Note meeting time change to 9:30 a.m.

Friday, February 11, 2011

9:30 a.m. to 12 noon

SANDAG Board Room
401 B Street, 7th Floor
San Diego

AGENDA HIGHLIGHTS

• UPDATE ON STATE ROUTE 11 AND OTAY MESA EAST PORT OF ENTRY

PLEASE TURN OFF CELL PHONES DURING THE MEETING

YOU CAN LISTEN TO THE BOARD OF DIRECTORS MEETING BY VISITING OUR WEB SITE AT WWW.SANDAG.ORG

MISSION STATEMENT

The 18 cities and county government are SANDAG serving as the forum for regional decision-making. SANDAG builds consensus, makes strategic plans, obtains and allocates resources, plans, engineers, and builds public transit, and provides information on a broad range of topics pertinent to the region’s quality of life.
Welcome to SANDAG. Members of the public may speak to the Board of Directors on any item at the time the Board 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 the Clerk of the Board seated at the front table. Also, members of the public are invited to address the Board on any issue under the agenda item entitled Public Comments/Communications/Member Comments. Public speakers are limited to three minutes or less per person. The Board of Directors 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 the SANDAG 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 12 noon, two working days prior to the Board of Directors meeting. Any handouts, presentations, or other materials from the public intended for distribution at the Board of Directors meeting should be received by the Clerk of the Board no later than 12 noon, two working days prior to the meeting.

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1. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Public comments under this agenda item will be limited to five public speakers. Members of the public shall have the opportunity to address the Board on any issue within the jurisdiction of SANDAG that is not on this agenda. Other public comments will be heard during the items under the heading “Reports.” Anyone desiring to speak shall reserve time by completing a “Request to Speak” form and giving it to the Clerk of the Board prior to speaking. Public speakers should notify the Clerk of the Board if they have a handout for distribution to Board members. Public speakers are limited to three minutes or less per person. Board members also may provide information and announcements under this agenda item.

REPORTS (2)

+2. UPDATE ON STATE ROUTE 11 AND OTAY MESA EAST PORT OF ENTRY INFORMATION
(First Vice Chair Jack Dale, Transportation Committee Chair; Marney Cox and Tina Casgar, SANDAG; Mario Orso, Caltrans)

SANDAG and Caltrans staffs and our Mexican project partners will provide a progress report on the State Route 11 (SR 11) and Otay Mesa East Port of Entry project. The project’s draft environmental document was issued in December 2010, and work is underway to procure consultants for the traffic and revenue study and the Intelligent Transportation System predeployment study.

3. CONTINUED PUBLIC COMMENTS

If the five speaker limit for public comments was exceeded at the beginning of this agenda, other public comments will be taken at this time. Subjects of previous agenda items may not again be addressed under public comment.

+4. CLOSED SESSION - PENDING LITIGATION - PURSUANT TO GOVERNMENT CODE SECTIONS 54956.8

Properties: Parcel No. 33166-1; Estrellas Cantina and Bonsall Liquor
SANDAG Negotiators: John F. Smith, Esq., Allan Kosup (Caltrans); Julie Wiley
Property Owner Negotiators: Jalal and Sana Zora; Imelda and Ramiro Estrella
Under Negotiation: Price and terms of payment for property

5. UPCOMING MEETINGS INFORMATION

The next Board Business meeting is scheduled for Friday, February 25, 2011, at 9 a.m. The next Board Policy meeting is scheduled for Friday, March 11, 2011, at 10 a.m.

6. ADJOURNMENT

+ next to an agenda item indicates an attachment
Introduction

During the past six months SANDAG and Caltrans, in collaboration with the Mexican government and other project stakeholders, have continued to make progress to advance the Otay Mesa East - Mesa de Otay II Port of Entry (POE) and connecting roads on both sides of the border. This report describes some recently completed project milestones and highlights the coordinated binational approach to the project. In addition to SANDAG and Caltrans staff presenting to the Board of Directors, Juan Jose Erazo Garcia Cano, Director of Intermodal Border Projects for the Secretaría de Comunicaciones y Transportes (SCT), will be reporting on activities underway in Mexico.

Discussion

Project Background and Purpose

SANDAG, in cooperation with Caltrans, the U.S. General Services Administration (GSA), counterpart agencies in Mexico, and other project stakeholders, is working on developing the new Otay Mesa East POE and associated transportation network, State Route 11 (SR 11). The proposed project is located approximately two miles east of the existing Otay Mesa border crossing and will constitute a third major border crossing along the San Diego region’s border with Tijuana. The improvements on the United States side of the border are expected to cost in the range of $615 million to $715 million and are proposed to be funded through tolls, fees, and other revenues such as the Proposition 1B Trade Corridor Improvement Fund.

The need to improve our region’s border crossing capacity stems from steady growth in global and regional economic integration that squeezes ever more people and goods through border infrastructure that was sized for a much smaller and significantly less security-conscious economy. The existing San Ysidro-Puerta Mexico POE is the busiest international land crossing along the U.S.-Mexico border. The Otay Mesa-Mesa de Otay POE continues to accommodate the third highest dollar value of trade among all southern border POEs. Northbound peak wait times at these existing facilities can routinely last for more than two hours for passenger vehicles, and commercial truck drivers have often logged four hours in line.

