interested in?

18 Yes, sir.

19 MR. S. VALE: I think that we need to identify
20 the massive amount of repositioning of commercial
21 vehicles, especially from Laredo to Brownsville. There's
22 a lot of those trucks out there, and it's basically
23 because they've got a delivery but they've got to pick up
24 somewhere else. So there's huge activities going on and
25 you just see a truck but maybe being moved from Laredo to

1 Brownsville or points in between pick up a load to go
2 north, or vice versa. So all of that repositioning, I
3 think the trucking association could certainly be very
4 effective in giving us information on that.

5 MR. WALKER: Cameron Walker, Permian Basin MPO.

6 You may want to look at some backage road
7 considerations in key points. My main thought behind that
8 was get the school zones perhaps relocated if that's a
9 potential.

10 MR. LINHART: Great points.

11 MR. ALVAREZ: Good morning. Pete Alvarez,
12 Pharr District Engineer.

13 Just a couple of points, and so as we continue
14 to develop projects in the Pharr District, we're working
15 in the communities of Penitas and La Joya to provide
16 review from the US 83 relief route. We're also working to
17 develop the State Loop 195 project that will connect FM
18 755 to US 83 at Loma Blanca.

19 The importance of State Loop 195 -- even though
20 it's not designated as US 83, in essence it will act as a
21 US 83 relief route. When I looked at ADTs in the area,
22 anywhere from 35,000 to 40,000 average daily traffic in
23 the middle of these school zones. I think there's eight
24 or nine schools in Starr County alone where obviously the
25 movement of people and goods is affected.

1 So we will continue to work. Appreciate the
2 study that is happening, and the importance of this
3 corridor to connect the Valley to Laredo. There are
4 backage roads that could be utilized.

5 Those roadways add an additional 30-40 miles of
6 travel, but they're actually faster because of these
7 school zones and high ADT areas. Many of us that travel
8 to and from Laredo would rather use the backage road and
9 get there in three hours instead of three and a half to
10 four hours.

11 So just a couple of comments for consideration.
12 Thank you.

13 MR. LINHART: Great. Thank you for that.

14 Next slide. So public involvement is an
15 important activity for this study. And we've developed a
16 public information survey that will become active this
17 week and the links will be put on our project page on
18 TxDOT.gov. And it will provide some questions for the
19 public and interested parties to answer about how they
20 travel, what modes do the travel, and any other general
21 comments as far as issues and concerns that we'll be able
22 to use a map to drop a pin on and comment and that will
23 help inform of us of those maybe hotspots or areas of
24 concerns for the communities and the users of this
25 corridor.

1 The survey is planned to be open for about four
2 weeks, and then that input will help us better understand
3 the issues of importance as we move forward with the
4 planning process.

5 MS. MAYS: Steve, do we have the website
6 available that we can send to BTAC later so they can share
7 that with their stakeholders?

8 MR. LINHART: I actually have BTAC membership's
9 email addresses queued up and ready to go.

10 MS. MAYS: Awesome.

11 MR. LINHART: Along with some other databases
12 that we had received from our partner sections in freight
13 and international trade, and so that will be ready to go
14 probably tomorrow. I want to make sure the survey gets
15 active and that's the plan.

16 Next slide. So I just want to share with you
17 the activities that we are currently conducting as well as
18 what we plan to do for the summer. Obviously we'll review
19 the feedback from the public information survey. We're in
20 the process of developing socioeconomic profiles for our
21 four-county study area.

22 I had mentioned previously that we met with the
23 districts and talked about the travel demand model,
24 finalizing that information. We've gotten information
25 from the MPOs that have coverage for this corridor. We're

1 in the process of reviewing Data Axle and Transearch
2 information as it relates to freight. And we're also
3 working on a corridor synopsis fact sheet to document
4 existing and projected conditions for the corridor as it
5 relates to safety and crashes.

6 And then the 2023 UTP, our ten-year plan, is
7 currently out for public inspection. Once that gets
8 approved, we'll look at that document and sort of
9 incorporate the projects into our planning analyses moving
10 forward.

11 Next slide. Just at a high level here, here's
12 what our remaining study schedule is anticipated to be.
13 Data collection and technical analyses this summer, likely
14 will extend into the early fall. Our information survey,
15 as I had mentioned, and then fall through the winter
16 looking at the feedback that we received from the survey,
17 identifying the needs and developing recommendations for
18 this corridor.

19 Public meetings we're targeting in person for
20 the spring of 2023. That series of meetings would show
21 the recommendations for the public to review and comment
22 on, provide us with feedback before we finalize the study
23 at the end of August. So that's our general plan for
24 finishing and conducting the study.

25 So that concludes my presentation.

1 MS. MAYS: Any questions for Steve?

2 (No response.)

3 MS. MAYS: Okay. If not, thank you, and BTAC
4 members, especially in the Laredo and Pharr regions,
5 please be engaged. Our districts are very engaged in this
6 so help us out.

7 As you know, the more feedback we get, the
8 better. Especially you have all the users of the system,
9 whether it's the public or the folks moving the goods,
10 it's really important to those communities. Encourage
11 them to participate so we can hear their voices throughout
12 the study process so we can get a robust reply in the end.

13 So thank you, Steve.

14 MR. LINHART: Thank you. I'll turn it over to
15 my colleague, Paul.

16 MS. MAYS: Paul, let's go.

17 MR. TRUBAN: Good morning. My name is Paul
18 Truban. I'm a project manager with the Transportation
19 Planning and Programming Division.

20 So I'm going to give you a quick recap here on
21 what we've been doing on US 57. And I know we're running
22 a little tight on time, so I'm going to try to run through
23 this before I get the hook.

24 So I'm going to start with just -- recap the
25 geography here of the area. First an overview of the

1 corridor. We had presented on this a couple of months
2 ago, but just for those who weren't there, here we're
3 showing the US 57 study corridor extending approximately
4 100 miles.

5 And it runs from the Eagle Pass International
6 Bridge on the Mexico-Texas Border, runs eastward all the
7 way to I-35 and more. It's considered a principal
8 arterial and it's on the Texas Freight Highway Network, as
9 well as the Federal Freight network.

10 It covers two TxDOT districts, Laredo and San
11 Antonio, runs through three counties, Maverick, Zavala and
12 Frio, and three cities, Eagle Pass, La Pryor and
13 Batesville. Also of note is we have three border
14 crossings here in the study area, one freight rail and two
15 highway, and that's at the western end in Eagle Pass.

16 Next slide. Just to touch on the study purpose
17 and considerations of what we're trying to accomplish. So
18 the purpose of this to assess the feasibility of an
19 interstate designation for US 57.

20 This is something that Representative Morales
21 had proposed to us for us to look at. And we started
22 about six months ago and our intent is to develop and
23 prioritize projects that help improve mobility,
24 connectivity, safety and international trade along the
25 corridor.

1 With that being said, you'll see a number of
2 considerations up here that sort of reiterate those
3 points. Key considerations that will be covered within
4 this study include safety, mobility, congestion, improving
5 cost and funding opportunities or funding constraints,
6 alternative routes, resiliency, freight and connectivity
7 and operations and maintenance, not to mention
8 international trade.

9 Next slide. So here I'm just going to focus on
10 the progress to date since we've last met -- I think we
11 presented in April on this. We've completed several tasks
12 to date.

13 Those include reviewing existing conditions and
14 identifying current safety, congestion and operational
15 issues along the corridor. We've also begun to perform
16 more detailed crash analysis and we've begun to map the
17 fiscal constraints along the corridor.

