MEETING NOTICE
AND AGENDA

COMMITTEE ON BINATIONAL REGIONAL OPPORTUNITIES (COBRO)
The Committee on Binational Regional Opportunities (COBRO) may take action on any item appearing on this agenda.

Tuesday, September 6, 2005
3:00 p.m. – 4:30 p.m.

SANDAG, 7th Floor Conference Room
401 B Street, Suite 800
San Diego, CA  92101-4231

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MISSION STATEMENT
The Committee on Binational Regional Opportunities (COBRO) will advise the Borders Committee of the San Diego Association of Governments (SANDAG) concerning both short and long-term binational related activities, issues, and actions; provide recommendations regarding binational border-related planning and development; and identify ways to assist and coordinate with existing efforts in the binational area. The COBRO will serve as a working group to the SANDAG Borders Committee to facilitate a better understanding of the binational border-related issues and needs of the California-Baja California region.
Welcome to SANDAG! Members of the public may speak to the COBRO on any item at the time that the Committee is considering the item. Please complete a Speaker’s Slip which is located in the rear of the room and then present the slip to Committee staff. Also, members of the public are invited to address the Committee on any issue under the agenda item entitled Public Comments/Communications. Speakers are limited to three minutes. The COBRO may take action on any item appearing on the agenda.

This agenda and related staff reports can be accessed at www.sandag.org under meetings on SANDAG’s Web site. Public comments regarding the agenda can be forwarded to SANDAG via the e-mail comment form also available on the Web site. E-mail comments should be received no later than noon, two days prior to the COBRO meeting.

In compliance with the Americans with Disabilities Act (ADA), SANDAG will accommodate persons who require assistance in order to participate in SANDAG meetings. If such assistance is required, please contact SANDAG at (619) 699-1900 in advance of the meeting. To request this document or related reports in an alternative format, please call (619) 699-1990, (619) 699-1904 (TTY) or fax (619) 699-1905.

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COMMITTEE ON BINATIONAL REGIONAL OPPORTUNITIES
Tuesday, September 6, 2005

ITEM # ACTION

1. WELCOME AND INTRODUCTIONS

+2. APPROVAL OF MEETING MINUTES  APPROVE

   a) July 5, 2005
   b) August 2, 2005

3. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Members of the public will have the opportunity to address COBRO on any issue within the jurisdiction of the Committee. Speakers are limited to three minutes each. This is also an opportunity for COBRO members to make comments or announcements.

REPORTS (4-7)

4. PREPARATIONS FOR SANDAG’S 2005 BINATIONAL WORKSHOPS "CROSS-BORDER COLLABORATIVE PLANNING FOR OTAY MESA - MESA DE OTAY" (Chair Paul Ganster, Institute For Regional Studies of The Californias, SDSU)  DISCUSSION

Chair Ganster will update the Committee on preparations for the two binational workshops to be held on October 3 and 11, 2005.

5. UPDATE ON THE OTAY MESA - MESA DE OTAY BINATIONAL CORRIDOR STRATEGIC PLAN (Ron Saenz, SANDAG)  DISCUSSION

This oral report will provide an update on the preparation of this strategic plan that will help to establish an effective binational planning partnership in the area of Otay Mesa - Mesa de Otay.

6. SOUTHWEST COMPACT STRATEGIC INITIATIVE (Hon. Jon A. Edney, Councilmember, City of El Centro, and member of the Southern California Association of Governments (SCAG))  INFORMATION

This report will provide information on SCAG’s initiative to promote collaboration and coordination among the ten states from both sides of the United States-Mexico border, and to put issues and recommendations on the table to positively impact the future global competitiveness of this mega-region.
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The binational workshops will be held in lieu of COBRO’s regular meeting in October. The binational workshops will be held on October 3 and 11, 2005, in National City and Tijuana, respectively. Please go to SANDAG’s Web page for additional information.

