San Diego Association of Governments

BORDERS COMMITTEE

April 28, 2006

AGENDA ITEM NO.: 1a

Action Requested: APPROVE

BORDERS COMMITTEE DISCUSSION AND ACTIONS
Meeting of February 24, 2006

The regularly scheduled meeting of the San Diego Association of Governments Borders Committee was called to order at 12:04 p.m. by Chair McCoy (South County). The attendance sheet for the meeting is attached.

1. APPROVAL OF MEETING MINUTES (APPROVE)

Action: Upon a motion made by Vice Mayor Harris-Ebert (North County Inland) and a second made by Vice Chair Carrillo (Imperial County), the Committee voted to approve the meeting minutes from the November 18, 2005, meeting. Two members abstained.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Chair McCoy introduced and welcomed to the Committee its newest members: Oceanside Deputy Mayor Shari Mackin (North County Coastal); Del Mar Councilmember Henry Abarbanel (North County Coastal); and City of San Diego Councilmember Ben Hueso. Chair McCoy mentioned that the Committee is still missing an alternate from the East County area. However, she invited all new members to arrive a little early at the next Borders Committee meeting to be briefed by staff.

David Perez Tejada Padilla, International Relations Director for Mexicali, announced that there will be a binational hearing sponsored by the Southwest Compact Task Force of the Southern California Association of Governments (SCAG), in cooperation with the City of Mexicali. The event will be held from 12 noon to 5:00 p.m. on Wednesday, April 26, 2006, at the Araiza Inn Hotel and Convention Center in Mexicali. The subject of the hearing is global competitiveness of the southwest mega-region. Mr. Tejada suggested that all interested in participating contact either him or Linda Jones at SCAG.

Chair McCoy noted that the 2nd Regional Border Economic Development Forum of the Border Legislators Conference, is being held today, from 9:00 a.m. to 5:30 p.m., at the Sheraton San Diego Hotel & Marina in the West Tower, 1590 Harbor Island Drive, San Diego, CA 92101. She added that today's meeting agenda will be moving very quickly in order to allow time for those who would like to go.
CONSENT (3)

3. BINATIONAL PLANNING CONTACTS GUIDE FOR THE SAN DIEGO-BAJA CALIFORNIA REGION (INFORMATION)

At the Borders Committee meeting of November 18, 2005, it was requested that staff present a list of government and non-government organizations involved in binational planning issues, with the intention of using the list to identify those that need to be invited to participate in future activities of the Borders Committee.

Action: The Borders Committee received this item for information.

REPORTS (4-7)

4. ECONOMIC IMPACTS OF BORDER WAIT TIMES ON FREIGHT MOVEMENTS IN THE SAN DIEGO-BAJA CALIFORNIA BORDER REGION (APPROVE)

Staff reported that the freight component of the model that measures economic impacts of border wait times in the San Diego-Baja California Region had been completed. In June 2005, the Borders Committee was shown a presentation on economic impacts due to border delays on crossborder tourist, shopping, and work trips. This report presents findings of economic impacts of border delays at the at the Otay Mesa and Tecate ports of entry (POEs) on freight movements and trade between the United States and Mexico. The study objectives were to understand the economic significance of border delays; measure economic impacts of wait times in regard to crossborder personal travel and crossborder freight movements; and to develop a new model for testing policy solutions. Staff introduced Dr. Khalid Bekka, from HDR-HLB Decision Economics, who presented the findings of the study. Dr. Bekka is also the consultant for the Department of Homeland Security Department for the U.S. VISIT program.