18 We are also currently gathering and analyzing
19 additional border trade data. The chart to the right
20 shows international trade data that we currently have in
21 terms of imports and exports at the three ports of entry,
22 notably Del Rio, Eagle Pass and Laredo.

23 In 2021 we just wanted to note that the Eagle
24 Pass port of entry imported over \$23 billion and exported
25 over \$10 billion in trade. In terms of freight tonnage

1 and value, Laredo obviously stands out as the biggest port
2 of entry in our study area, but then followed by Eagle
3 Pass and then Del Rio in terms of tonnage and volume.

4 We are also performing traffic projections here
5 along the corridor and some travel demand modeling to help
6 us assess the future capacity conditions along the
7 corridor and whether or not we are going to meet the
8 interstate feasibility requirements. So the map to the
9 left is trying to show the traffic levels of service -- I
10 know it's hard to see -- during the a.m. peak period in
11 the year 2050 along segments and intersections of the
12 corridor.

13 It's hard to see here, but you'll note there's
14 some unacceptable levels of service highlighted in red on
15 the slide as you get closer to Eagle Pass. Additionally
16 we've begun to develop some critical cross sections to
17 accommodate what we're predicting as that future demand.

18 Here I'm just giving a summary of the
19 stakeholder outreach activities we've had to date, so
20 here's an overview of all the key stakeholders that we've
21 either talked to or plan to talk to in the near future.
22 And this study is being guided by a number of elected
23 officials, private sector, as well as the general public.

24 So, so far we have held meetings with Representative
25 Morales, Representative King at his office, Mayor Salinas

1 from the City of Eagle Pass, Secretary Bres from Coahuila,
2 Mexico, and the Economic Development Authority for the
3 City of Del Rio, as well as Constellation Brands
4 Beverages, a private sector company.

5 We're currently in the process of doing some
6 regional focus groups for the east side and west side of
7 the corridor, and we expect to hold a public meeting
8 coming up in the fall.

9 Just showing where we're at, there's a project
10 web page listed up here, that's the link. And rather than
11 write all that down, you can go onto TxDOT's website and
12 in the search bar you can just look for US 57, and that
13 site should pop up. There you'll see all the information
14 we have, the data fact sheets, some safety information,
15 some of the same information you're seeing here, and then
16 we'll keep posting more there as time goes along.

17 As far as what's coming up ahead in the
18 outreach process, we're in the process of hosting two
19 regional focus group meetings. Our eastern focus group
20 covers the corridor east of La Pryor to its junction with
21 35, and the western focus group covers the corridor west
22 of La Pryor to Eagle Pass and into Mexico.

23 The upcoming schedule for the focus group
24 meetings and surveys is listed here, and we hope to hold a
25 public meeting sometime this fall, in the fall of '22. So

1 you see we have another meeting coming up shortly for the
2 western focus group. So that's sort of where we're at.

3 We did the one focus group. We've got one more
4 to go, and then a public meeting, as well as some other
5 followup, circling back with Representative Morales and
6 his office and other stakeholders.

7 As far as next steps, well, one thing we're
8 trying to do, our next steps include trying to collect
9 some additional data before we get too far. We've
10 recently learned of existing and proposed economic
11 development and infrastructure improvements along Route 57
12 in Coahuila, Mexico, and we heard about that with the
13 nearshoring presentation.

14 With that information, we're currently in the
15 process of setting up a corridor site visit to Coahuila
16 next week. We've been invited to meet with the Governor
17 of Coahuila and his stakeholders in Mexico and observe
18 recent economic development activity there under the
19 recent emergence of the nearshoring trend or reshoring.

20 While we're there, we're going to try to obtain
21 as much data as we can on the development on the Mexico
22 side to ensure we are capturing the predicted growth along
23 57 on both sides of the border. We know we have good
24 numbers on the Texas side. The recent emergence of things
25 in Mexico is so new that we don't have that. And we're

1 trying to capture that and we want to make sure we get
2 that and that we're considering that growth in our
3 analysis of the corridor improvement needs as it will
4 affect US 57 in Texas.

5 Just a snapshot of the overall schedule. We
6 have like a 15-month timeline here reflected in the
7 schedule. We're about two-thirds of the way through it.

8 We started with the kickoff being back in
9 November of '21. We followed that up with site visits to
10 the corridor and then some coordination with our district
11 partners of Laredo and San Antonio, as well as some key
12 industries like the beverage industry and the auto parts
13 industry. Over the past three months our team has
14 gathered data, analyzed existing conditions, developed
15 traffic projections, and we've just started to analyze the
16 traffic operations and safety issues.

17 Also, our stakeholder outreach program was
18 initiated in the spring and has gathered some valuable
19 input to date. Input from stakeholders has been and will
20 continue to be gathered as project recommendations are
21 considered.

22 As I mentioned before, we also begun to hold
23 our regional focus group meetings this summer and expect
24 to hold a virtual public meeting this fall. I will note
25 that the final interstate study report, feasibility study

1 report is expected to be completed in the fall as well, if
2 all goes well.

3 So that concludes what I have. Questions?

4 Tick-tock.

5 MS. MAYS: Thank you.

6 Any questions for Paul? Yes, George.

7 MR. ANTUNA: More than anything I just want to
8 say thank you, Paul, for all the work you do. Thank you,
9 Caroline.

10 Now that we have two commissioners here, we
11 just want to say thank you very much for your support on
12 this, your continued support, actually. I know it's only
13 on the feasibility study side, but hopefully one day we'll
14 see it on the UTP side as well moving forward, because
15 it's very important that we get additional thoroughfares
16 into ports of entry. We're growing and hopefully we can
17 grow along with this kind of transportation mode.

18 Coahuila is doing their part. I do see
19 Secretario de [inaudible] here and so he's here promoting
20 this. In fact, we're going to be visiting next week with
21 the Governor of Coahuila and others to promote this
22 because, quite frankly, US 57 doesn't stop in Eagle Pass.

23 It keeps going all the way to Mexico City, as we all
24 know. And so we appreciate your support, continued
25 support on this moving forward. So thank you, Mr.

1 Secretary and commissioners.

2 MS. MAYS: No. Thank you, George, for that.
3 And George is from the City of Eagle Pass, for those of
4 you and for the record, so we appreciate the partnership
5 of the city.

6 And then also recognize Representative Morales.
7 He's the one that initiated the study and has pushed us
8 to do that. He's been very involved. I can tell you
9 we've met with him several times and he stays in the
10 meetings and has a lot of great input, so really
11 appreciate it.

12 When the local communities' elected officials
13 are all involved and engaged in what we do, it really
14 provides a great input. And again, George and the team
15 out of the City of Eagle Pass have really been able to
16 help us too engage with the Mexican side. And you know,
17 it's a very short corridor but I can tell you it's very
18 important to the city but also to the Mexican side.

19 Constellation Brands, for anybody that drinks
20 beer, know that it's on the other side. But now the
21 governor has asked us to go beyond, you know, the
22 Constellation Brands area in Piedras Negras is all the
23 other parts of the state that there's a lot of
24 manufacturing activity. There's a lot of nearshoring
25 that's happening that's coming through Eagle Pass.

1 And, George, what we heard recently was that
2 President Obrador was on the border and talked about a
3 possible second bridge at Eagle Pass. So those are some
4 of the things we're monitoring in that region.

5 So thank you, Paul, and thank you to the city
6 for your support.

7 MR. TRUBAN: Yes, and thanks for those who
8 helped set up that trip. It's going to be really
9 important and we look forward to seeing what's down there.
10 Thank you.

