

REPORT

Response to Secretary of State Phil Wilson Survey Questions

Texas-Mexico Strategic Investment Commission Report for 2007

Amadeo Saenz, Jr., P.E.
Executive Director
The Texas Department of Transportation

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INTRODUCTION

The Texas-Mexico border is the principal gateway for trade between the United States and Mexico, and the Texas transportation system continues to be the single most important infrastructure link between the economies of the United States and Mexico. It is therefore very important to improve and continue to maintain the current transportation infrastructure in those regions. Accordingly, the Texas Department of Transportation (TxDOT), which both administers and participates in many border programs, has committed personnel and revenues to meet the infrastructure needs along the border.

As with any undertaking along the border or across the state, TxDOT evaluates how it meets the goals of reducing congestion, enhancing safety, expanding economic opportunity, improving air quality, and/or increasing the value of our transportation assets.

In order to accomplish these goals, TxDOT is focusing on four strategies for providing transportation to the state: Use all financial tools available to build infrastructure, empower local and regional leaders to solve local and regional transportation problems, increase competitive pressure to drive down the cost of transportation projects, and demand consumer-driven decisions that respond to traditional market forces.

HB 925 from the 79th Legislative Session created the Texas-Mexico Strategic Investment Commission which seeks to expand economic opportunity along the border, and the Border Interagency Work Group. This report has been compiled to answer the survey questions attached to the November 8, 2007 letter from Secretary of State Phil Wilson. Questions 1-6, and 11 are transportation related issues from the Strategic Investment Commission, 12 and 14 are from the Border Interagency Work Group, and Question 15 requests a brief summary of agency activities relating to the border. We have included these summaries throughout the report; each of the transportation related questions is discussed as it relate to communication, trade, and infrastructure. Many sections reference Internet sites where more information can be found on the topics discussed.

COMMUNICATION

In order to facilitate transportation planning, TxDOT works diligently to improve communication among federal, state and local governments on both sides of the border.

Survey Question 1:

From your agency's point of view, what regulations can be reduced to improve communication and cooperation between federal, state, and local governments within the Texas-Mexico border region?

TxDOT maintains good working relationships with local, state and federal governments on both sides of the border. The following is a list of initiatives, programs and other efforts that share the goal of coordinating communication regarding the border region, with broad representation from Mexico and U.S. State and Federal agencies. TxDOT is also working with the Secretary of State and Border Commerce Coordinator to consolidate some of the state meeting and reporting requirements dealing with border transportation issues that are required of the two agencies in an effort to more efficiently and effectively report on these issues.

U.S.-Mexico Joint Working Committee for Transportation Planning (JWC)¹

Started in 1994 by a Memorandum of Understanding between the two countries to cooperate on land transportation planning and the facilitation of efficient, safe, and economical cross border transportation movements between the United States and Mexico, Texas has participated in the JWC since its inception, and meets twice a year with U.S. and Mexican federal and border state transportation agencies, customs agencies, immigration, and public works agencies. A candid and open exchange of information and ideas takes place on a regular basis, and problem solving and information gathering between agencies is much easier because of the already established relationship.

Positive outcomes include two border transportation safety conferences and a conference on innovative finance for border infrastructure. Member agencies have conducted several studies, including an initial Binational Transportation Planning study, which has been followed by targeted studies such as bottleneck studies, coordination at the border, border wait time measurements, economic impacts of border wait times, GIS and more. In addition, a special presentation on advances on the Trans Texas Corridor was presented to the JWC in June, 2007.

Border Technology Exchange Program (BTEP)²

Started by the JWC, the BTEP helps Texas work closely with its Mexican border state counterparts to exchange infrastructure planning information, to identify each state's technical needs and to establish positive, open communications. In an effort to further the exchange of information, Technology Transfer Centers (T2) have been established in Chihuahua, Nuevo León, Tamaulipas and Coahuila. Training courses and activities such as official visits, planning meetings, technical exchanges, conferences and workshops on transportation-related topics are conducted on an ongoing basis to share technical advancements and expertise, among other things. Some of the events that took place over the past year include a visit by Chihuahua state officials to the Houston District to learn about bridge construction techniques, a Road Safety Audit training seminar in El Paso, a visit by officials from Chihuahua to Texas A&M to discuss the introduction of a joint university doctorate program in "Roadway Transportation" at the Autonomous University of Chihuahua, and sponsoring several officials from Mexican border

¹ http://www.borderplanning.fhwa.dot.gov/mexico.asp.

² ftp://ftp.dot.state.tx.us/pub/txdot-info/iro/2006iar.pdf

states to attend the International Road Federation Regional Latin-American Conference which featured nine different technical sessions, conducted entirely in Spanish, with topics ranging from road safety, pavement materials and data collection to new tools for transferring knowledge and managing road infrastructure assets. In addition, representatives from Tamaulipas and Nuevo Leon attended the TxDOT Transportation Forum this past summer.