Dr. Bekka provided the Borders Committee with an overview of the study that has taken over 18 months to develop. The key objective for the study is to understand the economic impacts of the border delays. Many studies have been done in the past, but they have only concentrated on one side of the border. This study is different in that it focuses on both sides of the border. Surveys were designed specifically for this study. Many questions were asked in order to try to assess the net impact of border wait times. Also, interviews were held with trucking companies, customs brokers, major crossborder manufacturers, and U.S. Custom and Borders Protections representatives. Pillars for the study were transparency and credibility. The panel of experts and stakeholders that participated in this study included representatives from both sides of the border. The surveys help to determine the purpose of the border crossings. Most of the 60 million northbound annual trips were made for shopping (more than 60 percent). Out of this number, 10 million trips were made for work or business. More than 90 percent of the trips are local.
It was stated during the presentation that Mexico is the second largest trading partner of the United States. Nine percent of the U.S.-Mexico trade value crosses at Otay Mesa and Tecate. There were $23.2 billion in imports and exports in 2004, with 99 percent of the trade between the California and Mexico moving by trucks. The number of trucks has grown significantly over the years. However, the impact of 9/11 did not affect the freight movement between both countries. There was more of an impact for personal travel as opposed to freight. Key stakeholders were interviewed and findings were that trade, truck volumes, and congestion have grown significantly over the years. Most of the stakeholders interviewed only crossed the border to drop off products. They rely on a just-in-time supply chain – they don’t carry an inventory. After the sale, the production of the item requested is built, but because of border conditions the supplier cannot guarantee that the product can be delivered on time. Some products are shipped back and forth several times prior to completion of the product. Any delay can cause money losses, time and production delays, meaning high logistics costs and lost economic opportunities. At today’s level of border wait times (45 minutes on average) on personal travel, from the San Diego side, more than 8 million trips, 3 million working hours, and $42 million in wages are lost. On the Baja California side, more than 2 million trips, approximately 500,000 potential working hours, and $10 million in wages are lost. Mr. Bekka explained the total annual economic impact, in millions of U.S. dollars, regarding the output, labor income, and employment (full time equivalent jobs) for San Diego County, California, United States, Baja California, and Mexico. He noted the total output impacts by sector in the San Diego region for 2005, the total output impacts by sector in Baja California for 2005, the economic opportunities for trade growth, the total output impact due to delays at the border (personal travel and freight movements), the total employment impact due to delays at the border, and the projected output and employment impact of border delay.

Dr. Bekka concluded that current border delays are responsible for significant economic losses on both sides of the border. Regarding personal travel, economic impact of congestion is much stronger in the United States than in Mexico. It affects mainly the San Diego-Baja California region. Regarding freight movements, the economic impact of congestion is greater on the Mexican side and spreads significantly to the national level. It was noted that trade is a key contributor to local, state, and national economic growth. Border delays impact the competitiveness of the binational region and traffic delays, and economic losses are expected to double over the next ten years.

Staff concluded that the next steps will be to present the findings of the study to the SANDAG Board of Directors and stakeholders; move forward to finance and build new binational infrastructure; complete SR 905; and build the proposed new East Otay Mesa-Otay II POE and connecting roads.

Hon. Luis Cabrera (Consul General of Mexico) asked why Mexican Customs wasn’t interviewed. Dr. Bekka noted that when the truckers were interviewed, they were provided with information regarding both sides of the border. At the time the survey was conducted, the Mexican Customs office was not identified as a source of delay.

Staff mentioned that the purpose of the interviews was to validate existing data. Dr. Bekka added that they wanted to hear from the people that suffer and/or benefit from the border delays.
Mayor Pro Tem Gallo (North County Inland) stated that 99 percent of trade is transported by trucks. He asked how this issue can be addressed to include increased use of rail. Dr. Bekka responded that rail infrastructure is not up to par even though most agencies would prefer to use rail. He mentioned that rail is an option and requires facilities where products can be loaded and unloaded. It would take longer to transport products by rail; however, rail will eventually become a part of the solution.

Mayor Pro Tem Gallo questioned if more air travel can also be considered. Dr. Bekka noted that companies have to consider their transportation costs as well as production costs.

Mayor Pro Tem Gallo stated that dollars are lost in surface travel when the roads are impacted with truck traffic and the trucks are stuck in gridlock – both time and money is lost. Dr. Bekka noted that Chrysler has moved some of its production plants to Canada to cut costs.

Councilmember Monroe (South County) commented that there are other southern states that are big on the use of rail. Staff stated that Detroit uses rail to transport goods to Windsor, Canada, which serves as a bridge to get products from the United States to Canada. Dr. Bekka mentioned that there is currently a proposal to link Boston with Canada, via rail.

