

Stakeholders Working Committee Meeting



November 7, 2019

TIJUANA

Quartz Hotel & Spa



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Agenda

- **Insights**
- **September Stakeholder Working Committee highlights**
- **San Diego Regional Chamber of Commerce Delegation**
- **Initiative progress**



Insights

- **New Baja California administration**
- **Op-Ed in Union Tribune**
- **Rep. Juan Vargas and USMCA ratification**
- **SDRCC Delegation trip to Washington, D.C.**
- **Puerta de Mexico, access roads and Otay II**
- **Border Innovation Challenge**
- **Infrastructure Conference**
- **2020 Meeting Dates**



September Stakeholder Working Committee meeting highlights

- **Jason Bercovitch and Janine Pairis-Bryant, H.R. 3895 – NAD Bank's Pollution Solution Act:** Increase the North American Development Bank's capitalization to finance more water infrastructure projects in Mexico, in order to reduce transboundary flows into the U.S. Would increase capitalization to \$1.5 billion. Establishes the U.S.-Mexico Border Public Health Trust Fund within NAD Bank and is primarily intended to support wastewater treatment, water conservation, municipal solid waste, water pollution and storm water drainage.
- **Barbara Bry, City of San Diego Council Pro Tem and Mayoral candidate:** has unique perspective on border based on her experience with Cross-Border Connect and working with Chuck Nathanson, Alejandra Mier Y Teran, and Flavio Olivieri. Sees Mary Walshok as mentor. What can local government do to create a strong cross-border economy? Important to understand who crosses and why. Took several questions and comments from audience.
- **Joseph Misenhelter and Edward Avila, CBP:** recent leadership realignment is a SD field office initiative designed to offer better frontline service. 4 areas/divisions: frontline (ag, trade, community liaison); enforcement; technology and innovation; and mission readiness. Phase II of SY POE completed by 9/30 and Phase III (8 new lanes, 15 booths) completed on 10/31. Mexico starts construction in October, target date in mid December.



September Stakeholder Working Committee meeting highlights

- **Ramon Riesgo, SY POE reconfiguration and Otay Mesa POE modernization:** GSA is in the midst of a \$1.5 billion investment on the California/Baja border. San Ysidro is almost complete and Calexico is 50% there, still needs another \$150 million. Additional 8 lanes will open with Mexico before this year, December latest. Otay Mesa \$120 million expansion just started with its design phase; booths for trucks will go from 10 to 18, new return lane for unadmitted trucks, Border Master Plan update will have its 3rd update very soon. Countries must prioritize needs.
- **Cheslav Versky, Dynamic Driven Border:** using computer vision technology and anonymized information to count crossers, measure wait times and provide predictive analytics to those thinking about crossing.
- **Flavio Olivieri, Tijuana Innovadora 2020:** TI has 14 programs running today. The 2020 week of conferences will focus on the vision for the future of our region told by some of the brightest minds in the world.



San Diego Regional Chamber of Commerce meetings in Washington, D.C.

- **CBP Panel with Todd Owen, Executive Assistant Commissioner, Office of Field Operations**
 - CBP agents: there are 420 vacancies and only ¼ of these are at the border. They are overstaffed at San Ysidro by 18 people. There are 52 vacancies at Otay Mesa POE. Calexico has problems attracting people. 18,000 applicants in pipeline.
 - New technology: CBP wants to pour in \$800 million into non-intrusive inspection systems. Congress has already apportioned money for this but we will not see the full benefits until 2022. Will install multi-energy driver systems to increase truck throughput to 50 per hour; something similar may be used for passenger vehicles. Next level of border crossing: facial recognition, deploying on truck drivers first.
 - Port chiefs at Otay and SY are now recognized as senior officers (SES), giving them more clout in decision making.
 - We asked about setting goals/indicators with CBP.



San Diego Regional Chamber of Commerce meetings in Washington, D.C.