Border Governors' Conference³

This conference allows for significant joint planning throughout the year between the 10 US-Mexico states. TxDOT participates on the Logistics and International Crossings Work Table. This table makes recommendations to improve border crossings, and during the 2007 conference in Puerto Penasco, Sonora, suggested piloting the use of Tandem booths to speed the crossing process for passenger and commercial vehicles; and also develop a Border Master Plan to focus on transportation and ports of entry. The table further suggested that federal and state legislation be enacted to permit the creation of public- private partnerships to fund border infrastructure; and that both countries develop a transportation information system that will allow border crossers to be able to obtain real-time information about road conditions by calling one common phone number.

United States – Mexico Binational Bridges and Border Crossings Group⁴

The BBBX Group was established in 1981, and U.S. and Mexico border state representatives have been a part of the group since 1994. TxDOT participates in the group which meets biannually to discuss proposed and existing bridges and border crossings and their related infrastructure. The group exchanges technical information so that the projects which both federal governments deem beneficial may complete the governments' respective permit approval processes. Related issues are also discussed, such as toll roads, inspections/inspection facilities, construction of facilities, environmental issues, monitoring of the international boundary, border security, rail projects, and other operational matters relating to existing and future crossings.

Since the group's inception ten Presidential Permits have been issued. The following six Texas ports of entry have received permits and have been constructed since that time: Ysleta-Zaragoza, Colombia-Solidarity, Free Trade, Veterans International, World Trade, and Camino Real. Permits have been issued for the following four ports of entry, however their construction is pending: Laredo-Nuevo Laredo Railroad, Port of Brownsville, Anzalduas, and Guadalupe-Tornillo.

Texas' participation in the group is important because Texas has 26 of the 43 ports of entry (not including railroads) that connect the U.S. and Mexico. Texas also has 1,255 miles of the 1,954 border miles shared by Mexico and the U.S. Additionally, and perhaps most importantly, Texas

³ http://gobernadoresfronterizos.org/index.php?lang=en.

⁴ ftp://ftp.dot.state.tx.us/pub/txdot-info/iro/2006iar.pdf.

is the only U.S. border state that requires a state permit for new ports of entry in conjunction with the federal presidential permit.

Regional Logistics Workshops⁵

The governors of the 5 states of Texas, Tamaulipas, Nuevo Leon, Coahuila, and Chihuahua signed a Regional Partnership for Progress to promote development of the area covered by those states. Three logistics workshops sponsored by Mexican states have been held, Monterrey in January 2006, Houston in January 2007, and Tampico in October 2007. These conferences included federal, state and industry representation. TxDOT Executive Director, Amadeo Saenz, and International Relations Director, Agustin De La Rosa, participated in these workshops, discussing the planned transportation connections that link the area, highlighting the Trans Texas Corridor.

District meetings with Mexican counterparts/Quarterly Cross Border Infrastructure Meetings⁶

The Pharr, Laredo and El Paso Districts have a history of cooperating with transportation officials in neighboring Mexican states. All three districts have made extensive efforts to work closely and develop productive working relationships with their Mexican neighbors. An important objective is to collaborate on planning and programming for the many transportation projects the department undertakes each year along the border, especially those that involve border crossings. This dialogue takes place on a continual basis. Transportation Code, Section 201.207 requires TxDOT to meet at least quarterly with our Mexican counterparts to discuss issues relating to truck inspections, transportation, and infrastructure. A Cross-Border Transportation and Infrastructure Report was developed in December 2006. recommendations were to streamline safety processes and establish monitoring systems. Border Safety Inspection Facilities are being developed to include an express lane which will utilize ITS to speed up the inspection process. TxDOT is also working with the Texas Transportation Institute and the Federal Highway Administration to develop systems to monitor crossing times (discussed more on page 9). Specific recent district meetings include coordination on the La Entrada al Pacifico (LEAP) Corridor and on rail relocation in the Lower Rio Grande Valley.

Border Trade Advisory Committee

Established to define and develop a strategy and make recommendations to the Texas Transportation Commission and the governor for addressing the highest priority border trade transportation challenges, the Border Trade Advisory Committee consists of 30 members, including representatives from the metropolitan planning organizations located along the border, ports of entry, universities that conduct research on transportation or trade issues and local officials.

