

TEX-21 Regional Meeting and I-35 Corridor Task Force

The meeting was held at the La Posada Hotel in Laredo, TX. It was graciously hosted by Webb County and their TEX-21 representatives County Judge Tano Tijerina, and County Commissioner John Galo. The two-day meeting began on Thursday, November 10, 2016. At this first day of the meeting, participants were greeted with a wonderful gift bag of local treats, and lunch at the restaurant in the La Posada. Everyone proceeded by bus to “bridge 1”, Laredo’s Gateway to the Americas International Bridge, where we were treated to an interesting and informative presentation on the current international trade that occurs in Laredo, as well as the massive bridge expansion projects that are planned in order to support increasing international trade movements. The Laredo City Manager, Jesus Olivares, delivered this presentation. He mentioned some notable facts about the Laredo International Bridges. It only takes 16 seconds for a truck crossing the bridge to be weighed and they never need to stop moving, because of the weigh in motion system. The bridges generate \$271 million annually from fees, but all of it goes to the Federal Government and none stays in Laredo. Laredo is the only inland port with a refrigerated inspection facility that protects quality of goods. The bridge is slated to expand from 8 to 16 lanes, greatly increasing capacity. They are also adding a fast lane, which could be used by empty or pre-approved trucks, increasing capacity of the bridges almost 70%. They are also building a \$100 million outlet mall next to the bridge, hoping to increase tourism and international bridge travel. Following the presentation, we were treated to a tour of the international bridges by helicopter, which gave an impressive and helpful view to the area and the issues and complexities it faces with traffic. The night finished with a wonderful fiesta featuring Mexican cuisine, live entertainment, and friendly conversation.

On November 11th, 2016, the formal meetings were held at the La Posada Hotel. Webb County hosted a wonderful catered breakfast sponsored by LNV to fuel participants for the morning. The formal meetings began when the Webb County Judge, Tano Tijerina, welcomed and thanked everyone for their attendance. He noted that we are all connected through our economy and transportation systems and we need to recognize and leverage that. He invited Sister Rosemary to give the invocation. Giraldo Pena, representing the Mayor of Nuevo Laredo, also gave welcoming remarks.

Wise County Judge J.D. Clark began “The Commerce of Transportation” section by reminding everyone that what happens in Laredo affects everyone, and particularly counties (like his own Wise County) that are along the 35 corridor. He noted that 65% of the population of Texas is along the I-35 corridor, and the trade that happens along that route greatly affects the entire state of Texas and the nation as a whole. He appreciated the opportunity to see Laredo and to have firsthand understanding of the beginnings of trade into Texas, and better understand how that affects the rest of the state and Wise County.

Pharr Bridge Director Luis Bazan continued the discussion by giving a brief presentation on the Pharr Bridge. He noted that 60% of fruits and veggies imported into the USA come through the Pharr port. In order to keep up with demand, they are looking to increase capacity as well as streamline processes. They are working to get overtime pay available for workers, as well as adding two lanes and booths. From 7am-12pm they have “dead hours”, where there is little to no traffic, so they are creating a dual inspection facility with both Mexican and American officials to increase traffic.

Ruben Medina, the Director of Business Development for the Port of Corpus Christi followed up with helpful comments regarding the Port. He noted that in the transportation world, ports are absolutely essential. The Port of Corpus Christi has a huge advantage over some ports like the port of Houston because it only takes 2 hours to get through the channel to the docks vs 14 like in Houston. They handle 115 million tons of petroleum annually, and were the first port in the USA to export crude oil.

TxDOT District Engineer Pedro Alvarez discussed that the Laredo Ports-of-Entry (POEs) combined are the 3rd busiest commercial crossings of any ports in the US. There are many projects that TxDOT would like to do, but they are currently unfunded. These projects include: several portions of I-35, US 59 Loop, FM 1472, FM 3338, US 59 lengthen intermittent passing lanes, Cuatro Vientos Road southern extension. Road projects by others include: Vallecillo rd, Hachar rd, other arterial streets, possible international bridge V and Southern loop extension. He also noted that TxDOT is partnering with the City of Laredo and Webb County to apply for FAST Act grant money, and they are submitting several projects from the Laredo area.

Mayor Pete Saenz had only a brief comment that he shared with the group regarding NAFTA: it has a bright future, and while it has some problems that can be addressed, it needs to stay for the vitality of Laredo and the greater USA.

Rolando Ortiz, from the Laredo Development Foundation noted that NAFTA has lowered costs, increased competitiveness, and added capacity to trade and dollars. Trade will only get better because facilities are still being built. He said that if jobs are leaving the USA, they are not going to Mexico, but rather to China. Freight is moved by trucks, trains, and air, and all three need NAFTA to connect. The current drayage process is archaic, as rail crew actually stop to change crews in the middle of the bridge.