According to the SANDAG-Caltrans study, 2007 Update: Economic Impacts of Border Wait Times in the San Diego-Baja California Border Region, the border traffic congestion and delays cost the U.S. and Mexican economies an estimated $7.2 billion in gross output (value of goods and services produced annually) and more than 62,000 jobs in 2007. The recent economic downturn dampened cross border trade flows, but for the last three quarters the regional flows have begun to climb back to the 2007 levels. A third border crossing at East Otay Mesa could reduce delays caused by traffic
congestion, better accommodate projected trade and travel demand, and increase economic growth and job opportunities on both sides of the border without sacrificing border safety and security.

**Recent Project Milestones**

**Investment Banker and Outside Legal Counsel Selected for Project**

At its May 5, 2010, meeting, the SANDAG Board of Directors directed staff to negotiate with Barclays Capital to conduct investment banking services for SANDAG on the project. Staff has since engaged Barclays Capital as the Senior Investment Underwriters for the project. The Barclays Team includes key financial experts based in California, New York City, Washington, DC, and Mexico City who have participated in numerous project meetings and worked with the project team to develop a preliminary financial strategy for the project. Staff also conducted a competitive procurement for outside legal services for the project and selected California law firm, Lindborg & Drill LLP, to provide legal counsel on project elements. Lindborg & Drill LLP has other law firms on its team, including, Capin, Calderon, Ramirez y Gutierrez-Azte, S.C., based in Mexico City, and Buchanan, Ingersoll & Rooney PC, with offices in California and Washington, DC.

**Program Development Study for Otay Mesa East POE Nearing Completion**

Caltrans and SANDAG, in collaboration with GSA, U.S. Customs and Border Protection, and Mexican counterpart agencies, have reached 75 percent completion of the Program Development Study (PDS) for the Otay Mesa East POE portion of the project. Architects Siegel and Associates are under contract to complete the PDS. The purpose of the PDS is to develop a concept, test fit, project management plan, schedule, and estimate based upon the results of the initial Feasibility Study (completed in 2007). This is necessary to support the project team’s funding/bonding budget requests for site acquisition, road improvements, design and construction and funding of the project, and to provide preliminary facility inputs into the traffic and revenue study. The PDS is expected to be complete in early 2011.

**Public Release of Draft Environmental Document**

Caltrans has been conducting the environmental studies for the development of the proposed project. On December 3, 2010, Caltrans and the Federal Highway Administration released the Tier II Draft Environmental Impact Report/Draft Environmental Impact Statement (DEIR/DEIS) for a 60-day public comment period through February 1, 2011. The DEIR/DEIS document is available at www.dot.ca.gov/dist11/envir.

**Proposals Requested for Intelligent Transportation Systems Technology Pre-Deployment Study**

A Request for Proposals was released on November 11, 2010, to conduct an Intelligent Transportation Systems (ITS) Pre-Deployment Study for the project. This study will create a Concept of Operations or blueprint for what ITS strategies should be implemented at the new border crossing. ITS components of the project include a system that will notify travelers of border wait times so they are able to choose which POE to use to help streamline traffic by minimizing congestion. Proposals were due on January 18, 2011, and consultant team interviews are scheduled to begin during the week of February 7, 2011. The RFP selection criteria requires the inclusion of a Mexico-based ITS consulting firm as part of the project team. It is anticipated that the consultant team will be under contract and begin work in spring 2011.
Developing a Binational Traffic and Revenue Study

Toll collections are expected to pay for most of the project costs on both sides of the border. To help evaluate this objective, a binational Investment Grade Traffic and Revenue Study will be undertaken and coordinated with Mexico’s SCT. The Traffic and Revenue Study is expected to provide an estimate of the toll revenue generating capacity of the entire cross-border facility over a specified period under a variety of toll pricing scenarios.

Coordinated Progress on Developing the POE Facilities and Respective Roadway Systems

Proposed plans on each side of the border include a new roadway to connect the POEs to the existing transportation system. North of the border, the U.S. project includes SR 11/Otay Mesa East POE; south of the border, the Mexico Project is referred to as Mesa de Otay Dos. The binational team is working on a branding and re-naming effort for the project, which is planned to become part of a seamless Mexican connection to the Tijuana-Rosarito Corridor, with links to the Tijuana-Tecate and the Tijuana-Ensenada toll roads in Baja California, Mexico. On the U.S. side, SR 11 will become part of the region’s 2050 vision for 95 miles of tolled facilities and high-occupancy toll lanes in San Diego County.