⁵ http://www.nemex-tex.org/Region.aspx

⁶ http://www.dot.state.tx.us/publications/transportation_planning/cross_border_report.doc

Ten principles were developed by the committee in 2006 (not in priority order):

- 1. Promote ample and expandable transportation trade corridors
- 2. Effectively coordinate with Mexico to ensure through trade corridors
- 3. Promote efficiencies at the border
- 4. Demonstrate statewide, national, and international benefits of trade
- 5. Optimize operations
- 6. Develop ports of entry for use of new technologies
- 7. Support improvements to the Presidential Permit process
- 8. Look for policies to facilitate trade at both state and federal levels
- 9. Promote cooperation and understanding of policies with Mexico
- 10. Leverage safety and security measures to enhance trade efficiency

The committee has identified strategies, implementation actions, measures, and responsible parties (at the federal, state, and local levels) for each of these principles, all of which were included in TxDOT's International Corridor Plan. The BTAC is in the process of documenting accomplishments and progress toward the implementation actions.

TRADE

The subsequent information reflects how TxDOT meets the following Survey questions dealing with trade at the border:

Survey Question 2:

What are the main trade issues between the United States and Mexico that you have identified as having an impact (both positive and negative) on your agency or your area of work?

Survey question 3:

Having studied the flow of commerce at ports of entry between this state and Mexico, including the movement of commercial vehicles across the border, what actions would you establish to aid that commerce and improve the movement of those vehicles?

Besides communication, an important part of TxDOT's role along the border is facilitating trade through transportation improvements. Texas has always been the principal gateway for trade between the United States and Mexico. In 1994, the North American Free Trade Agreement (NAFTA) was implemented between these historic trading partners, ushering in a new era of growth, and elevating the importance of the Texas highway and rail systems. Today, the Texas transportation system continues to be the single most important infrastructure link between the economies of the United States and Mexico. Texas is the single largest state trading partner with Mexico, and its highway system supports NAFTA-related economic growth within the State—

but Texas' highway system also supports the economies of other U.S. states that use the system to access gateways with Mexico.

Mexico is the United States' third largest trading partner closely following Canada and China. Total import and export trade totaled \$332 billion in 2006. Most of this trade with Mexico is transported by truck and crosses the border at Texas ports of entry. In 2006, at Texas border crossings, there were 3.25 million commercial crossings, 44.5 million private vehicle crossings and 19.2 million pedestrian crossings from Mexico to Texas. Commercial crossings show an increase of 2.75% from 2005 to 2006, and 80% from 1994, the first year of the NAFTA to 2006. Approximately 83% of NAFTA trade travels on Texas highways.

The following studies and programs all look at different aspects of international trade issues as they impact Texas infrastructure and have recommendations on how to deal with the particular issues. They vary from looking at the entire state infrastructure systems to specific corridors to traffic adjacent to border crossings, to federal and state processes at the border.

NAFTA Study Update

This report, dated February, 2007, describes NAFTA trade and its effects in detail and serves as an update to TxDOT's 1998 study "Effect of the North American Free Trade Agreement on the Texas Highway System" The results of the study are based on the Statewide Analysis Model with projections to 2030.

Highways

- Most NAFTA trucks use Texas ports of entry 68%.
- An even higher percentage of NAFTA trucks use Texas highways when all U.S.-Mexico ports of entry are considered 83%.
- A significant portion of NAFTA trucks pass through Texas to other destinations –52% by tonnage and 62% by value.
- NAFTA trucks are a significant portion of truck traffic in Texas 9% of all truck traffic on Texas highways.
- NAFTA trucks are concentrated on a small number of highways, 7 corridors, less than 2% of Texas highways; carry 83% of NAFTA truck traffic.

Rail – Movements of international freight are a key component of NAFTA trade, rail movements between 1994 and 2004 increased 164%.

The study offers 9 conclusions and recommendations which highlight the expected continued growth of NAFTA trade traffic and related facilities such as inland ports and their effect on Texas transportation planning; the need for development of infrastructure including TTC-69, private and public rail, intermodal facilities and border crossings, the need to proactively engage with Mexico's transportation agencies; continued coordination with USDOT, DHS, Texas DPS and proactively advocating Texas interests in the next surface transportation reauthorization.

Ports-to-Plains Trade Corridor⁷

The Ports-to-Plains Trade Corridor is a proposed divided highway corridor stretching from Laredo through West Texas to Denver, Colorado. Designated as a High Priority Corridor by Congress in 1998, the Ports-to-Plains corridor will facilitate the efficient transportation of goods and services from Mexico, through West Texas, Oklahoma, New Mexico, Colorado and ultimately on into Canada and the Pacific Northwest.

Together, the communities along the Ports-to-Plains Trade Corridor are becoming the gateway to trade throughout the nation and with Mexico and Canada. The Ports-to-Plains Trade Corridor will provide a vast number of benefits for communities along the corridor. It will:

- allow for the development of less congested ports of entry along the Texas-Mexico border.
- provide alternatives to other congested corridors that run through major metropolitan areas.
- help to increase trade between the U.S., Mexico and Canada, contributing to a rise in regional mobility and economic status for all three nations.

An April, 2007 study prepared by Cambridge Systematics for TxDOT concluded that enhancements to rail, electric transmission lines and highways would improve mobility, safety and economic opportunity along the Ports-to-Plains Corridor.