11 MS. MAYS: So next we have Juan back again and
12 Jolanda to talk about some of the other activities with
13 the Border Master Plan implementation, so thank you.

14 MR. VILLA: So part of this presentation is the
15 Border Wait Time Measurement System expansion. As you
16 know, we have the system implemented at seven commercial
17 crossings and three POV, privately owned vehicle,
18 crossings. And I'll just go very quickly because we're
19 running out of time. You have the slides.

20 But the bottom line is the project is moving
21 very well. We have a plan to install the system at six
22 commercial crossings this year and then we'll move to the
23 POV crossings starting next year.

24 So next. This is just some of the activities
25 that we have been taking care of, the repairs and changing

1 some of the RFID readers because CBP made some changes in
2 the actual transponder, so we have been doing that as
3 well.

4 Next. Again, here are just some examples,
5 maintenance in Pharr. Next we have the Veteran's Bridge
6 expansion also. We have covered all lanes now that we
7 hadn't covered in the past, so we have all lanes because
8 sometimes they use one lane and sometimes they use others.

9 Next. And then again this is what I was
10 mentioning on the new readers. We are installing multi-
11 protocol readers so we can read all the tags throughout
12 the Texas-Mexico border.

13 Next. A ground truth test, this is something
14 that the users have been requesting to be able to be sure
15 that what we are reading was providing us information
16 basically matches what's happening on the ground. So we
17 are implementing this and the plan is to do a wait-time
18 ground truth test in every crossing once a year at least.

19 Next. Again, this is expansion. These are the
20 six crossings that we're going to be doing this year. We
21 have already secured permits with the Mexican as well as
22 the U.S. authorities throughout the border. We're going
23 to start with Los Indios next week.

24 And again, thanks for all your cooperation.
25 Sam and others have been really helpful on that. Thank

1 you.

2 Next. And also we have a new website, so if
3 you go to bcis.tti.tamu.edu, you will find the new look at
4 the website. All the data is in the cloud now and you can
5 actually access the system in a more expedited way. You
6 can see we're getting a lot of data, we have data from ten
7 years on some of the crossings.

8 Next. And this is the oversize/overweight
9 study.

10 MS. PROZZI: Good morning, everyone. My name
11 is Jolanda Prozzi. I'm going to do my best to also save a
12 little bit of time on the agenda.

13 Most of my presentation this morning is going
14 to center on this new initiative that we've started. It's
15 part of the ongoing implementation of the BTMP. One of
16 the program recommendations for that from the BTMP
17 relating to operational efficiency called for a needs
18 assessment of oversize/overweight cargo that crosses the
19 Texas-Mexico Border.

20 So in this study we are going to assess the
21 state of practice, we're going to document the needs and
22 challenges, and then we are going to identify mitigation
23 strategies and investment priorities.

24 Next. Our study has four components, but three
25 of the four components involve outreach to stakeholders

1 and getting information and input from the international
2 bridge directors, from the larger community of shippers
3 and carriers, economic development agencies, industry, as
4 well as the trucking companies. And then, of course,
5 everything is going to culminate in a stakeholder forum
6 which we are scheduling for the spring of next year where
7 we will present the findings of the study and ask the
8 participants to help us think through strategies and
9 investments.

10 At the moment we are analyzing the ProMiles
11 data, the permit data for the oversize/overweight
12 corridors in the border region. And we're analyzing that
13 to supplement the analysis that some of our colleagues are
14 doing on the DMV permit rider.

15 Next. So the next couple of slides is just
16 showing you some of the ProMiles analysis that we've
17 conducted so far. Of course we have Eddie here, who is
18 going to give us a lot of information about this
19 oversize/overweight corridor.

20 But as you know, this was the first corridor
21 that was established in 1997. It connects the Gateway
22 International Bridge and the Veterans International Bridge
23 to the Port of Brownsville, and it allows for the movement
24 of heavyweight vehicles that cross at these bridges to the
25 Port of Brownsville. Here you can see in 2021, about

1 31,500 permits were sold -- single-trip permits were sold
2 for the use of this corridor.

3 Next slide, please. This is the HCRMA matrix
4 of corridors. These corridors serve three international
5 crossings, Anzalduas, Pharr-Reynosa, and Progreso. And
6 this is an indication of how many single-trip permits were
7 issued for the use on those corridors. So about almost
8 40,000 permits.

9 In our study we're going to go further than
10 just understanding the number of permits. We also want to
11 understand what commodities are being transported and the
12 distances traveled from those corridors.

13 Next slide, please. And of course,
14 oversize/overweight load vehicles can still cross the
15 border and just buy a permit from the Texas Department of
16 Vehicles -- the DMV permit for non-divisible
17 oversize/overweight loads. I have this example of the
18 Starr-Camargo International Bridge that crosses these
19 loads, and I've checked the DMV data with my colleagues
20 and it's about 1,700 permits that have been sold with
21 either an origin or a destination in Starr County. I
22 don't know if all of them cross at the bridge but we will
23 find out during this study.

24 Next. So this is just a brief overview of our
25 study. Thank you, Claudia.

1 I had a Mentimeter question, but for the sake
2 of time maybe I'll just pause and ask the BTAC members for
3 input.

4 MS. MAYS: Jolanda, one comment, if you could
5 go back to the slide with the map, go back to the map,
6 keep going. Yes, this right here. It's just showing the
7 U.S. side, I don't see the Mexican side and seeing the
8 corridors on the Mexican side.

9 We just came from Mexico about a week and a
10 half ago, and at Colombia Bridge there were actually
11 oversize/overweight vehicles on the Mexican side, you
12 know, waiting to cross. And then there were others that
13 had crossed the U.S. side and kind of parked on the other
14 side waiting to go into Mexico.

15 So I think with this we need to understand the
16 dynamics on both sides of the border, but also one of the
17 things -- two years ago we went to Ciudad Acuna and when
18 we came back, you know, some of the border crossings, the
19 heights are not conducive to over height cargo. And with
20 Del Rio, they normally had to kind of cut one of the CBP
21 lanes to make sure the tanks that are used to store crude
22 in West Texas can come, because some of those are like 33
23 feet high.

24 So really we need to look at both sides and
25 kind of the origins and destinations of those and not just

1 the corridors within Texas. Because like we're doing with
2 the nearshoring and other stuff, understanding on the
3 Mexican side -- like in the Pharr region, you guys are
4 getting a lot of wind blades and wind blade parts coming
5 through that border crossing. So we really need to
6 understand where they're coming from in order to have an
7 effective analysis, and not just focus on our corridors
8 because I think it's the border cross infrastructure and
9 then, of course, the corridors themselves.

10 MS. PROZZI: Yes, definitely we're planning to
11 do that.

12 MR. ALVAREZ: Pete Alvarez, Pharr District.
13 Three points, Caroline, because we deal with those
14 situations day-in and day-out.

15 On this slide I want to bring up the importance
16 of three projects. One that's ongoing is called the 365
17 Tollway that basically, if you look at that map, runs in
18 the middle of the map to interconnect five ports of entry
19 in Hidalgo County alone. A project that is being
20 developed by the Hidalgo County RMA is the International
21 Bridge and Trade Corridor, IBTC. That project will also
22 facilitate the movement of these overweight/oversize.

23 The importance of that is taking these
24 heavyweight vehicles, if you will, off of the FM roadways,
25 FM roadways that have not been designed to handle these

1 type of loads. Our roadways are being torn up in the
2 Valley in and around the border because of these
3 overweight/oversize. So we'll continue to work with our
4 partners to develop IBTC.

