The regularly scheduled meeting of the San Diego Association of Governments Borders Committee was held jointly with the Committee on Binational Regional Opportunities (COBRO) and called to order at 12:39 p.m. by Borders Committee Chair Patricia McCoy (South County) and COBRO Chair Dr. Paul Ganster.

Chair McCoy welcomed meeting attendees to this joint meeting and asked for self introductions. The attendance sheet for the meeting is attached.

1. APPROVAL OF MEETING MINUTES

a. COBRO – April 5, 2005 Minutes. Upon a motion by Elsa Saxod and a second by Angelika Villagrana, COBRO unanimously approved these minutes.

b. Borders Committee – April 15, 2005. Upon a motion by Vice Mayor Pia Harris-Ebert (North County Inland) and a second by Deputy Mayor Crystal Crawford (North County Coastal), the Borders Committee unanimously approved the April 15, 2005, minutes.

c. Joint Tour of the Borders Committee and COBRO – May 20, 2005. Upon a motion by Sergio Pallares and a second by Miguel Tapia, COBRO unanimously approved these minutes. Deputy Mayor Crawford (North County Coastal) noted a correction to the attendance for the joint tour on May 20, 2005. She said that Mario Orso and Bill Figge from Caltrans were in attendance. Upon a motion by Supervisor Greg Cox (County of San Diego) and a second by Deputy Mayor Crawford, the Borders Committee unanimously approved the minutes of the May 20, 2005 joint tour as amended.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Greg Thompson, Bureau of Land Management, said that there is a national Department of Interior Border Field Coordinating Committee that meets twice a year to address binational opportunities and issues. Cross border conservation is one issue. It looks like an April 2006 meeting will be held in either Calexico, Mexicali, or in San Diego. He suggested that
someone from SANDAG be scheduled on this meeting agenda to discuss the tour observations. Chair McCoy referred this request to staff.

REPORTS

3. ESTIMATING ECONOMIC IMPACTS OF BORDER WAIT TIMES AT THE SAN DIEGO-BAJA CALIFORNIA BORDER REGION (INFORMATION)

Chair McCoy stated that the joint tour of the Otay Mesa area provided insight into the various activities and the magnitude of commercial goods movement at the Otay Mesa Commercial Port of Entry. This report will enhance our understanding of some of the economic impacts on our binational region caused by people who cross the international border. Chair McCoy pointed out that this is the first time that we will have a tool to measure the impacts of border wait times.

Dr. Paul Ganster, Chair of COBRO, said he was pleased to participate in this joint meeting. He explained that part of COBRO’s mission is to advise the Borders Committee on binational issues. Past studies have evaluated the binational region’s economic interdependence, but none have been as comprehensive and conclusive as this study. This information will be a tool to provide valuable information to decision makers who help make border policy and implement projects to decrease border wait times such as the SENTRI program, new ports of entry, new technology, staff, and infrastructure.

Vice Mayor Harris-Ebert expressed her appreciation for the tour.

Councilmember Lesa Heebner (North County Coastal) agreed it was an educational tour. She was stunned about the opportunity for improved planning in that area. She asked staff to consider how planning in this area could be improved to make it a showcase for San Diego.

Deputy Mayor Crawford said that she was glad the Orange County representative, Councilmember Debbie Cook (City of Huntington Beach), could join them on the tour. Ms. Cook asked very good questions about the City of San Diego’s planning for the area, and she had valuable comments to offer. Ms. Crawford mentioned that Maxx Stalheim, San Diego City Planner, was open to input they might provide. She thought that we should share our observations to those folks involved in the planning of that area.