(+) next to an item indicates attached report/material.
COMMITTEE ON BINATIONAL REGIONAL OPPORTUNITIES (COBRO) SUMMARY OF AUGUST 2, 2005

1. WELCOME AND INTRODUCTIONS

The August 2, 2005, Committee on Binational Regional Opportunities (COBRO) meeting was called to order by Chair Paul Ganster. The meeting was held at the Mexican Chamber of the Electronics Industry, Telecommunications, and Information Technology (Cámara Nacional de la Industria Electrónica, de Telecomunicaciones e Informática, CANIETI) in the City of Tijuana.

Members present were: Paul Ganster, Institute for the Regional Studies of the Californias; Ricardo Pineda and Lydia Antonio, Consulate General of Mexico in San Diego; Elsa Saxod, City of San Diego; Gustavo Perez, City of Chula Vista; David Perez-Tejada and Kathya Yruretagoyena, City of Mexicali; Diego Ceballos, City of Tijuana; Joaquin Luken, Otay Mesa Chamber of Commerce; Viviana Ibañez, San Diego Regional Chamber of Commerce; Carlos de Orduña and Jaime González Luna, Asociación de la Industria Maquiladora y de Exportación de Tijuana; Kenn Morris, San Diego Dialogue; Dave Fege, United States Environmental Protection Agency - Border Liaison Office; Sergio Pallares, Caltrans; and Elisa Arias and Ron Saenz from SANDAG.

Chair Paul Ganster welcomed everyone to the meeting and thanked CANIETI for hosting COBRO at their meeting facility. Self-introductions were conducted.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Chair Paul Ganster, COBRO, mentioned that one of COBRO’s initiatives this year is to look at urban planning in the area of Otay Mesa – Mesa de Otay. Part of this focus will be to host two binational workshops in October. The October 3rd workshop will be held in San Diego and the October 11th workshop will be held in Tijuana. The four topics are: Transportation; Environment; Economic Development; and Housing. An update will be provided at the next COBRO meeting.

3. THE EMERGENCE OF THE AEROSPACE CLUSTER (John Riley and Ricardo Dominguez, BC Manufacturing)

Ricardo Dominguez, BC Manufacturing, gave a PowerPoint presentation on the latest aerospace industry trends in Mexico. He began by summarizing the diplomatic effort to sign the Bilateral Aviation Safety Agreement (BASA). This effort between the U.S. and Mexican governments began in 1994. Negotiations were conducted through the Secretary of Transportation and
Communications through the Dirección General de Aeronáutica Civil (DGAC), Mexico’s equivalent of the Federal Aviation Administration (FAA), the Secretary of Economy in Mexico and the Secretary of State, as well as the Department of Transportation through the FAA in the United States. During this time, an extensive review process following the standards established by the International Civil Aviation Organization (ICAO) was conducted in conjunction with the FAA and DGAC. This set the stage for Mexico being recognized as complying with the requirements to initiate the certification process for producing aerospace products. Mexico will now join Canada and Germany, which are the only other countries in the world privileged with this distinction.

This agreement has not yet been completed due to the fact there have not been any aerospace projects that have been certified in Mexico. BC Manufacturing hopes to be the first company in Mexico to be certified using its patented cargo container as its starting point. With BASA certification, the opportunity exists to increase and expand the development of aerospace projects in Mexico. By attracting adequate investment, Mexico will be able to generate higher-paying jobs and provide a competitive environment that will allow North American manufacturers to be much more competitive in the world’s aerospace market.

John Riley, BC Manufacturing, said that certification of the cargo container will open up the door for other aircraft products from Mexico. In years to come, Mexico will be technologically capable of building a complete aircraft.

Mr. Riley went on to say that he was very grateful for everyone being present at the meeting because, in his experience, it is not often enough that both sides of the border look at binational issues, and this is definitely a very big regional opportunity.