5 And then in the Brownsville area, the East Loop
6 project. The East Loop project -- IBTC and the East Loop
7 project are the two highest priority projects for the RGV
8 MPO, very high priority projects for the Pharr District as
9 a whole. Once again, the idea is to get heavyweight
10 trucks off of the FM roadways where there are schools,
11 there are commercial businesses and what-have-you, and
12 improve safety in the area.

13 And so I just wanted to point out to the
14 committee the importance of East Loop and IBTC. Thank
15 you.

16 MR. CAMPIRANO: Jolanda, could you go back?
17 This is Eduardo Campirano from Brownsville. Could you go
18 back to the previous map on the overweight corridor you
19 have in the lower Cameron County?

20 One is 48 is permittable all the way almost to
21 Port Isabel. And then secondly, the Gateway International
22 Bridge has never been used, simply because Gateway cannot
23 accommodate overweight corridors. And lastly, I believe
24 the FM 511 has been authorized, but hasn't been initiated
25 all the way to State Highway 4.

1 And then the last piece, in reference to Pete's
2 comments about the overweight corridor on East Loop, I
3 guess you could say the first piece of that has been
4 completed with the South Port Connector. And that
5 certainly was a collaboration between the state, the RMA,
6 the regional planning organization, the county and the
7 port. So that piece of it is in play and is actually
8 supporting operations of Spaceport or SpaceX Starbase, if
9 you will.

10 MS. PROZZI: Thank you. Yeah, we just started
11 and we realized that there's a lot of expertise around
12 this table. So be forewarned.

13 MR. SCHWEBEL: I have a question. This is
14 Gerry Schwebel. Just one point of clarification.

15 There's a lot of good stuff here, and I'm sure
16 we'll talk more about the mobility. Are we headed towards
17 just designated ports of entry for overweight and oversize
18 crossings? Is that what we're working toward?

19 MS. MAYS: No, no, we're not looking to
20 designate. We're looking to understand what the issues
21 and the challenges of all the ports of entry are when it
22 comes to their ability to accommodate oversize/overweight
23 loads which is increasing, especially with the energy
24 sector. I mentioned wind blades and wind parts, but also
25 energy sector development and other overweight loads that

1 are moving.

2 So we're not looking to designate any, we're
3 just looking to understand what the issues and challenges
4 are, but also then outline what are some of the
5 recommendations to address the border crossing itself.
6 Because some of the border crossings when they were built,
7 they never thought about oversize/overweight loads. You
8 go to them and you see the CBP lanes that, you know,
9 they're not built for that.

10 So how do we now move forward as Mexico and the
11 United States or Texas and Mexico in terms of how do we
12 retrofit existing bridges to be able to accommodate
13 oversize or high loads that are moving? And then also
14 looking at the corridors, which corridors do we have to be
15 able to facilitate that? Jolanda mentioned some of our
16 border crossings are in communities.

17 MR. SCHWEBEL: I understand that. I think Pete
18 alluded to the fact that these farm to market roads are
19 not built to those standards right now. So technically
20 every vehicle that's there that's on an FM road right now
21 comes out of Mexico it's overweight.

22 And the cities will charge a fee for their
23 weight scales. How do you charge that and how are they
24 going to be tracking that? I'm just concerned that if we
25 start targeting certain cargo going to certain corridors

1 because you may accommodate them for the infrastructure
2 that it's going to impact other ports of entry in the
3 business that it may be costly for them.

4 In other words, if there's an overweight
5 vehicle because that's where the customer wants to cross
6 at that port of entry, that he not be limited and have to
7 divert it to somewhere else because the infrastructure is
8 there.

9 MS. MAYS: Gerry, right now for any
10 oversize/overweight cargo moving within Texas. They can
11 apply for a permit to be able to operate, regardless of
12 the port of entry.

13 In special cases like in Brownsville where a
14 corridor is designated, that's a very special location.
15 But you know, they can apply for oversize/overweight
16 permit to operate on our roadways within the confinements
17 and restrictions that's placed on them in terms of our
18 corridors they can use, and TxDMV does that. So all the
19 trucking industry really they know that process.

20 So yeah, you can't restrict to a border
21 crossing. Think about a load coming through Presidio-El
22 Paso and you're telling them the only crossing you have is
23 Laredo, it would not work. So that's not how the system
24 works today and neither, I think, the system will work in
25 the future. It's based on permitted loads and then the

1 restrictions placed on them.

2 MR. SCHWEBEL: But are the fees the same for
3 overweight throughout the State of Texas?

4 MS. MAYS: Yes and no. It depends, because
5 there's assembled and there's yielded, there's annual, so
6 there's just different variations of that. There's super
7 loads.

8 So there's a whole metric system that DMV uses
9 to allow for those loads to move within the state. So
10 there's different scales, so it's not one-size-fits-all.

11 MR. SCHWEBEL: Thank you.

12 MR. CALVO: Caroline, if I may? This is
13 Eduardo Calvo with the El Paso MPO.

14 My question, Jolanda, I hope you were
15 considering also the Santa Teresa port of entry as part of
16 the study. Because even though it's in the State of New
17 Mexico -- but as we all know, everything that crosses
18 through that crossing ends up through State Highway 178,
19 Artcraft, which is TxDOT facility, and eventually to I-10.
20 So I hope we're considering that.

21 MS. PROZZI: Yeah, we can consider that,
22 Eduardo.

23 MR. CALVO: And not only that, but the highway
24 that connects the port of entry through New Mexico and
25 then into State Highway 178 is already designated as an

1 overweight/oversize corridor in New Mexico, so obviously
2 that connectivity is important.

3 MS. MAYS: Yeah, we've already adopted Santa
4 Teresa as part of Texas.

5 (General laughter.)

6 MR. CALVO: Actually, Santa Teresa is the only
7 crossing that doesn't cross the river, right? So we don't
8 have the structural limitations on the bridges for that
9 crossing. It has a lot of other issues but it doesn't
10 have to deal with the bridges.

11 MS. MAYS: So we'll move very quickly to the
12 next item so we can have our partners from Mexico -- give
13 them enough time.

14 MS. PROZZI: So literally I'm just going to
15 talk one minute about this. At the last BTAC meeting, we
16 provided a pretty detailed presentation about this concept
17 for the BTMP project implementation tracker, so I'm just
18 going to talk you very quickly through the next slides.

19 So since then we have worked a little bit on
20 the functionality of the tool, but we've started to reach
21 out to project sponsors to help us review the BTMP project
22 list to provide us with updated information, but really
23 focusing on the status of those projects in the BTMP.

24 So next slide, Tyler. So we have at this
25 moment updated information for about 20 percent of the

1 BTMP projects, and this slide shows you the results for
2 that 20 percent of the projects. So 26 of those projects
3 are really in the concept phase, 86 are in the planned
4 phase, but I think the exciting news is that 12 of these
5 projects are currently being constructed at an estimated
6 cost of \$460 million.

7 So at the next meeting we will continue to
8 provide you with updates on where we stand with
9 implementing the BTMP projects, so stay tuned. That's all
10 from me.

11 MS. MAYS: Thank you, Jolanda.

12 And I think just a reminder to BTAC, when the
13 plan was adopted last year one of the directives from this
14 committee was we need to show you progress, how we're
15 progressing with the BTMP policies, programs and project
16 implementation. And this is our attempt to do that. But
17 I think last time Jolanda mentioned on some of the
18 projects, especially those that are not TxDOT sponsored,
19 it's always challenging to get information.