La Entrada al Pacifico (LEAP)

The purpose of the La Entrada al Pacifico Corridor is to increase the efficiency of transportation of goods and people from Pacific Coast ports in Mexico northeast to Midland-Odessa, Texas and beyond. Mexican ports, such as the Port of Topolobampo, are potentially viable alternatives to the congested ports of Los Angeles and Long Beach. Additionally, the underutilized border crossing at Presidio, Texas is an opportunity to divert traffic from the already overburdened crossing at El Paso.

Currently, the corridor is undergoing a feasibility study, which will:

- determine the feasibility of a four-lane divided facility within the designated national corridor, as well as any other corridors identified through the public involvement process.
- identify and prioritize potential roadway improvement alternatives along the nationally designated corridor, if a four-lane divided facility is not feasible.

⁷ Ports to Plains Study

- evaluate the economic impacts of future connections and improvements to the infrastructure in Mexico.
- identify financial and institutional issues related to the development and construction of the corridor.
- provide public involvement through an outreach program and public meetings.

Border Travel Time Study8

Congestion on the roadways leading to and from the international border crossings has many negative impacts, which include lost time, higher fuel consumption, more vehicle emissions, increased accident risk, and greater transportation costs. The Border Crossing Travel Time Study is a targeted assessment of short-term improvement options for passenger and freight flow on roadways within the immediate study area of each international border crossing in order to improve border trade. Based upon travel-time analysis of passenger cars and freight flow, the study will identify and document traffic congestion and operational deficiencies on both the state system and local roadways on the U.S. side, leading to and from the 26 Texas-Mexico international border crossings within the three TxDOT Districts (Pharr, Laredo, and El Paso) that have crossings along the Texas-Mexico border. The study will also identify low cost (short term) improvements that could be implemented within a 5-year time frame. The study results will be provided to TxDOT and to the Border Trade Advisory Committee.

Integration and Consolidation of Border Freight Transportation Data for Planning Applications

The quantity of truck transportation in Texas has increased dramatically since NAFTA. Accurate information on truck volumes and characteristics is critical to the transportation planning and transportation operation activities performed by TxDOT and other agencies. Information for freight transportation, in particular truck-related data, is expensive and difficult to collect, but various agencies located at the Texas-Mexico border already gather information that is used for operation or statistical purposes. This project identified planning information needs, sorted data being collected by various federal, state, and local agencies, and proposed an integrated truck-related information system that could be used for planning purposes. The project also collected and analyzed loading characteristics of heavy vehicles associated with cross border trade required for determining infrastructure impacts. The project was finished in fall 2007. Final reports will be available early 2008.

Border Wait Time Measurements

The Federal Highway Administration (FHWA) is undertaking a Freight Performance Measurement (FPM) initiative aimed at measuring travel times in freight-significant corridors,

⁸ Texas- Mexico Border Crossing Study

http://www.dot.state.tx.us/services/transportation_planning_and_programming/border crossings_study/default.htm

including border wait times at major U.S. land border crossings. FHWA seeks to identify appropriate intelligent transportation systems (ITSs) or other commercial technologies that enable border travel and wait times to be more easily and precisely measured.

The Texas Transportation Institute (TTI) has been working for the FHWA on this effort for more than a year. During the initial tasks of the research, TTI identified technologies that can be used to support automated measurement of border delay and crossing time at U.S./Mexico land ports of entry. TTI will be implementing radio frequency identification (RFID) technology at one of the El Paso ports of entry under the FHWA contract. RFID technology is also currently being used by U.S. Customs and Border Protection (CBP) at the Free and Secure Trade (FAST) booths and is being tested by TxDOT for DPS to be installed at the Border Safety Inspection Facilities (BSIF).

TxDOT is planning to begin a project that will establish a baseline and on-going measurement of border crossing times and delay by measuring border crossing travel times for commercial trucks crossing from Mexico into Texas at the Pharr-Reynosa border crossing, and will process and disseminate this information to stakeholders. The project will install and implement RFID technology to achieve these measurements. The crossing times and delay data will be disseminated through a system being developed in a different project. As noted earlier, this was a recommendation out of the Cross-Border Infrastructure Meetings and Report from 2006.

Evaluating Mexican Transportation Planning Processes and Implications for Texas Transportation Assets

This project is intended to help TxDOT understand the legal basis, protocols and strategies used by Mexico in developing and maintaining its transportation assets, as well as changes that have occurred with the political changes in the country. It will evaluate the current extent of Texas-Mexico coordination in transportation planning, develop strategies for improving this coordination, and demonstrate how major transportation improvements currently envisioned in Mexico may impact TxDOT planning decisions. The project will be deployed as a joint effort by the University of Texas, Center for Transportation Research and the LBJ School of Public Affairs.