4. THE IT INDUSTRY CLUSTER IN BAJA CALIFORNIA (Antonio Abad, IT@Baja)

Antonio Abad, IT@Baja, gave a PowerPoint presentation summarizing the latest IT Industry trends in Baja California. This is an emerging industry in Baja California that is expanding its service capabilities. Presently, this industry has experience in implementation of the following: enterprise resource planning; government applications; discrete manufacturing; customs and logistics; and Web applications.

Some of the advantages of the IT Cluster in Baja California include the following: proximity to California; knowledge of American business culture; and access to local research and development. Industry experts expect 60 companies to become members this year. Economic forecast show that the IT industry in Baja California is expected to add 10,000 employees during the next five years.

5. THE SILICON BORDER - SEMICONDUCTORS (David Perez-Tejada, City of Mexicali)

David Perez-Tejada, City of Mexicali, presented the report in lieu of Octavio Garza. He announced that a Silicon Border groundbreaking ceremony took place in Mexicali on June 22, 2005. This ceremony was attended by the governor of Baja California, the mayor of Mexicali, and high-level executives representing the semiconductor industry from both sides of the border.

Silicon Border is the name given to the establishment of a semiconductor industry cluster along the border. The first phase of this cluster will be in Mexicali’s Silicon Border Science Park. This park will cover over 10,000 acres and will cost over $400 million for the immediate infrastructure.
An advantage of this location is that there will be no taxes to companies who locate there—this park will provide a cost-effective alternative to the single South Asia location, and it is closer to larger markets.

Chair Paul Ganster, COBRO, recommended proper environmental consultation be conducted before moving too far forward on this project. He cited SEMpra’s experience with building its energy plant in Mexicali without proper environmental consultation.

6. **LOGISTICS IN THE INTERNATIONAL TRADE AND THE “DISPLAY DEVICES INDUSTRY” IN BAJA CALIFORNIA**

This presentation was cancelled since the scheduled presenters were unable to attend this meeting.

7. **ADJOURNMENT, AND NEXT MEETING DATE AND LOCATION**

The next meeting of COBRO will be held on Tuesday, September 6, 2005, from 3:00 to 4:30 p.m. at SANDAG.
SAN DIEGO ASSOCIATION OF GOVERNMENTS

COMMITTEE ON BINATIONAL REGIONAL OPPORTUNITIES

August 2, 2005

AGENDA ITEM NO.: 2b

Action Requested: APPROVE

File Number 3003200

COMMITTEE ON BINATIONAL REGIONAL OPPORTUNITIES (COBRO) SUMMARY OF JULY 5, 2005

1. WELCOME AND INTRODUCTIONS

The July 5, 2005, Committee on Binational Regional Opportunities (COBRO) meeting was called to order by Vice Chair Cindy Gompper-Graves. The meeting was held at SANDAG.

Members present were: Cindy Gompper-Graves, South San Diego County Economic Development Council; Ricardo Pineda and Lydia Antonio, Consulate General of Mexico in San Diego; Elsa Saxod, City of San Diego; Gary Brown, City of Imperial Beach; Gustavo Perez, City of Chula Vista; David Perez-Tejada, City of Mexicali; José Luis Castro and Silvia Flores, COLEF; Angelika Villagrana, San Diego Regional Chamber of Commerce; Alejandra Mier y Terán, Otay Mesa Chamber of Commerce; Carlos de Orduña, Asociación de la Industria Maquiladora y de Exportación de Tijuana; Yolanda Walther-Meade, Fundación Internacional de la Comunidad, A.C.; Sergio Pallares, Caltrans; and Bob Leiter, Hector Vanegas, Elisa Arias, and Ron Saenz, SANDAG.

Vice Chair Cindy Gompper-Graves welcomed everyone to the meeting and thanked them for attending. Self-introductions were conducted.

2. MEETING SUMMARY OF JUNE 17, 2005

The meeting summary for June 17, 2005, was approved.

3. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Ricardo Pineda, Consulate General of Mexico, introduced himself as the new Deputy Consul General of Mexico in San Diego. Deputy Consul General Pineda comes from the Embassy of Mexico in Washington, DC, where he was in charge of border affairs.

Yolanda Walter Meade, Fundación Internacional de la Comunidad, A.C., announced there will be an upcoming meeting in Ciudad Juarez, Mexico, for which the purpose is to form an alliance to work on International Community Foundation issues that relate to the border on the Mexican side. She plans to give an update at a future COBRO meeting.
Angelika Villagrana, San Diego Regional Chamber of Commerce, congratulated the Bureau of Customs and Border Protection (CBP) of the Department of Homeland Security and Caltrans for the opening of two additional SENTRI (Secure Electronic Network for Traveler’s Rapid Inspection) gates at the San Ysidro Port of Entry.

Mario Lopez, Office of Congressman Bob Filner, mentioned that Congressman Filner reintroduced a bill to restore the power to Port of Entry directors to do visa waivers for humanitarian reasons.

4. COMMITTEE’S CHARTER (Hector Vanegas, SANDAG)

Vice Chair Gompper Graves asked Hector Vanegas, SANDAG, to present the Committee Charter that is required by SANDAG’s Executive Committee. The Charter describes the purpose, line of reporting, membership, meeting time and location, selection of the Chair and duration of its existence. After a minor correction to the membership list, the Charter was approved by the Committee.

5. UPDATE ON OTAY MESA – MESA DE OTAY SUBREGIONAL CORRIDOR STUDY (Ron Saenz, SANDAG)

Ron Saenz, SANDAG, gave a PowerPoint presentation summarizing the latest developments of the Otay Mesa – Mesa de Otay Subregional Corridor Study. As a background, Ron Saenz mentioned that Otay Mesa was identified as an area of opportunity to create an effective binational planning partnership, following the I-15 Interregional Partnership. This partnership can be the forum to collaborate on common issues.

In advance of the preparation of this study, SANDAG’s staff met with staff of Tijuana’s Municipal Planning Institute (ImPlan). They are very enthusiastic about the prospect of collaborating on this effort. Both agencies are working to define the four focus areas of the study: transportation, economic development, housing, and environment. Ron Saenz also described the steps that are going to be considered for the planning and collaboration process.

Bob Leiter, SANDAG, added that SANDAG requested funds from Caltrans to complete this study. Unfortunately, those funds were not granted for this fiscal year. Consequently, SANDAG will use resources in its current budget, which will downscale the project. In the meantime, SANDAG will continue working with ImPlan to see what resources they can bring to the table. We will continue to pursue funding for this project.

Sergio Pallares, Caltrans, asked if this means that the study will be a constrained analysis.

Bob Leiter, SANDAG, responded by saying the resources applied to each step will be a lot smaller.

Sergio Pallares asked if SANDAG was planning to have a binational planning project team.

Ron Saenz, SANDAG, responded by saying that the project team will include agencies from both sides of the border.
Gustavo Perez, City of Chula Vista, mentioned that his city has worked in the development of an economic analysis for the establishment of a university in the area of Otay Ranch and would be glad to share it for the preparation of the Otay Mesa - Mesa de Otay Subregional Corridor Study.

Gary Brown, City of Imperial Beach, asked how much money was requested for the study.

Bob Leiter responded that the budget was $300,000, which included SANDAG’s participation of two full staff positions.

6. PREPARATION OF SANDAG’S 2005 BINATIONAL WORKSHOPS “CROSS-BORDER COLLABORATIVE PLANNING FOR OTAY MESA – MESA DE OTAY” (Chair Paul Ganster, Institute for Regional Studies of the Californias, SDSU)

Angelika Villagrana presented the report from the task force formed to support the preparation of the two binational workshops. After analyzing different venues and a calendar of scheduled meetings and events in October of this year, the task force identified the following dates and locations for the workshops:

- Monday, October 3, 2005, at the South County Regional Education Center in National City; and
- Tuesday, October 11, 2005, at the Universidad Autónoma de Baja California (UABC) in Tijuana, Mexico.