Vice Mayor Harris-Ebert (North County Inland) asked what percentage of items across the border could be moved by rail. Mr. Bekka responded that on the Canadian border, it is estimated that the percentage would be less than 3 percent.

Vice Mayor Harris-Ebert stated that it appears that building new rail would be very expensive. Staff responded that cost was not analyzed for the southern border.

Mr. Bekka commented that the sensitivity is how quickly products can be transported from one location to another.

Vice Chair Carrillo (Imperial County) thanked Mr. Bekka and staff for the presentation. He commented that more than $30 billion worth of goods are transported across the California POEs, including the Imperial County region. This doesn't cover the seaports or the ports in Los Angeles. The United States hasn't had any national railway system since 1950. The normal response is to add additional truck lanes. This is a major problem that needs to be addressed. However, this problem is one that one size doesn’t fit all. This is a global issue.

Deputy Mayor Mackin (North County Coastal) asked if there is going to be a serious look at the rail issue. Staff replied that the Board has directed staff to look at an additional north-south rail route, but it wasn't determined what that infrastructure will be. The rail issue will be included in the Regional Transportation Plan (RTP) update of 2007.

Bill Figge (Caltrans) indicated that Caltrans will undergo a transportation comparison study by this summer.
Councilmember Hueso (City of San Diego) introduced himself to the Borders Committee. He noted that it will be a pleasure to serve on the Borders Committee, representing the City of San Diego. He mentioned that there are serious issues with the water quality at the border, and there are a lot more issues that need to be dealt with and there should be some way to look at the City of San Diego and Tijuana together as one statistical region. The Committee needs to look at the seaport and make sure that the services can be provided to the region. He mentioned that toll fees are one option. To add a toll road crossing could help to fund the infrastructure that is needed. If the border wait times are from one to two hours, people would be willing to pay to decrease the wait times. A toll road would also help to ease the traffic. In addition, a third Port of Entry could be connected to the SR 905. A bond measure could be created that would build the facility as well as generate income for the infrastructure. With a little hard work and effort, San Ysidro can be one of the most exciting districts in San Diego. Mr. Bekka added that most people interviewed said that they would be willing to pay a fee to cross the border faster.

Chair McCoy stated that there is a need to compete for funding for the border area. The Borders Committee should seek a competitive edge and keep the region sharp. She suggested that Councilmember Hueso take some time to visit with the SANDAG staff to discuss his issues.

Action: Upon a motion made by Supervisor Cox and a second by Vice Mayor Harris-Ebert, the Borders Committee voted to accept the Economic Impacts of Wait Times at the San Diego-Baja California Border final report and directed staff to utilize the report in formulating recommended plans and projects to mitigate the negative impacts of border wait times on the region.

5. TRIBAL TRANSPORTATION NEEDS ASSESSMENT (INFORMATION/DISCUSSION)

Mario Orso, Tribal Government Liaison for Caltrans District 11, provided the Committee with an update on the survey conducted on the transportation needs of tribal nations in District 11 for the purposes of building relationships with local tribal governments and to improve agency understanding of current tribal transportation capacity and needs. He identified all of the tribal governments in District 11’s area from the San Diego and Imperial County areas. He noted the number of tribes in North and South San Diego County, along with the number of residents. He also noted the number of jobs available on reservations. Mr. Orso reported the history of tribal government relationships with public agencies beginning in 1997. He explained the assessment methodology of the survey and what steps were taken to create the survey. The survey methodology was designed to capture each tribe’s transportation needs, issues, and concerns. Caltrans made a presentation to the Southern California Tribal Chairmen’s Association (SCTCA) in December 2004 regarding the survey asking for their cooperation. Following tribal protocol, the tribal nations were contacted through their respective Chairs and/or Councils. Once the Tribal Councils had approved participation in the survey, the governments designated representatives who are knowledgeable about transportation to respond to the survey. Interviews regarding the survey were held between February and May of 2005, and there was 100 percent participation from the tribal governments in District 11.
Some of the survey results noted that 14 of the 19 tribes do not have a transportation department or staff dedicated exclusively to transportation planning with the main reason being funding as a key impediment. There were five key subject areas addressed which included: relationships and contacts with transportation and government agencies in which the tribes reside; familiarity with specific transportation agencies’ planning processes and associated documents; future needs and availability of planned transportation improvements; funding support for the tribes; and information on current/future developments of tribes. Key reasons for unmet needs include confusion over which agencies are responsible for what issues; road maintenance; inadequate roadways; and lack of timeliness in implementing improvements. Most tribal governments have little or no involvement in regional/state transportation planning efforts. Some of the reasons given included: (1) each believes their needs should be addressed as individual nations; (2) their needs are not adequately met; (3) tribes are unfamiliar with planning documents; and (4) lack of funding and staff. Many tribal governments do not receive funding from outside sources. Most tribal governments indicated that they operate without an annual transportation budget on an “as needed” basis. Of those that have transportation budgets, most budgets are small – from $0 to $50,000.