20 So if you all can work with the team and help
21 them help all of us to be able to provide them with the
22 progress on the projects would be very, very helpful, so
23 that especially at the next meeting we can show, okay,
24 since the BTMP was adopted, this is the progress we have
25 made. So I think that's really what we're trying to show,

1 that you all didn't spend two years with us and you're not
2 seeing really kind of the result of what you worked on, so
3 that's really the goal here.

4 So thank you, Jolanda.

5 Yes, Jake.

6 MR. GIESBRECHT: This is Jake. I just have one
7 question. Are you communicating with the railroad?
8 Because in the Presidio corridor, we have a rail bridge
9 and we have a lot of oversize mobile homes being built in
10 Ojinaga. You are coordinating with the railroad?

11 MS. PROZZI: For the oversize/overweight?

12 MR. GIESBRECHT: Yes.

13 MS. PROZZI: No, we haven't coordinated with
14 the railroad.

15 MR. GIESBRECHT: I think it's Stan's and I
16 think he's had major challenges because the rail bridge,
17 we have to go around like 30 miles and then get police
18 escorts through cities and all of that good stuff every
19 day because of the rail bridge. They can't accommodate
20 the oversize.

21 MS. PROZZI: So I'll be in touch with them.

22 Thank you, Jake.

23 SECY. SCOTT: Okay. Thank you. Let's now turn
24 our attention to our friends from Coahuila and Nuevo Leon.
25 I don't know which one is going first.

1 Manuel?

2 MS. MAYS: Nuevo Leon.

3 MR. LOO: So I'm just going to give you a
4 little overview of kind of what we're working on on the
5 Nuevo Leon side on the infrastructure. Next slide,
6 please.

7 All you guys probably know, these are four main
8 corridors that connect central Mexico with the U.S. So
9 we're going to be -- in Nuevo Leon we're working on the, I
10 guess, light blue lane in the orange portion of it. So
11 initially, the orange part is part of the railway to
12 Laredo and actually what we're working on is a connection
13 to the Colombia Bridge, which it was originally Highway 1,
14 so we're redeveloping Highway 1.

15 Next slide. This is Colombia right now. We
16 are in the Port of Laredo district.

17 Next. So this is the main roads that we're
18 building on our new government of Nuevo Leon, so there is
19 two things that we're doing. So we're rebuilding Highway
20 1, which is the regional highway that Caroline traveled
21 through in the last week. And also we are building La
22 Gloria-Colombia which is the main toll road that is
23 already heading to Laredo.

24 We're doing a side road that goes all the way
25 to Colombia, and that way we'll have two accesses to the

1 Port of Colombia. And also on the bottom we are building
2 the Interserrana which connects the main highway that
3 comes and goes to Saltillo and around the state and comes
4 back. And that's actually -- between all the railways,
5 it's going to save 120 kilometers on the south with the
6 Interserrana Road, and then about 100 kilometers on the
7 north to get to the Colombia port of entry.

8 Main point here is all these roads have been
9 assigned budget by the state, so we're not relying on any
10 federal support from Federal Government of Mexico for
11 construction. So all these projects, the ones in the
12 north when it comes from Monterrey all the way to
13 Colombia, they have been already RFP'd and they have been
14 already funded and issued a contract for the construction
15 to start. Some of these projects are already started and
16 some of the projects are starting in the next couple of
17 months. 2024 is the year that all these projects will be
18 completed.

19 So next. So this is our current proposal for
20 the new port of entry. We're doubling the size on all the
21 lanes of import and export.

22 Next. So this is our current entrance and the
23 future entrance that we're developing in the master plan
24 that we created for the proposal.

25 Next. So this is the overall site. The

1 current section in white is the actual port of entry at
2 Colombia right now. And then the other 2,000 acres that
3 are located right next to it is the proposal sites for the
4 renovation and some of the areas that we're trying to tie
5 into the master plan of the port of entry.

6 Next. This is also the unique thing. After
7 conversations with the State of Texas and in collaboration
8 with the Texas DPS, Border Patrol and also CBP, we are
9 creating our own border like police force.

10 And we're establishing checkpoints when it
11 comes to the entrance of the port of entry, and also in
12 the border with Coahuila and the border with Tamaulipas,
13 and we only have 12 miles of border so we're trying to
14 make the border more secure. And this has developed -- we
15 have hired about 3- to 500 new police force dedicated to
16 the border police force that we created.

17 Next. This basically shows some of the
18 [inaudible] master plan.

19 Next. So that's our current railway and then
20 the proposal like adding two more lanes to our checkpoints
21 that are going to be sitting on our border.

22 Next. This basically shows another picture of
23 the current versus the proposed plan.

24 Next. One of the things that we're doing in
25 collaboration with CBP and Border Patrol, we have cleared

1 all the side of the river on the Mexican side, so it is
2 clear visibility for the U.S. to make sure that we try to
3 keep security level and migration and other type of
4 problems away -- so that way we have clear visibility
5 through the border, and we removed all the trees and other
6 things that were in there.

7 Next. So this actually shows how the La
8 Gloria-Colombia is going to be a three-lane highway. So
9 this actually departures from the main freeway -- I guess
10 toll road to Laredo, and then to the left is going to be
11 about 110 kilometers.

12 Next. This goes back to showing the
13 Interserrana Highway that we're building in the south.
14 It's 81 kilometers and this will save cargo about 120
15 kilometers going to the State of Coahuila and then back to
16 Nuevo Leon.

17 Next. That's a picture of the Interserrana.

18 Next. So another area that we're working on,
19 we've created another beltway around the metropolitan
20 area. I don't know if you guys are probably familiar with
21 Monterrey, but Monterrey is really similar to Dallas. It
22 has become the logistic hub of Mexico.

23 Most of the cargo that comes from the south,
24 especially right now where they have a lot of industry,
25 everything comes into Monterrey, gets warehoused in

1 Monterrey, and then it probably goes through Texas into
2 like Dallas. So the idea was like we're trying to create
3 all these like tollways and beltways around the city to
4 try to eliminate cargo from going through the city,
5 getting stuck in traffic, and going around the city.

6 Next. So this is another picture of the
7 highways that we're building.

8 Next. Third thing is that we're working
9 with -- we just got for rail -- I don't know who's here
10 from rail, but we got our rail permits back into the
11 Mexican part. So we will reissue the Mexican permits for
12 rail. And we currently want to be talks with all the rail
13 operators and see, like, what is the possibility of
14 bringing rail through the Colombia Bridge and into
15 connecting.

16 We also met about two months with Amtrak to
17 potentially start, like, thinking about, like, passenger
18 rail from Monterrey to Texas. I think if you look at it,
19 Monterrey has like 7 million people and if you connect
20 Monterrey with San Antonio, Austin and Dallas, you're
21 connecting about 30 million people, which is some of the
22 largest populations in some of the biggest areas in that
23 area. So it was pretty attractive for Amtrak, so I think
24 it's still a possibility.

25 It's a long term plan. But for the Mexican

1 side we already got all the permits back into being
2 reestablished because there were permits that expired in
3 the previous administration.

4 So next. These are some of the benefits, and
5 I'd be happy to share a presentation with guys of some of
6 the benefits of what we're trying to achieve. But like
7 for example, with the Unified Cargo Processing that we
8 talked earlier, we have been able to -- like for example,
9 Tesla is one of the companies we were working with. And
10 they used to cross everything to Laredo and now they're
11 100 percent crossing to Colombia.