Councilmember Phil Monroe (South County) said that with the new San Diego County Regional Airport Authority, there is a new kid on the block with an Airport Community Plan. He said that Brown Field is now considered a community airport. City planning requirements are different from the Airport Authority’s requirements. Chair McCoy referred this issue back to staff.

a. Background of the Study

Elisa Arias, Senior Planner, reported that Caltrans, in conjunction with SANDAG, has been conducting a study to estimate the impact of border delays on the economy of the San Diego and the northern Baja California border region. The study assessed economic impacts due to border wait times on cross-border tourists, shopping, and
work trips, and in the future we will assess the delays’ impacts on freight movement and trade between the United States and Mexico. With the assistance of a consultant, HLB Decision Economics, SANDAG has developed an economic impact model to assess the impacts of delays at the San Diego region – Baja California ports of entry (POEs). An ad hoc working group was formed, and it has met several times. Working group members have shared their experiences with staff and the consultant. Surveys were conducted of border crossers at the three border entry points between November 2004 and February 2005. More than 3,600 surveys were conducted on weekdays and weekends during holiday and non-holiday periods. Cross-border travelers were asked about the characteristics of their trip, including origin and destinations, expected wait time at the border, the sensitivity to delays, expenditures at their destination, and lost work hours due to delays. This information was key in developing the economic impact model.

Mrs. Arias introduced Dr. Khalid Bekka, Vice President of HLB Decision Economics, to make the presentation.

Action: The Committee received this item for information.

b. Results of the Economic Impact Model

Dr. Bekka discussed three points: an overview and the objectives for the study, study success factors, and the findings of economic impacts of border wait times. The primary objective was to highlight the significance of delays at the border. Most of the different processes have been looking at this information from a national security perspective and facilitation perspective, but not from a local and regional economic impact perspective. This study deals with two main categories of crossborder travel. The first one is personal travel, and the second, which is underway, relates to freight movement. The initial results pertain to cross-border personal travel. A characteristic of this study is the ability to address changes in wait times to provide decision makers the information with which to address further delays and the resulting economic input. This model is a tool that will help stakeholders take a look at the impacts if delays get worse or the situation improves.

Dr. Bekka reviewed the study success factors. About 3,600 observations were made of crossers living on both sides of the border. He stated that the survey included a risk analysis to account for any uncertainties. There was a plus or minus two percent error rate, so it is a good sample to represent the border populations. He also said that there was continuous involvement by a panel of experts and stakeholders.

Dr. Bekka stated that having an efficient border is critical for cross-border travel. More than 60 million trips are made across the border annually, and over half of those trips are for shopping or recreation. Another 10 million trips are made for work or business, and more than 90 percent of the cross-border trips are local. This is an important fact because the economic impacts of personal travel crossings are local.
He presented a graph that showed the destination among those who live in Mexico. Two-thirds of the travel north of the border was destined for South County locations. The destinations of those who live in the United States mostly went to the Tijuana region.

The expected wait time from the survey results showed a broad distribution. Almost half of those interviewed stressed that the wait time is over 45 minutes, and the other half indicated that the wait time is below 45 minutes. The border wait time is unpredictable, and that unpredictability is more important than the wait time itself. Survey respondents felt that it is better to know how much wait time to expect rather than having to include a buffer time for travel.

Dr. Bekka reviewed the economic impact of wait times to the San Diego region. At an average wait time of 45 minutes, more than 8 million trips are lost, $1.28 billion potential revenues are lost, and 3 million potential working hours and $42 million in wages are lost. The total economic impact is between $2 billion and $2.5 billion, plus between 28,000 and 35,000 jobs.

Dr. Bekka then presented the economic impact of wait times to the Baja California region. At an average 45-minute wait time, more than 2 million trips were lost, $120 million in potential revenues were lost, and more than 500,000 potential working hours and $10 million in wages are lost. The total economic impact is between $100 million and $230 million, with a job loss of 800 to 1,900.

Mayor Pro Tem Ed Gallo (North County Inland) asked about the 8 million trips lost for the San Diego region. Dr. Bekka explained that when people were interviewed, they were asked how long they would wait before they decided not to cross the border. This determined how sensitive people are to various wait times. From the study results, the sensitivities are low. That sensitivity was used and applied backward to determine what would happen if we didn’t have a wait today. The 8 million number was a conservative estimate. People who are willing to wait are less sensitive to the wait time.