Next steps include: (1) determine priority issue areas; (2) incorporate relevant, identified issues into the RTP update for 2007; (3) identify specific collaborative projects and funding sources; and (4) develop an institutional mechanism for collaboration on planning issues. A tribal transportation technical workshop was held on February 8, 2006, hosted by the Viejas Band of Kumeyaay Indians, to share the results of the survey with the tribal transportation managers and to discuss next steps. Transportation staff from the Bureau of Indian Affairs (BIA), Caltrans, County of San Diego, Metropolitan Transit System (MTS), North County Transit District (NCTD), and SANDAG were in attendance. Mr. Orso concluded that the relationship and partnership building is progressing. Increased coordination will ensure both regional and tribal governments needs are met. It will be important to continue efforts to improve coordination between tribal government and agencies in the region responsible for transportation planning.

Chair McCoy thanked Mr. Orso for the presentation.

Staff noted that SANDAG makes its annual trip to Washington, D.C., for lobbying efforts in March, and Chairman Smith was invited to participate. SANDAG’s lobbyist will set up meetings with the BIA and the Federal Highway Administration (FHWA) to seek more funds for tribal governments and transportation needs.

Mr. Orso noted that Caltrans will be requesting funding for the Metropolitan Planning Organizations (MPOs) in the Los Angeles and San Diego regions. He noted that the support from the SCTCA, the Reservation Transportation Authority (RTA), and SANDAG has helped to facilitate this effort.

Vice Chair Carrillo stated that the impact of the casinos in the region was not mentioned. He asked if those funds coming from the BIA can be used for roads leading to the reservations.
Mr. Orso stated that any road that takes you to a reservation, through a reservation, or is on a reservation, is eligible for Indian Reservation Roads (IRR) Program funding.

**Action:** The Committee received this item for information.

6. UPDATE ON THE 2006 SAN DIEGO REGIONAL TRIBAL SUMMIT (DISCUSSION/POSSIBLE ACTION)

Chair McCoy stated that this summit has been scheduled for a long time, and there has been a lot of preparation and hard work involved. She indicated that she is looking forward to this event.

Mr. Kevin Siva, Chairman of the RTA, updated the Borders Committee on the details of the 2006 San Diego Regional Tribal Summit. He commented that bridging communication gaps is the ultimate goal of the tribes. He pointed out that an example of the lack of communication was noticed in the previous report just given. The RTA was instrumental in the results of the survey with Caltrans, but that was not mentioned. Chairman Siva indicated that he would like to move forward and strengthen the communication. When this effort began last February, Chairman Siva came before the Borders Committee with the idea. The main reason was that the tribes wanted to have representation on the SANDAG Board. He noted that Chairman Smith (SCTCA) was recommended to sit on the Borders Committee and indicated that he will represent the tribal governments well. Chairman Siva noted that Chairman Smith came before the Borders Committee in July of last year, again requesting that the tribal governments have representation on the SANDAG Board. Chairman Smith also requested that this issue be taken to the Executive Committee for consideration. Their purpose is to gain representation on the SANDAG Board so the tribes can feel like they’re being treated fairly in the region. The tribes want to know that they can reach out to each agency for assistance if needed.