12 And because with the Unified Cargo Processing,
13 we got them to about 15 to 20 minutes of crossing time.
14 And that's working with CBP, with the State of Texas and
15 with different authorities. So I think someone mentioned
16 here before, we believe that's one of the strongest plans
17 and programs that there are available to utilize to the
18 maximum potential.

19 Same thing, we're working with Lego right now
20 that manufactures all the Legos are sold in the U.S.
21 They're manufactured in Monterrey. We're working with
22 them to do, like, exclusive transportation program to get
23 all the stuff to Dallas, which is a regional hub, through
24 Colombia, getting it certified with the Unified Cargo
25 Processing program as well.

1 So with that, do you guys have any questions?

2 MS. MAYS: Yeah, Jake, go ahead.

3 MR. GIESBRECHT: I've got one question. I
4 don't know if can say this or not, but the funding process
5 for all these projects that you have for the highways, is
6 that federal or state?

7 MR. LOO: State, all is state.

8 MR. GIESBRECHT: State?

9 MR. LOO: That's correct.

10 MR. SCHWEBEL: Question. Have you set these
11 projects on a timetable?

12 MR. LOO: Timetable?

13 MR. SCHWEBEL: Yes, you know, because there's a
14 lot of projects here. There's a lot of vision, but you
15 know, how you prioritize those projects based on short,
16 medium or long term.

17 MR. LOO: Correct. So Monterrey to Colombia
18 has been priority one, so all those projects have been
19 funded. They have been set for bidding, and they have
20 been assigned to companies. So all those things are
21 starting within the next three months.

22 MR. SCHWEBEL: What completion -- do you have a
23 completion time?

24 MR. LOO: 2024. It's not in this presentation,
25 but we have actually a timeline of how the project has

1 been broken down into small projects and what is the
2 assigned date and the completion date of every single part
3 of the highway. I'd be happy to share that with you guys.

4 MS. MAYS: And when we drove on Highway 1, they
5 were clearing the right of way and they were actually
6 starting to move stuff on that highway on that long entire
7 corridor pretty much, so I think they're working on that.

8 But what I wanted to say is that we really
9 appreciate Manuel. And Secretary Gonzalez actually came
10 all the way to Austin yesterday and had to turn around and
11 go back because they're facing some water crisis in
12 Monterrey, so he apologized for not being here. Some of
13 you have seen him.

14 So we really appreciate the collaboration we
15 have with Nuevo Leon. Actually, Governor Garcia has been
16 here at TxDOT twice since he's been elected. So there's a
17 really great collaboration on the infrastructure side,
18 working with TxDOT, and we really just appreciate that,
19 them being at the table and really working with us to
20 address the issues that are involved in the Border Master
21 Plan and the underutilization of the Colombia border
22 crossing.

23 So great to see that they're doing things on
24 their end, especially the highway connectivity to Colombia
25 which I think that has been really one of the biggest

1 challenges to attract trucking companies to come to that
2 border crossing.

3 And I just want to let you guys know I drove
4 through a Tesla-only lane at Colombia Bridge. So Manuel
5 didn't mention that, but it's really being able to
6 guarantee and show this company that the border can be
7 fluid. And I think that's what they're trying to do is
8 show the company that the border can be fluid, that if you
9 target and address some of these congestion issues, you
10 have them use those border crossings because time is money
11 for them.

12 The Teslas of the world, the Legos, Samsungs
13 and others that now are moving to Texas, it's very
14 important for them because their parts are being made in
15 Mexico and it impacts their assembly line here in Texas.
16 So it's really crucial. We've heard from a lot of those
17 companies saying that border wait time definitely can be
18 detrimental to their ability to keep their assembly plants
19 going, and I think Nuevo Leon is trying as much as
20 possible to kind of figure that out and see how they can
21 help those companies be able to locate in Mexico and serve
22 their manufacturing base in the U.S.

23 So thank you, Manuel.

24 SECY. SCOTT: One more thing. During the
25 enhanced safety inspections, which I know impacted

1 literally everybody in this room, Manuel, Nuevo Leon,
2 Coahuila, Governor Riquelme, were the first two, so it was
3 Governor Garcia and it was Manuel who reached out to us to
4 get a solution to the issue to get the enhanced safety
5 inspections down to a level to allow the trade to get
6 rolling at a more normal pace. And so thank you for what
7 you did.

8 Thank you to Coahuila. They continue to be
9 partners with us to avoid any more enhanced safety
10 inspections, and so I think that's really important to
11 understand where we've been and where hopefully we can go
12 in the future.

13 MR. LOO: Thank you.

14 SECY. GOTES: (Speaking Spanish.)

15 MR. HAGERT: He's going to talk about a project
16 that the Governor of Coahuila has to connect. It's a
17 south-north corridor.

18 SECY. GOTES: (Speaking Spanish.)

19 MR. HAGERT: As you can see on the slide, this
20 is the corridor that connects from Coahuila to the State
21 of Texas.

22 SECY. GOTES: (Speaking Spanish.)

23 MR. HAGERT: So Texas and Coahuila share 512
24 kilometers with Texas. They have three ports of entry and
25 one railroad crossing.

1 SECY. GOTES: (Speaking Spanish.)

2 MR. HAGERT: So Highway 57 that connects to
3 I-35 runs all the way down from Coahuila, all the way to
4 the center of Mexico to Mexico City and points beyond.

5 SECY. GOTES: (Speaking Spanish.)

6 MR. HAGERT: So they're looking to connecting
7 Highway 57 at Monclova with Federal Highway 30. And
8 Federal Highway 30 will connect to Federal Highway 40,
9 which will give them access to the Mazatlan-Matamoros
10 corridor.

11 SECY. GOTES: (Speaking Spanish.)

12 MR. HAGERT: So the Federal Government just
13 announced that they're going to fund \$52 million to expand
14 the crossing at Piedras Negras from six to twelve lanes.

15 SECY. GOTES: (Speaking Spanish.)

16 MR. HAGERT: So here you see a series of
17 bypasses that they're planning on building so that the
18 highway -- you don't have to drive through congested
19 cities and so this is what they're planning on doing. So
20 it has a daily vehicle traffic of 1,200 vehicles.

21 SECY. GOTES: (Speaking Spanish.)

22 MR. HAGERT: So they're working with the
23 Federal Government to have some tolled bypasses in
24 Monclova and Sabinas.

25 SECY. GOTES: Next slide, please. (Speaking

1 Spanish.)

2 MR. HAGERT: So here in Ciudad Acuna across the
3 border from Del Rio, you see the first bypass that they're
4 planning on doing.

5 SECY. GOTES: (Speaking Spanish.)

6 MR. HAGERT: So here's another bypass. This
7 one is 20 kilometers, and this one is to bypass the
8 communities of Zaragoza and Morelos.

9 SECY. GOTES: (Speaking Spanish.)

10 MR. HAGERT: This is another bypass. This one
11 is two kilometers long and it's known as the Los Rodriguez
12 Loop, and this is also to bypass the City of Monclova.

13 SECY. GOTES: (Speaking Spanish.)

14 MR. HAGERT: And this one is another bypass,
15 again to bypass the communities of San Buena and
16 Matadores, and this is to connect to the capital city
17 which is Turreon -- not the capital, sorry.

18 SECY. GOTES: Then another bypass to go to
19 Sacramento.

20 Next slide, please. Then we have to make
21 another bypass in Cuatro Cienegas. (Speaking Spanish.)

22 MR. HAGERT: This is another bypass, this is
23 what we call a Pueblo Mágico, which is like a historical
24 designation for the town. And here they had some
25 environmental issues, but they have cleared them.