Impacts of Dray System along Ports, Intermodal Yards and Border Ports of Entry

Dray operations form critical links in intermodal supply chains and cross-border trucking, yet drayage is the element that is least studied and therefore least understood. The growth of international trade – much of it moved at some point by the dray industry – now requires planners to have a better understanding of the industry because most sea ports, major border crossings, and distribution terminals are located near urban areas. This can produce high percentages of dray trucks on the same roads with passenger vehicles, which can contribute to congestion and create safety concerns among other issues. The objectives of this study are to determine and

quantify impacts of drayage operations at ports, border ports, inland ports, and intermodal terminals on local communities and identify and recommend potential mitigation measures.

International Trade Corridor Plan⁹

The International Trade Corridor Plan was updated in December, 2006 and provided to the presiding officer of each house of the legislature. It details the road, border crossing, rail, port, pipeline, and planned infrastructure employed in international trade as well as trade volumes. It includes financing options and implications and recommendations including the recommendations from the Border Trade Advisory Committee.

Other Trade-Related Programs and Publications International Registration Plan (IRP)

The Vehicles Titles and Registration Division (VTR) administers the IRP in Texas. For several years, the division has been working with the NAFTA Border State working group, the International Fuel Tax Association (IFTA) and the International Registration Plan (IRP). Together they are developing a plan to include Mexican trucks in the international agreements for when the border is opened to long-haul trucks. The VTR Division was awarded a Federal Motor Carrier Safety Administration grant to initiate the activities required to "host" Mexican registrants under the provisions of the IRP, and recently received the AASHTO President's Transportation Award in the Administration category for the dynamic web-based, bilingual service they developed to provide flexibility and convenience for TxDOT staff, law enforcement and interstate motor carriers.

NAFTA and Cross Border Traffic 10

This web page provides general information on NAFTA and the international movement of commercial motor vehicles. It includes sections on the NAFTA Annual Permit, general information on the 72 and 144-Hour Permits, International Motor Carrier information, Motor Carrier Division applications, Oversize/Overweight Permits, additional telephone numbers and addresses for VTR Regional Offices and the Border County Tax Offices, and the MCD One-Stop-Shop Telephone Menu.

ITS Regional architecture¹¹

Regional Intelligent Transportation Systems (ITS) Architectures and ITS Deployment Plans have been developed in many regions of the state, including areas along the border at Del Rio, El Paso, Laredo and the Lower Rio Grande Valley. ITS systems currently in place or planned

⁹ International Trade Corridor Plan

http://www.dot.state.tx.us/publications/transportation_planning/international_trade_plan.doc

¹⁰ http://www.dot.state.tx.us/services/vehicle titles and registration/nafta.htm

¹¹ http://www.consystec.com/texas/default.htm

will help guide traffic by providing dynamic message signs, closed circuit television, electronic toll collections and license plate readers at the international bridges.

FAST, C-TPAT, SENTRI, and ACE¹²

There are several federal programs currently being used to expedite border trade and crossing that deal with automating inspection processes. TxDOT will continue to coordinate and cooperate with infrastructure projects where feasible to facilitate programs. Some of the programs at the southern border include the Free and Secure Trade (FAST), Customs-Trade Partnership against Terrorism (C-TPAT), Secure Electronic Network for Travelers Rapid Inspection (SENTRI), and Automated Commercial Environment (ACE).

FAST, C-TPAT and ACE work in unison. FAST lanes allow qualifying commercial trucks to cross in an expedited manner, because they have shown themselves to be low risk. In order to qualify for a FAST lane, all elements of the supply chain related to the shipment must be C-TPAT certified, including the driver, the trucking company, and the manufacturer. The ACE program requires carriers to submit electronic information about their cargo before they arrive at the point of entry. FAST lanes are operational in Brownsville, Pharr, Laredo, and two in El Paso. Because the infrastructure at the ports was not designed to accommodate the FAST lanes, they are not as efficient as they could be at some crossings. TxDOT districts are addressing these infrastructure issues with Coordinated Border Infrastructure (CBI) funding.

Pre-approved, low-risk frequent non-commercial travelers may use SENTRI lanes. They are currently available in El Paso, Hidalgo, Brownsville and Laredo. As with the FAST program, the SENTRI program requires all elements to be pre-cleared. Customs and Border Protection started a pilot of extended hours for the SENTRI lanes in El Paso in November of this year.

It is important that the federal government expand these programs to more ports of entry in the effort to reduce congestion and improve safety and security at the border.

FMCSA OP-1 and OP-2 permitting¹³

The FMCSA has a web page specifically for Mexican motor carriers (in English and Spanish) giving all of the rules and regulations for operating in the United States. The second week of September, the first long haul cross border trips into the U.S. and Mexico were accomplished.