Mayor Pro Tem Gallo asked if the wait time was reduced to a consistent 15 minutes would you expect a gain of crossers. Dr. Bekka replied affirmatively.

Dr. Bekka said that for the revenue loss, we used the loss from people not coming into the San Diego area and offset it with the gain from those people spending money in their own area.

Dr. Bekka noted that the combined regional economic impact was a loss of $2.428 billion, a loss of $1.019 billion in labor income, and a job loss of 32,821, and that a 15-minute increase in wait time would lead to an additional billion dollar loss in output and 13,000 lost jobs.

Deputy Mayor Crawford questioned the time of year taken for the surveys. Dr. Bekka responded that the timing of the survey was intentional. We originally
were going to conduct two surveys, one during holiday time and one in the off season, but in the end we weighted the samples.

Gary Gallegos, Executive Director, said that the impact would be equal to holding six or seven Super Bowls in San Diego every year or twice the impact of the Convention Center. Related to the number of job losses, it would equate to having several other Qualcomms in the region.

Supervisor Cox stated that on the Summary Table 2 on page 6, the total impact of employment for San Diego County is 31,454 jobs, and the total for the State of California is 31 jobs less. Dr. Bekka explained that the impact is primarily related to the impact area and as the area is widened, the job loss is made up by other areas having job increases.

Councilmember Thomas Buckley (Riverside County) asked whether a fast border crossing is good for San Diego but a slow border crossing is better for the state. Dr. Bekka replied that if people lost their jobs because of retail closures, there is a direct impact of this loss. However, the model looks at what is going on in Orange County, and if there are jobs in Orange County, that offsets the local loss. It depends on what is happening in a particular region. A slow border hurts everyone.

Dr. Ganster said that Phase 1 looked at personal trips, and the next phase will pick up the freight movements. Then we will have a more complete picture of the region. This survey provided good information on workers who commute across the border. He asked if the survey provided the types of employment and wage ranges.

Dr. Bekka answered that the survey asked questions about type of industry and income ranges. He did not have those details with him. He pointed out that not all the jobs were low-income jobs. The second part of the study on freight movement will have more state and national implications due to trade.

Councilmember Monroe said that he heard this briefing previously by Mrs. Arias, and there was a lot more detailed information presented at that time. The survey provided valuable information, and it seemed to him that this group ought to get more details. He asked that when staff reports back with the freight segment, it also bring back more details about the personal travel as well.

Angelika Villagrana with the San Diego Regional Chamber of Commerce stated that this is fabulous information to have, especially when going to Washington, D.C. She asked how security efforts might affect this information with the opening of a third SENTRI (Secure Electronic Network for Travelers Rapid Inspection) lane at the San Ysidro POE. Dr. Bekka stated that the model is flexible enough to be updated. It is based on whatever process is implemented at the border. The down side is that there is a high potential for growth on both sides of the border, and it is hard to keep up from the supply side with that kind of growth. This problem is so big that a few additional SENTRI lanes will not have a significant impact. This region has an important challenge and has to do something drastic.
Mr. Gallegos mentioned that often when you conduct a study, it gives you only a snapshot. The idea was to develop an econometric model that we can continue to calibrate and update on a continuous basis to arm you with data.

Supervisor Pam Slater-Price (County of San Diego) commented that more United States citizens are residing in Mexico due in part to changes in land ownership laws. You can now get title insurance and financing. She said that there are about 14,000 North Americans living in Cabo San Lucas. Dr. Bekka noted that this underlines the importance of the border wait time.