Next Steps

By summer 2011 the binational team expects to have preliminary results from the Traffic and Revenue Study, which will provide revenue projections that will in turn drive roadway and POE financial feasibility studies. Additionally, the preliminary Traffic and Revenue Study data will inform decisions for POE staffing, right-of-way acquisition, and ITS investments. During fall 2011, the Record of Decision (ROD) on the environmental document is expected. Assuming timely adoption of the ROD, design of the various project elements would begin to intensify. It is anticipated that in fall 2013 construction financing would be secured, and construction would begin before the end of 2013. The goal is to have the facility open to traffic by 2015.

GARY L. GALLEGOS
Executive Director

Attachment: 1. Binational Project Area Map

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                   Christina Casgar, (619) 699-1982, cca@sandag.org
SR11/Otay Mesa East/Mesa de Otay Dos
Port of Entry (POE) and Connecting Roads

Work Flow - Concept to Completion

FALL 2009

Environmental Impact Analysis
Program Development Study

SPRING 2011

Intelligent Transportation System Pre-Development Study

SUMMER 2011

United States: Traffic and Revenue Study
Mexico: Traffic and Revenue Study

FALL 2011

Financial Model and Feasibility Study

YES

SUMMER 2013

Port of Entry Design
Customs and Border Patrol Training
Right of Way Acquisition
SR11 Roadway Design
ITS Design

FALL 2013

Construction of Roadway and POE

WINTER 2013

Funding

WINTER 2015

Opening of Roadway and POE

Project Area

Otay Mesa East/Mesa de Otay New Border Crossing and Connecting Roads
Otay Mesa East/Mesa de Otay II

Project Milestones

• Enabling Legislation
• Investment Banker and Legal Counsel
• Program Development Study
• Draft Environmental Document
• Intelligent Transportation Systems Study
• Binational Traffic and Revenue Study
• POE Facilities and Respective Roadway Systems
BORDER CROSSING
MESABA DE OTAY II

February 11, 2011
Ing. Manuel Cuan Chin Yu
Subdirector de Asuntos Internacionales e Intersecretariales

PROJECT HIGHLIGHTS

- High-tech POE design for personally owned vehicles (POVs) and trucks
- First U.S.-Mexico Border Crossing with Electronic Toll Collection (ETC) and Congestion Pricing
- Traffic management approach, which includes neighboring POE travel time information (*ITS pre-deployment study in progress*)
- 36.7 hectares (90 acres) of land reserved for future growth
- Improved capacity design at access roads and interchanges
GENERAL BINATIONAL PLAN

PORT OF ENTRY LAYOUT

OTAY MESA EAST/ MESA DE OTAY II
**Border Zone:**
- A total of 35 lanes
- 27 northbound and eight southbound
- 24 lanes for POV and 11 for trucks

**Port Facility:**
- 21 separate facilities, including customs, immigration, security inspection, etc.

**Access Roads:**
- Total construction length 3.75 km
  - (2.4 miles and four lanes)
- Five interchanges
### Proposed Budget

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<th>CONSTRUCTION SITE</th>
<th>COST (pesos)</th>
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<td>Blv. Internacional Otay II</td>
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<td>Blv. Las Torres</td>
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<td>Bridge Interchange - Blv. Internacional Otay II-Highway Tijuana-Mexicali</td>
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<tr>
<td>Land Acquisition</td>
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<tr>
<td><strong>TOTAL COST</strong></td>
<td><strong>1,664,000,000</strong>*</td>
</tr>
</tbody>
</table>

*138.5M* U.S. Dollars

### Mesa de Otay II Project Status

- **Final Project Design:**
  - Border zone and port facility: 90%
  - Access roads: 90%

- **Right of Way:**
  - Acquired: 90%
    - *Estimated completion May 2011*

- **Environmental and Other Permits:**
  - Completed: 90%
    - *Estimated completion June 2011*

- **Concession Requirements:**
  - Technical, legal, financial: 90%
**BINATIONAL TRAFFIC AND REVENUE STUDY**

- SCT, CALTRANS, and SANDAG agreed to develop a joint investment grade Traffic & Revenue Study.
- A Binational committee team has 90% of scope of work developed.
- In order to accomplish administrative rules and policies for each country, two separate and simultaneous bids will be generated (SCT/SANDAG).
- Bids will be ready by spring 2011.
- A Binational committee will jointly select the consultant.

**NEXT STEPS**

- Commence Binational ITS pre-deployment strategy.
- Issue terms of reference (RFP) for Binational Traffic and Revenue Study.
- Complete right-of-way acquisition, environmental, and other permits.
- Design final, coordinated POE layouts.
- Coordinate funding strategy for project.
- Determine estimated initial construction date.
Project Development Schedule

**Fall 2008**
- Environmental Impact Analysis
- Program Development Study

**Spring 2011**
- Intelligent Transportation System Pre-Development Study
- Traffic and Revenue Study

**Summer 2011**
- Financial Model and Feasibility Study

**Fall 2011**
- Funding

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**Project Development Schedule**

**2011-2013**
- Port of Entry Design
- Customs and Border Protection Training
- Right-of-Way Acquisition
- SR 11 Roadway Design
- ITS Design

**Fall 2013**
- Funding

**Winter 2013**
- Construction of Roadway and POE

**Winter 2015**
- Opening of Roadway and POE