¹² Customs and Border Protection, FAST and C-TPAT Programs
http://www.cbp.gov/xp/cgov/import/commercial_enforcement/ctpat/fast/us_mexico/
Customs and Border Protection, SENTRI Program
http://www.cbp.gov/xp/cgov/travel/trusted_traveler/sentri/
Customs and Border Protection, ACE Modernization Information Systems
http://www.cbp.gov/xp/cgov/toolbox/about/modernization/

¹³ http://www.fmcsa.dot.gov/español/english/ mmc english.htm

However, within a week, the U.S. Senate inserted a provision in the transportation appropriations bill which would eliminate funding for this demonstration project.

Unified Carrier Registration

The Unified Carrier Registration (UCR), has replaced the Single State Registration System for motor carriers, and was implemented in September, 2007. The TxDOT MCD sent out letters to 33,000 Texas and 15,000 Mexican motor carrier companies. The UCR Agreement governs the collection and distribution of registration and financial responsibility (insurance) information provided and fees paid by for-hire and private motor carriers, brokers, freight forwarders, and leasing companies.

INFRASTRUCTURE

TxDOT administers many programs that help to improve infrastructure in the border region and meet the following Survey questions:

Survey question 4:

How do you work with federal officials to resolve transportation issues involving infrastructure, including roads and bridges, to allow for the efficient movement of goods and people across the border between Texas and Mexico?

Survey question 5:

How does your agency work with federal officials to create a unified federal agency process to streamline border crossing needs?

Survey question 6:

Has your agency identified problems involved with border truck inspections and related trade and transportation infrastructure? What are those? What solutions/recommendations does your agency propose?

In the recent past, TxDOT has worked with state, federal and local partners to change regulations so that transportation projects in the entire state, including the border area, can be completed faster. Among these are new financing options that expand transportation funding sources such as the Texas Mobility Fund, Pass-Through Toll Financing, Regional Mobility Authorities (RMA)¹⁴, Comprehensive Development Agreements, as well as leveraging existing tax collections using public debt, private sector financing, and tolling. Three important areas along the border have created RMAs, El Paso, Cameron County and Hidalgo County. These RMAs will help build transportation projects sooner bringing congestion relief faster to the border areas and improve mobility and increase safety for motorists.

¹⁴ TxDOT: Open for Business Regional Mobility Authorities http://www.dot.state.tx.us/publications/government and public affairs/regional mobility v2.pdf

Trans Texas Corridor

The statewide project that will use these new options is the Trans-Texas Corridor (TTC)¹⁵, a proposed multi-modal transportation facility traversing Texas. The TTC concept could include facilities for cars, trucks, passenger rail, freight rail, utility transmission, and connections for intermodal freight. Currently, there are two proposed TTC corridors, both connecting to the border: TTC-35 from Laredo to North of Dallas-Fort Worth and I-69/TTC from the border to Northeast Texas. Both corridors are moving forward; the Draft Environmental Impact Statement for I-69 was just released November, 2007. Extensive public meetings and input has been gathered in advancing the TTC and will continue.

The very first paragraph of the Trans Texas Corridor Plan Report highlights the importance of trade with Mexico and the transportation infrastructure needed to facilitate that trade.

Draw a north-south line from Mexico City to Chicago. Draw an east-west line from Los Angeles to Miami. The two lines intersect in Texas.

Texas has long been seen as the crossroads of North America, but this concept has never been more relevant as trade between North and South America continues to grow.

Most goods and commodities coming into the United States from Mexico and South America cross the Texas border and move north, sometimes all the way to Canada. The reverse is true for exports. In fact, 79 percent of all U.S.-Mexico trade passes through Texas ports of entry. Under the North American Free Trade Agreement, this international traffic will only increase.

TxDOT held coordination meetings as early as 2002 with the Mexican Federal Ministry of Communications and Transportation, as well as with the four border states of Tamaulipas, Nuevo Leon, Coahuila, and Chihuahua, to explain the concept, and later the plan, for the Trans-Texas Corridor. In June of 2005, TxDOT invited our Mexican counterparts for a meeting on the advancement of plans for the Trans-Texas Corridor, as well as to get a clear idea of the transportation infrastructure plans on the Mexican side of the border. TxDOT has also taken advantage of other binational forums such as the Joint Working Committee, Border Governors' Conference, and Logistics Workshops to inform our Mexican partners about the advances on the TTC.

13

¹⁵ Trans Texas Corridor http://ttc.keeptexasmoving.com

As this new system of highways that link Mexico to Texas and beyond is developed and constructed, TxDOT will continue to coordinate with our Mexican counterparts to ensure the best highway linkages possible to foster trade.

1999 Commitment

Texas has taken a proactive approach to addressing the infrastructure needs along the border. In 1999, the state of Texas made an unprecedented commitment to fund \$1.8 billion in border transportation improvements through 2009. As of this time last year, \$1.4 billion had been awarded for those construction projects. However, the costs associated with developing these projects have increased to \$2.9 billion. The Transportation Commission remains strongly committed to fulfilling its pledge to the border, and these projects will be delivered.