1 SECY. GOTES: Next, please. (Speaking Spanish.)

2 MR. HAGERT: And this is the last bypass. This
3 is a six-kilometer-long bypass to get to Torreón.

4 SECY. GOTES: (Speaking Spanish.)

5 MR. HAGERT: This one is a bypass toll, and
6 this is to connect the highway from Mexico City to
7 Saltillo and from Saltillo to Piedras Negras.

8 SECY. GOTES: Next slide. (Speaking Spanish.)

9 MR. HAGERT: And this is another toll bypass to
10 get to Piedras Negras and it's known as the Sabinas
11 Agujita and it's tolled.

12 SECY. GOTES: (Speaking Spanish.)

13 MR. HAGERT: So in red, you see the loops that
14 the State Government is going to fund and they're going to
15 start funding this in September. In blue, you see the
16 toll roads that the Federal Government is going to build
17 and they're going to start construction in 2023.

18 SECY. GOTES: (Speaking Spanish.)

19 MR. HAGERT: So what they're looking is to
20 build this corridor to connect their two ports of entry in
21 Piedras Negras and Acuña, and connect to the corridor --
22 the Mazatlán-Matamoros corridor so they can have access to
23 the ocean and to the Asian market.

24 SECY. GOTES: (Speaking Spanish.)

25 MR. HAGERT: Thank you, and if you have any

1 questions.

2 SECY. SCOTT: Thank you very much.

3 MR. CALVO: Secretary, if I could just make a
4 comment. This is Eduardo Calvo with the El Paso MPO.

5 Just to congratulate both the State of Coahuila
6 and Nuevo Leon for putting so much state money for the
7 construction of these very important projects. You know,
8 the states in Mexico have traditionally relied on the
9 Federal Government for construction of a lot of the
10 infrastructure projects, so it is very refreshing to see
11 that the states are investing a lot of their own money to
12 build these highways.

13 So that's great. Congratulations on that.

14 MR. ANTUNA: Caroline, if I may? George
15 Antuna, City of Eagle Pass.

16 I too want to thank the State of Coahuila and
17 definitely the State of Nuevo Leon for their foresight on
18 this and doing their part. Because as Mr. Calvo just
19 said, a lot of the funds come from the Federal Government,
20 not necessarily the states needs to pony up some money of
21 their own.

22 (Speaking Spanish.)

23 MS. MAYS: Any other comments or questions to
24 the Secretary?

25 (No response.)

1 MS. MAYS: And I also want to thank you very
2 much, Secretary, one, for being here and sharing a lot of
3 the work efforts you're doing. This is very relevant to
4 the work of this committee but also some of it was
5 presented from the Border Master Plan.

6 So we look forward to continue working with you
7 and definitely look forward to seeing you next week and
8 hearing more about the plans and the vision and really how
9 we can continue to partner together to address border
10 issues and continue to make the State of Texas
11 competitive, and then your states competitive as well. So
12 we look forward to that. Thank you again for being here.

13 And also, thank you, Manuel. We appreciate you
14 being here and representing Marco Gonzalez. I know he
15 would have loved to be here to present, but thank you.

16 SECY. SCOTT: So that gets us up to our next to
17 last thing which is any open discussion. We're back on
18 schedule.

19 Yes, Gerry.

20 MR. SCHWEBEL: Mr. Secretary and Commissioner,
21 I wanted to share with you, if I could, in this part of
22 the program share with you some feedback on the recent
23 meeting. I was in Washington last week.

24 President Lopez Obrador met with the private
25 sector. We happen to serve with the U.S. Chamber and the

1 U.S.-Mexico [inaudible] dialogue. And we had the
2 opportunity to make a presentation on infrastructure
3 projects.

4 There's two working groups that we're involved
5 in. One is on the Create Policy Working Group; Dennis
6 Nixon and I serve as co-chairs on that. And there's also
7 a Customs and Freight Facilitation Working Group and I
8 also serve on that and we focus on those projects. The
9 BTMP is a major part of the recommendations that came out
10 of that particular working group that was presented to
11 President Lopez Obrador.

12 And as many of you have seen and may have read,
13 there's a joint statement that came out by President Biden
14 and President Lopez Obrador where specifically they focus
15 on the BIO, the border infrastructure plan that identified
16 approximately \$3.6 billion for border infrastructure. But
17 that includes northern border as well as southern border,
18 and there's 26 projects that are listed that we'll try to
19 get a hold on to identify those 26 projects.

20 Out of that, Mexico itself committed \$1.5
21 billion for border infrastructure. So the work of the
22 BTMP and TxDOT and this committee is being reflected and
23 shared at the national level to identify those projects.

24 In Mexico, as many of you know, there's a
25 national -- President Obrador has a national

1 infrastructure program, 40-some-odd projects, plus the
2 general needs, but specifically for those of us that have
3 been working on that. And of those they've identified
4 specific priorities, two in the northern border. One is
5 in Otay Mesa and the other is in Nuevo Laredo.

6 But all of that work that we've done at TxDOT
7 through BTMP is being used as a framework for other border
8 states to look at as well. Texas took the first step with
9 its BTMP, the two-year program, and now we're at the
10 implementation side. But we need to make sure that we
11 stay focused and prioritizing the projects, not just
12 identifying them but also going to the implementation side
13 of budgeting and completion of those projects.

14 We can talk about we're going to start, we're
15 going to do this, we're going to plan this, but the
16 execution is what the expectation is. And everybody is
17 going to go after the same money. Other states are going
18 to go after the same money. There are a lot more northern
19 border states than there are southern border states, but
20 the trade volume continues to be primarily through the 55
21 ports of entry at the southern border, of which Texas has
22 29 of those.

23 So it's important that our committee, our group
24 here, you know, continue to work diligently and
25 identifying, prioritizing, budgeting, implementing, and

1 completing to solidify our decisions strategically with
2 our ports of entry.

3 So I'd like the BTAC to consider taking the
4 joint statement that both President Biden and President
5 Obrador submitted to the public and put it for the record
6 in this meeting of discussion to know that that discussion
7 was being held. And I'd be glad to submit also the
8 recommendations of those two working groups of the U.S.-
9 Mexico [inaudible] dialogue, of which I will tell you that
10 one of them included protecting the sustainability of the
11 USMCA. But two, also reviewing any supply chain
12 disruptions through our ports of entry, natural or
13 manmade, and that we really focus on eliminating any
14 disrupters to the supply chain through our ports of entry,
15 primarily for us in Texas.

16 And I will tell you that Texas is the one that
17 everybody will look at at the national level to what we're
18 doing down here and what we prioritize. So I just wanted
19 to share that with the committee and the Secretary.

20 SECY. SCOTT: And, Gerry, I think it's
21 important to also, I mean, from our perspective as a
22 state, is to understand the entirety of the border. And I
23 know that that has impacted the operations along there and
24 it's come close to impacting it again probably two weeks
25 ago, and so I want everyone to be cognizant of that.

1 And I think to the extent there are ideas on
2 helping get people to ports of entry, people to cross at
3 the ports of entry and not have anyone else like
4 Specialist Bishop Evans, who passed away in the river.
5 Those impact the long-term decisions that I think the
6 legislature will be looking at this next session.

7 So I think it's hugely important, to your
8 point, about getting funds to expand what the goal of this
9 committee, what the goal, I think, of everybody in both
10 Mexico and the United States and more specifically Texas
11 is to make sure that we trade flow as easily as possible
12 and as freely as possible. But I think we would be
13 blinding or delusional to ourselves if we didn't
14 understand there is at least as big an issue going on down
15 there -- and this is preaching to the converted, you live
16 with every day.