- **Mexican Ambassador to the United States, Martha Barcena:**
 - Big issues: ratification of USMCA before end of year; change perception of the border in areas away from the border. Border is synonymous with crime, lawlessness. But it is also an area of opportunity. Water management: sanitation is critical. We also need an agile and flexible border.
 - Labor: Mexico has approved revolutionary labor legislation, Annex 23-A. It means the end of protected contracts. Workers can now vote for union leaders and have true collective bargaining agreements. There are 700,000 of these, so it will take 3-4 years to change them all. A budget has already been allocated for this reform.
 - Tijuana River Valley requires a long term revamp that should include other urban solutions for the city of Tijuana. Important to allocate resources from IBWC, NadBank. We have tools to do it, but we need to prioritize projects and allocate resources. No more emergency repairs. Secretary Ebrard is very aware about this and has established a strong relationship with Governor Bonilla.



San Diego Regional Chamber of Commerce meetings in Washington, D.C.

- **EPA Environmental Affairs – U.S.-Mexico Border international office, region 9. Dave Ross, Assistant Administrator, U.S. EPA**
 - Moving parts are starting to come together. EPA is member of NadBank forum. Solutions are before us, need to get priorities in place.
 - The region has improved the way it manages its wastewater: desal plants; wastewater programs; potable water reuse programs. This is part of a regional plan.
 - What are steps EPA must take to resolve TRV issue? Have secured \$30 million dollars from Mexican federal Government. Meeting between EPA, stakeholders and agencies in San Diego in October to establish game plan and November meeting with Mexico to establish 2020 objectives. Mexico must leverage / match USA investment from Wastewater Infrastructure Program. County Supervisor Greg Cox will approach Congress for funding. We need to come up with uniform set of water projects from EPA Region 9!

Initiative List and Progress

- **Puerta de Mexico demolition**
 - Both CBP and GSA have informed us that Mexico will start on lanes in October and project should be done by mid December. U.S. will not start until Mexico is done.

- **Export Corridor at Otay Mesa POE**
 - INDAABIN has been working with city and state to have private owner of part of right of way to donate land. This is in the final stages, though we don't have a date yet. SAT's Equipment and Infrastructure Director was to complete document for the project's phases. The Tijuana Aduana office was to ask central operations command to share the technology specs that will be used.



Initiative List and Progress

- **Tecate Railroad**

- Baja Rail CEO Roberto Romandía stated that Baja Rail is working on executive plan to present to SAT very soon. Sites have been approved on both sides of the border. They have agreed to U.S. financing. Equipment used on both sides has also been approved.

- **Otay II**

- SCT conducting cost/benefit analysis and revising the design for the access road that will connect to the port. SANDAG/Caltrans are planning meetings in Mexico City to align projects.
- Groundbreaking for SR 11 has been critical; SANDAG/Caltrans will be looking for additional funds; important that Mexico show progress and that local and state authorities become true catalysts.

Initiative List and Progress

- **Wait Times:** Funding is not yet guaranteed for WiFi readers. For its part, Caltrans is working to secure funds through the California Transportation Commission and other sources.
- **Signage:** There has been no progress due to recent start of new administrations. CDT and SECTURE were in the disbursement stage for signage in 2 districts (\$2 million pesos). This funding was to include tourism signage. There are also another \$500,000 pesos from City funds to apply toward signage.
- **Access Roads:** we are participating with CANACAR, the Tijuana Police Department, Customs Brokers Association and City Delegates on a strategy to manage cargo traffic towards the Otay Mesa Port. City of Tijuana proposed new routes according to lane types and will sign agreement with trade this month.

Initiative List and Progress

- **Joint Inspection / Unified Cargo Processing:** all 10 lanes are now open at Otay Mesa Port of Entry. Port Director Joseph Misenhelter is having very constructive dialogue with trade on both sides of border. Otay Mesa Chamber spearheaded letter asking CBP for support in several critical operational areas.

Next meeting is at the San Diego Foundation on January 9

2020 Meetings:

March 5, Tijuana

May 7, San Diego

July 9, Tijuana

September 3, San Diego

November 5, Tijuana

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