Coordinated Border Infrastructure Funding from $SAFTEA-LU^{16}/Infrastructure$ Improvements at POEs

In October 2005, the Texas Department of Transportation (TxDOT) convened a working group made up of representatives from the TxDOT district offices and Metropolitan Planning Organizations (MPOs) within 100 miles of the Texas-Mexico border. This working group came to the consensus that the Coordinated Border Infrastructure (CBI) funds should be used within 50 miles of border crossings and that funds should be distributed using the same criteria and formulas used by the Federal Highway Administration.

The Transportation Commission allocated \$200 million to the 3 border districts (El Paso, Laredo and Pharr) in March 2006. Because most of the border crossings are within metropolitan planning area boundaries, the districts are coordinating project selection with the metropolitan planning organizations.

To date, the border districts (El Paso, Laredo, and Pharr) have submitted 24 CBI projects to the FHWA, all of them designed to expedite the movement of vehicles and cargo across the border. The Pharr District has let two of these projects totaling \$12,786,936. The three districts have scheduled fourteen other projects to let this fiscal year (before September 2008).

Example projects include widening roadways, building new roadways, upgrading a safety inspection station with a dedicated "FAST" lane, and constructing a parking lot to lessen congestion in the POE.

International Bridge Permits¹⁷

The Transportation Planning and Programming Division (TPP) of TxDOT has the lead responsibility for the state international bridge application process as enacted by the 74th Texas

¹⁶ SAFTEA-LU Section 1303 information available at http://www.fhwa.dot.gov/planning/cbipintro.htm

¹⁷ ftp://ftp.dot.state.tx.us/pub/txdot-info/iro/2006iar.pdf

Legislature in 1995 (Senate Bill 1633) and amended by 78th Texas Legislature in 2003 (House Bill 1563). As amended, HB 1653 allows an applicant to concurrently seek approval from the Texas Transportation Commission and the United States. However, if the Commission does not approve construction of the bridge, the applicant shall withdraw the request for approval from the United States. Factors that are considered by the commission related to approval include:

- The facility's potential impacts on the economy of the region, the environment, traffic congestion and free trade.
- Whether the bridge construction is consistent with the state and regional transportation plans.
- Whether the future transportation infrastructure on both sides of the border, at the time the bridge becomes operational, will be of sufficient capacity to support the new structure.
- Whether the revenue generated by the bridge will be sufficient to finance the planning, design, construction, operation and maintenance of the bridge.
- Whether there is support on the Mexican side for the necessary transportation infrastructure.

In making its determination, the commission consults with the following agencies/offices:

- Texas Department of Public Safety
- Texas Commission on Environmental Quality
- Texas Historical Commission
- Texas Department of Agriculture
- Texas Alcoholic Beverage Commission
- Office of the Governor
- General Land Office
- Other agencies the Commission deems appropriate

New bridges are being proposed at these locations: Port of Brownsville, Donna, Anzalduas (Hidalgo/Reynosa), Mission, Los Ebanos, Laredo, Guadalupe Tornillo (Fabens). Through the JWC and the Binational Bridges and Border Crossings Group, TxDOT and the FHWA keep up to date on Mexican infrastructure plans regarding the proposed bridges. Information on proposed new bridges is available in the publication *Texas-Mexico International Bridges and Border Crossings Existing and Proposed 2006* on the TxDOT website at ttp://ftp.dot.state.tx.us/pub/txdot-info/iro/2007final.pdf.

New rail bridges are being considered in Laredo, Brownsville, Colombia (Laredo) and the El Paso area.

Border Safety Inspection Facilities (BSIF)

In addition to the infrastructure projects noted above that facilitate federal programs, the biggest state program at the border itself is the BSIF.

TxDOT's primary role regarding BSIFs is in the planning, design, and building of these facilities. Commercial vehicle safety inspections are handled by the Texas Department of Public Safety (DPS) and require modern facilities and equipment, including Intelligent Transportation Systems (ITS), weigh-in-motion and static scales, and inspection bays.

In the past year, permanent facilities have come online at the two commercial crossings in El Paso although ITS systems are still being installed, and temporary facilities are functional at the other crossings listed. Permanent facilities are in varying stages of progress at these remaining crossings:

- El Paso: Bridge of the Americas, Zaragoza/Ysleta Bridge
- Eagle Pass: Camino Real International Bridge
- Laredo: Colombia Solidarity Bridge, World Trade Bridge
- Lower Rio Grande Valley: Free Trade Bridge, Pharr-Reynosa International Bridge, Veterans International Bridge

The BSIFs have been functioning for some time now, and according to DPS, the condition of Mexican trucks that cross the border has improved remarkably. The out-of-service rate is about the same as for U.S. trucks. One challenge that has not been resolved is the so called double safety inspection by the FMCSA and by DPS. This issue is noted in several of the reports noted earlier.