The Committee received the report and engaged in discussions about stakeholders, audience attendance, and other matters. The Committee approved the recommendation for dates and locations of the two binational workshops titled “Cross-Border Collaborative Planning for Otay Mesa – Mesa de Otay.”

Deputy Consul Ricardo Pineda offered the Mexican Consulate’s assistance in inviting institutions from Mexico that can participate in SANDAG’s binational workshop.

7. EL REVESTIMIENTO DEL CANAL TODO AMERICANO. ¿COMPETENCIA O COOPERACIÓN POR EL AGUA EN LA FRONTERA MÉXICO-ESTADOS UNIDOS? THE LINING OF THE ALL-AMERICAN CANAL. COMPETING OR COOPERATING FOR WATER ON THE U.S.-MEXICO BORDER? (Dr. José Luis Castro, El Colegio de la Frontera Norte)

Dr. Jose Luis Castro thanked the Chair and members for inviting him to give this presentation. Dr. Castro then proceeded to outline what the problems are and possible solutions to this issue.

The lining of the All-American Canal is part of California’s strategy to look for options to guarantee water supply in the foreseeable future. The lining will cover 23 miles of the canal, with a cost of $135 million. The annual estimated water savings of 70,000 acres-feet is nearly the same volume consumed by the City of Mexicali in one year. The water recovered from the seepage will be conveyed to the City of San Diego.

Dr. Castro mentioned that for over 60 years farmers in Mexicali have depended on the water seepage to irrigate their crops. The water savings for California translates into a 70,000 acre-foot
loss in Mexicali’s aquifer. This could affect nearly 3,000 acres of agricultural land. A number of families, who depend on this water for their livelihoods, are also at jeopardy.

Both countries view this conflict from different perspectives. The United States bases its right to line the canal on sovereignty rights established by the 1944 binational water treaty between the United States of America and Mexico. This treaty established water rights between the two countries.

The Mexican government considers the United States’ decision to be unilateral and in violation of Minute 242. In 1973, this treaty was amended by Minute 242 and signed by both governments. This amendment settled the salinity problem in the Colorado River and established a consultative mechanism to avoid future conflict.

The two likely solutions are cooperative or conflictive. The conflictive solution is that this issue can be disputed in an international court. The cooperative solution is that other alternatives be explored as to minimize the canal’s impact. There is stronger precedent for a cooperative solution.

Dr. Castro concluded by saying that we should learn from history that both countries have found ways to approach and settle their disputes in a context of cooperation.

Deputy Consul General Pineda added that the two countries are having meetings to discuss this issue and are seeking a solution that can meet the needs of both Mexico and the United States.

Dennis Cushman, San Diego County Water Authority (SDCWA), mentioned that his agency is interested in finding a solution and is currently providing Mexicali with expertise to improve water conservation in that area.

Rich Van Schoik, Southwest Center for Environmental Research and Policy, asked to include the Andrade Wetland in the discussions.

Gary Brown, City of Imperial Beach, asked what the timeline was for this project. Dr. Castro responded by saying the lining of the canal should start in 2006.

8. **ADJOURNMENT, AND NEXT MEETING DATE AND LOCATION**

Carlos de Orduña, Asociación de la Industria Maquiladora de Tijuana, introduced Antonio Abad, who, on behalf of CANIETI (Mexico’s National Electronic Industry Chamber, Chapter for Baja California), described the latest economic development trends in Baja California and invited COBRO to have a joint meeting in Tijuana. The COBRO accepted this invitation. The next meeting of COBRO will be held on Tuesday, August 2, 2005, from 3:00 to 4:30 p.m. in the City of Tijuana.