17 And so I think all the information, anything,
18 we want to have it in the record. We want to have it for
19 everyone to freely look at, and so with your permission,
20 we'll get it from you. Caroline will make sure that all
21 the members get a copy of it and it becomes part of the
22 discussion because I think that's really the goal as an
23 advisory committee.

24 But I also don't want us to forget that there's
25 this ongoing issue that is going to be probably at the

1 forefront for the foreseeable future.

2 MR. SCHWEBEL: And I completely agree,
3 Secretary. Gerry Schwebel. I think that's why it's
4 important that this committee, the private sector engage
5 with the state level, and at local level, county level.

6 But at the state level that private sector
7 engagement to make sure that we all have the same
8 objective here, and that is to make sure that secure
9 freight flows and that USMCA is protected and continues
10 and is respected, and at the same time, making sure that
11 at the staff level what our needs are down here for the
12 border. We are of national significance, our ports of
13 entry are of national significance, not just to the
14 border, not just to Texas, but to the whole North American
15 region.

16 SECY. SCOTT: Well, and you can add Canada to
17 that. In my conversation with the consul general from
18 Canada, she was clear that what happens at our border
19 impacts 100 percent of the things, that they are
20 interconnected. So it is a hugely interconnected system
21 that we have that we are a small part of, yet we are a
22 major part of it from that pinch point.

23 So I look forward to the information so that we
24 can recirculate and make sure everybody has it. Thank
25 you.

1 And I think we're trying to do a roadshow. Are
2 you going to do a roadshow now that you're the big boss?

3 (General laughter.)

4 MS. MAYS: I'm not the big boss. I have bigger
5 bosses. No, but I think we can talk and anybody else has
6 any comments, anything you guys want to share with the
7 committee, and then we want to talk about the next
8 meeting.

9 We had hoped to take this meeting to El Paso,
10 and we were working with our El Paso members, but it
11 didn't work out for this meeting. So the next meeting
12 we're looking at October, and so we're trying to do, as
13 Secretary mentioned, a roadshow.

14 If you all remember, you know, many, many years
15 ago we used to go to the border regions because this is
16 the Border Trade Advisory Committee. We can't meet in
17 Austin all the time. Really that provided the committee
18 members and the Secretary of State to be able to go to the
19 border regions.

20 So we go to El Paso, Pharr, Laredo, so they can
21 see and really make sure that we understand why all of you
22 are sitting here month-in and month-out and talking about
23 these issues a little bit different. So the next meeting
24 we're hoping to go to El Paso, working with committee
25 members, you know, Eduardo is here, and others in El Paso

1 to be able to welcome the committee members. And then in
2 future meetings, we're hoping to do the same.

3 SECY. SCOTT: Well, I was going to say I
4 visited in Laredo and Gerry and IBC will stand up to host
5 us down there, and it was so informative to have the
6 perspective, and so when we're in these conversations,
7 that added some element to it and some knowledge that I
8 don't think otherwise would have existed. And so the
9 sharing of information, the sharing of potential solutions
10 to issues you see at the local community, if we don't hear
11 about them in Austin, it can't be included in the
12 conversation.

13 And so it's an advisory committee, advise.
14 Your thoughts are well received. Worst case scenario,
15 they're not followed, but they for sure aren't going to be
16 followed if you don't make them.

17 So please, let's have a full-throated -- and
18 not just at our meetings. We've got everybody's emails
19 and to the extent we don't, we'll make sure you've got
20 them. You have my personal cell number, call up if you
21 see something going on and you think this is the craziest
22 thing I've ever seen.

23 Call me, y'all won't offend me. We've got
24 thick skin and we can do it, but we need your help and we
25 really do look to your wisdom.

1 So thank you.

2 MR. SCHWEBEL: Can I add one more thing?
3 Sorry. There's one thing that's also very important.
4 Gerry Schwebel.

5 There is an issue that we're having, I hear
6 we're talking about more ports of entry, expansions and
7 talking about new ports of entry. There was an issue that
8 was brought up in the Border Trade Alliance meeting a
9 couple of weeks ago -- Sam was there -- there is an issue
10 related to the process for new ports of entry. The last
11 permit that was granted was the Kansas City Southern
12 Bridge permit through an executive order.

13 There are projects right now that are at the
14 White House level that have already gone through the State
15 Department that are pending, that are just hanging there
16 in the White House. And therefore, there's a concern that
17 the Biden Administration wants to change that process on
18 that executive order, either revoke it or modify it or
19 change it in some capacity.

20 We have a concern about that, those of us that
21 are working on parts of entry right now that have
22 outstanding permits or applications in play, that if it
23 changes it should not impact those applications that are
24 in place right now, not change them based on any new
25 orders. And I think that's something that this

1 committee -- especially because Texas has so many and
2 looking at more expansions and more new ports of entry --
3 that we really pay attention to what's going on in regards
4 to these new projects and the process for the granting of
5 presidential permits.

6 So I just put that on the table, and I'd be
7 glad to share with you some more information as well on
8 that, but that's something that I think we should also
9 address at this committee level.

10 MR. CAMPIRANO: Mr. Secretary, if I may?

11 Caroline, congratulations on your new
12 leadership role. I know you're not going far but thanks
13 for all you've done to help us get us to this point.

14 And to Claudia, felicidades.

15 Thank you.

16 MR. CALVO: Mr. Secretary, Eduardo Calvo with
17 the El Paso MPO.

18 Just to reiterate, we're really excited to host
19 the next BTAC meeting there in El Paso. The last time
20 that BTAC met in El Paso was a lot of fun, so we hope to
21 repeat that experience and make it a lot of fun for
22 everybody out there.

23 And hopefully, if it is in El Paso, one request
24 that I would make of Claudia and Caroline and the TxDOT
25 team is to have an update on the I-10 corridor study as

1 well. I mean, I know this study is a little different
2 because it really goes from the New Mexico state line all
3 the way to the Louisiana state line, but of course, I-10
4 has a tremendous impact throughout the border communities
5 and great importance to the State of Texas and not just
6 nationally, and so if we can get an update on that, it
7 would be awesome.

8 Thank you.

9 MS. MAYS: Yeah, absolutely we will do that,
10 because I-10 impacts you all in El Paso, and believe it or
11 not, I-10 was in the BTMP, so absolutely. Thank you.

12 SECY. SCOTT: I didn't think it would be happen
13 but we're going to be through three minutes early.

14 Hearing no other, move to adjourn, anyone?

15 MR. MEADOR: Stan Meador, so moved.

16 SECY. SCOTT: Second?

17 MR. CALVO: Second.

18 SECY. SCOTT: Any objections?

19 (No response.)

20 SECY. SCOTT: We are adjourned. Thank you.

21 (Whereupon, at 11:57 a.m., the meeting was
22 adjourned.)

C E R T I F I C A T E

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3 MEETING OF: TxDOT Border Trade Advisory Committee

4 LOCATION: Austin, Texas

5 DATE: July 19, 2022

6 I do hereby certify that the foregoing pages,
7 numbers 1 through 136, inclusive, are the true, accurate,
8 and complete transcript prepared from the verbal recording
9 made by electronic recording by Nancy H. King before the
10 Texas Department of Transportation.

11 DATE: July 27, 2021
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16

17 /s/ Nancy H. King
18 (Transcriber)
19

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