The Texas Rail Relocation and Improvement Fund

There are several studies considering relocating rail from urban and residential areas. When cars and trains no longer have to cross paths within city centers, many public safety benefits are achieved, including improved air quality, enhanced safety, and reduced congestion. Currently, rail relocations/improvements are being considered or are underway in Brownsville, Harlingen, Laredo and El Paso.

The Rail Relocation and Improvement Fund established by the Legislature and approved by voters in 2005 was not capitalized during the 80th Session. This source of funds would have provided money for some of these important rail relocations/improvements.

Survey question 11:

Has your agency developed any recommendations to address border challenges in general? If so, what are they?

Communication, trade, and infrastructure must be not only sustained along the border, but also improved, a goal to which TxDOT is committed. As **Survey Question 11** requests recommendations for addressing border challenges, it is worth mentioning a few things that would help improve the agency's border transportation operations. Last year, we mentioned five recommendations. Two of these were addressed by legislation passed during the 80th Session.

First, HB 1857 allows rural counties to regulate development around future transportation corridors. This addresses a problem that has cost state and local governments considerable money in increased right-of-way costs in the past. While cities and counties with larger populations have mechanisms to control this type of development, rural areas previously did not. This will curb the purchase and development by speculators of the property adjacent to future highway routes and will save the state time and money.

Second, the border region was helped by SB 1209 regarding utility relocations. Oftentimes utility relocations can add significant costs to a highway project, which this legislation will help to minimize. This new legislation is a win-win where, over time, utilities will see a reduction in their relocation expenses, and the state will have the benefit of utilities being relocated more expeditiously.

There are further recommendations to improve communication, trade and infrastructure along the border.

First, the Rail Relocation Fund must be capitalized. As stated before, this fund will be instrumental in relocating rail lines outside of city centers and improving rail lines where it is not feasible to relocate them. As such, these projects, once a funding source is identified, will provide traffic relief since there will be fewer vehicle/train intersections, improve air quality because there will be fewer idling trains and vehicles, and improve safety, since right now train crossings are very dangerous for both vehicles and pedestrians.

Second, streamlining the environmental process would result in a significant cost savings to the state. SAFTEA-LU created a pilot program for 5 states to take over their own environmental review of highway projects. Texas was one of the states chosen, but state legislation must be passed before it can be used.

Another issue regarding highway right-of-way is advanced acquisition. Generally, TxDOT cannot acquire parcels of land until the environmental work is completed. Obtaining authority for advance acquisition of parcels that are likely needed for a transportation project would avoid inflationary impacts and prevent development of the property, and would only be used when the seller was willing. Property would not be taken through eminent domain.

The following two survey questions relate to the legislation for the Border Interagency Work Group.

Survey question 12:

What programs and services does your agency offer to border communities?

In addition to all of the information listed previously, TxDOT administers the Border Colonias Access Program that provides money to help Colonias improve their connecting infrastructure. Each TxDOT Border district also has a funding allocation for normal maintenance and preservation of their highway facilities, as well as some allocations for added capacity projects.

Survey Question 14:

Please share any considerations from your agency regarding the effect of policies instituted by the federal government impacting the border region.

Executive Order 13339 requires a presidential permit when making modifications to a border crossing. TxDOT has worked with the FHWA and the other border states to give input to the State Department on proposed regulations to lessen the impact of this order on existing border crossings.

Federal programs that benefit the border include the FAST, C-TPAT, ACE and SENTRI programs. These have expanded significantly at the Texas-Mexico border recently and are discussed in more detail earlier in the report.

The Coordinated Border Infrastructure (CBI) funding from SAFTEA-LU, as noted earlier, has increased border-related infrastructure funding in Texas by \$200 million. This is a significant increase from the previous border program in the TEA-21 legislation, however needs for expanded infrastructure still far outweigh available funding.

Survey Question 15:

Please give a brief summary of all your agency's activities related to the Border and/or Mexico.

As mentioned in the introduction, the summaries are found throughout the report.

For Further Reference

TxDOT Strategic Plan for 2007-2011 ftp://ftp.dot.state.tx.us/pub/txdot-info/lao/strategic_plan2007.pdf

TxDOT International Motor Carriers Registration Information http://www.dot.state.tx.us/services/motor-carrier/checklist.htm

Texas Rail System Plan http://www.dot.state.tx.us/publications/transportation_planning/FinalRail.pdf.

Technology Transfer Centers at the Universities of Nuevo Leon, Tamaulipas, and Chihuahua http://www.ingenieriacivil.uanl.mx/esp/posgrado/CETRATET/

http://fians.uat.edu.mx/CetraTec/

http://www.fing.uach.mx/posgrado/CentroT2/