Chairman Siva mentioned that the majority of the tribes will be attending the summit and are looking forward to meeting representatives of the SANDAG Board. He welcomed all to attend.

Chair McCoy expressed the Borders Committee’s willingness to work cooperatively with the tribes.

Staff added that thanks to various efforts, Senator Ducheny has graciously agreed to participate in the Tribal Summit as the keynote speaker.

Chair McCoy thanked Chairman Siva and the RTA for their efforts in making this event happen.

**Action:** The Committee received this item for information.

7. UPDATE ON THE I-15 INTERREGIONAL PARTNERSHIP (APPROVE)

Staff mentioned that they are now in Phase II of the I-15 Interregional Partnership (I-15 IRP). SANDAG and the Western Regional Council of Governments (WRCOG) received a grant from
Caltrans to extend the I-15 IRP into a second phase to pursue medium-term strategies identified in Phase I. There are three components of this phase: economic development, transportation, and housing. A memorandum of understanding (MOU) with WRCOG to coordinate Phase II was signed recently. WRCOG is taking the lead on the economic development strategy component of the project. The Economic Development Working Group was formed, and a kick off meeting was held in December. They are meeting monthly to monitor and provide feedback on the employment cluster study. The transportation component will be a three-pronged strategy, with technical staff working group working on this effort. The three areas of this component are the County Line Study, pursuing strategies for transit coordination, and examining commuter rail expansion alternatives. Staff requested that three elected officials from the Borders Committee be identified to participate on the I-15 IRP Joint Policy Committee to receive reports on these three components and provide policy level feedback. The group would meet three times between April 2006 and January 2007 to discuss the three components and receive full status reports, drafts, and the final report.

Vice Mayor Harris-Ebert asked if there is a housing component in the I-15 corridor. Staff responded that currently, the only housing issues that are being addressed are in North County. Staff added that they have been collaborating with Palomar Hospital and the Chambers of Commerce in North County regarding this idea.

Staff mentioned that the I-15 IRP is not limited to only the I-15 corridor. It also can include SR 78 and/or SR 56. The purpose of the partnership was to address the commuters that were working in San Diego and living in Riverside.

Chair McCoy asked if any Borders Committee members would like to volunteer to serve on this policy committee. She suggested that Mayor Pro Tem Gallo (North County Inland), Vice Mayor Harris-Ebert (North County Inland), and Deputy Mayor Shari Mackin (North County Coastal) consider participating. All members agreed.

Councilmember Monroe suggested that the Borders Committee also keep Supervisor Horn informed on this issue.

Mayor Pro Tem Gallo pointed out that the timeline for this issue started without a committee and questioned how that can be possible. Staff noted that they have been working on this effort up to the point to where the policy committee can begin its work.

Councilmember Buckley (Riverside County) stated that in the past, he has been showing up at those meetings. He offered Lake Elsinore as a host for the policy committee meeting.

Councilmember Monroe commented that he is delighted to see that there is information, including transportation at the border.

Action: Upon a motion made by Supervisor Cox and a second by Vice Chair Carrillo, the Borders Committee voted to appoint three members from the Borders Committee to participate in the I-15 IRP Joint Policy Committee for the duration of Phase II to meet periodically with elected officials from WRCOG and Riverside County Transportation Commission (RCTC). Those three members are Mayor Pro Tem Gallo (North County Inland),
Vice Mayor Harris-Ebert (North County Inland), and Deputy Mayor Shari Mackin (North County Coastal).

8. NEXT MEETING DATE AND LOCATION

The next meeting of the Borders Committee will be held on Friday, March 24, 2006, at 12:30 p.m. in the SANDAG Board Room.

9. ADJOURNMENT

Chair McCoy adjourned the meeting at 2:33 p.m.
CONFIRMED ATTENDANCE
BORDERS COMMITTEE MEETING
FEBRUARY 24, 2006
12:30 p.m. to 2:30 p.m.

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ADVISORY/LIAISON MEMBERS

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