Tim Kleinschmidt, General Counsel for the Texas Department of Agriculture began by describing what the Dpt of Agriculture does and doesn't do. They do: consumer protection, promote Agricultural business, handle pesticide control (including house pest control), handle all the weights and measures control, food programs in schools, community block grants, and rural health programs. They don't: handle livestock (except export pens), handle forestry, deal

with food safety (except at the origin/farming level potentially in the future). The big exports are beef (and their byproducts) and cotton (Texas is the #1 producer in the nation- 29%). He noted that we need to maintain a business friendly atmosphere in order to keep what we have going well. Looking forward, the Dpt of Agriculture is looking to place a Texas ambassador in each of the top 10 agriculture trade countries in order to maintain and build relationships in those countries.

Steve McQuagge from DPS commercial business department discussed commercial vehicle safety across the border. He noted that after they started requiring inspections the traffic accidents took a nosedive, because huge numbers of unsafe vehicles were taken off the road. There are various inspection levels, level 3 being just paperwork, level 2 is a walk around check for just any visual exposed problems, level one is under the truck full inspection. They are currently adding pits in the inspection areas to make the level one inspections easier and quicker. One of the problems is that companies who have been banned because of failing inspections will simply change their name and come again with the same faulty equipment. They do also check for criminal things, such as drug trafficking, children or women being trafficked, etc.

During the lunch, keynote speaker Congressman Henry Cuellar focused on how the trade through Laredo affects the entire country. He showed a presentation that displayed Laredo and the NAFTA corridor being the “aorta” of trade through the US. As trucks travel through, they spread throughout the country within 24 hours, and the “arteries” of trade spread and touch every single state, all originating from Texas. He reminded everyone that the border is much safer than everyone hears, and that they are working to create a better alternative to the “border wall”. He noted that the wall is a 14th century solution to a 21st century problem, and that using technology to secure the border would be a fraction of the cost and much more effective. He noted that we could use surplus balloon-mounted surveillance systems to protect the border for much cheaper and easier.

Mike Frisbie, Director/City Engineer, Transportation and Capital Improvements for San Antonio primarily discussed the project proposed for a high speed rail (HSR) from Laredo to DFW, going through San Antonio, Austin, Waco, etc. on its way. He noted that the I-35 corridor is already incredibly congested, and high-speed rail is a way to connect people without adding congestion, as well as developing HSR stations into new growth areas.

Ivan Jaime, Director of Public Affairs for Union Pacific noted that there are six rail lines that cross the border of the US into Mexico, and UP owns 5 of them. The Union Pacific Railroad was actually founded by Abraham Lincoln when he was president. UP crosses about 60 trains per day over the border, equaling 15,000 freight truck loads every day. Some of their major contracts are with Whirlpool and General Motors. To increase their capacity, they are

modernizing and enlarging the Laredo Intermodal Terminal, and truck companies actually like this model, because there is a shortage of truck drivers and this way the trains carry the cargo long distances, and the trucks make the final deliveries. The railroad industry is also pushing to let trains go on to the next railyard to be inspected instead of having to stop on the bridge to change crews. Additionally they are installing automatic switches to speed up the crossing, as well as installing additional overpasses to reduce need for trains to stop. It is incredibly difficult and expensive to move an existing rail line, and because of all the right of way problems and expenses, they do not foresee ever building a new rail line again in the USA. Because of this they are EXTREMELY protective of their rail lines and their right of way, and have no interest in passenger services or giving anything up, since they have no way to regain any right of way or additional areas unless they buy existing rail from the open market.

Jesse Hereford, Director of Public Affairs for the North American Development Bank, noted that the NADB is jointly owned and operated by USA and Mexico. They cover 100km north and 300km south of the border across the whole border. They manage a grant program for water and wastewater issues, and have helped Mexico get to 88% wastewater coverage. In order for the NADB to loan on a project, the project must be able to be paid back and also have a presidential permit. For a project like the World Bridge, they would need these things, but the unique benefit is the NADB could loan for both the USA and Mexico side of the project. He noted that the current ports of entry need about 5 billion in improvements, but they are appropriated 146 million annually, making these improvements impossible. For example, El Paso has not expanded their port of entry in 20 years, and they are bursting at the seams for more trade that they are unable to handle in their current setup.

David Dean and Webb County Commissioner Rosaura Tijerina gave some closing remarks, thanking everyone for their attendance and the information shared, and encouraged everyone to join TEX-21. They noted how we are all connected, stronger together, and should work together under the new leadership in Washington to improve our transportation needs through TEX-21.