Elsa Saxod, Binational Affairs, City of San Diego, stated that she had the pleasure of attending a meeting with ImPlan; the City of Tijuana's planning organization. She suggested that we begin to work on a joint planning document that begins to address some of these issues and opportunities. The Mayor of Tijuana only has two and a half years left on his term, so there is a time constraint. This would have to be referred to staff.

Chair McCoy agreed this was a good idea because our economies are intertwined. If we don't plan for this region then someone else from a higher level will. We should direct this to staff with a certain amount of urgency. Mr. Gallegos stated that planning is not the problem; it's that there are not enough resources to get the work done. One of the questions asked in the surveys was if crossers would be willing to pay to cross the border. About 60 percent of those responding said they would pay $3 to cross the border, 15 percent said they will sometimes, and only 26 percent would not pay a fee to use a new port of entry in Otay Mesa east.

Supervisor Slater-Price said that Senator Feinstein proposed a $1 border fee some years ago.

Deputy Mayor Crawford stated that as we go back to Washington, D.C., to ask for money, we should develop a plan to finance this effort. She asked about the next steps to ensure that we get infrastructure improvements on the Mexican side of the border and if a toll situation could occur on both sides of the border. She also wondered how we can take this data and apply it toward implementing a new border crossing and how soon can we do that. Mr. Gallegos responded that this is the kind of information we can put on the legislative agenda. We would need authority at both the state and national level to implement a border crossing fee. He noted that we have had discussions with the state of Baja California and the municipal government in Tijuana. There is also the opportunity to have a binational public/private partner to assist with this concept.

Mayor Pro Tem Gallo welcomed Robert Smith as this is the first time the tribal governments have been represented in their role as Ex-Officio members.

David Perez-Tejada from the City of Mexicali asked how feasible it would be to do this survey in Mexicali. He thinks there is a huge impact to Imperial County as well. He pointed out that there is not even a SENTRI lane at the Imperial Valley/Mexicali border crossing. They will start working on a border crossing, but there is no date...
for implementation. If we conduct this type of a survey for the Imperial Valley/Mexicali region, we would be able to get more state and federal funding. It is about coordination. We need to take the outcome of this economic impact analysis to the higher levels of the government.

Mark Baza from Caltrans said that Caltrans will be pursuing such an effort in the Imperial County/Mexicali area.

Arnold San Miguel from the Southern California Association of Governments (SCAG) asked that staff give this presentation to SCAG’s Southwest Compact Task Force meeting on July 6. He thought that this is a golden opportunity for something to be a benefit on both sides of the border.

Action: The Committee received this item for information.

c. Next Steps

Deputy Mayor Crawford asked about the next steps. Mr. Gallegos suggested that the Borders Committee direct staff to draft options and bring them back to the Borders Committee to consider and debate. He encouraged the Borders Committee to stay focused. He thought that new border crossing would be a good opportunity to use this information.

Dr. Ganster indicated that COBRO will dovetail SANDAG staff efforts. We will be working on improving coordination with ImPlan and Mexico and will work closely on this as there is a sense of urgency.

Councilmember Buckley summarized the items for direction to staff: conduct a feasibility study of the toll program; look at potential public/private partnership options; the new border crossing; and outlining a framework for joint planning across the border.

Supervisor Cox mentioned that several months ago while in Washington, D.C., there was a discussion about the potential of having a toll crossing at a limited number of locations. He stated that this was a discussion topic at a meeting between U.S. President Bush and Mexican President Fox. However, he thought they were more concerned about the crossing fee revenue going to operational costs from a security and customs standpoint as opposed to funding infrastructure.

Mr. Pallares stated that at the federal staff level, there is a paper about to be released of a proposal for a low-risk port of entry for the state of Texas. We would have to see what it would take to build a new port of entry here under those conditions. It will be requested that a similar study be conducted for Otay Mesa within the next two years.

Gary Brown, City of Imperial Beach, asked how realistic it would be to submit a bid for the Olympics jointly between the San Diego region and Tijuana. He also wondered why the airport south of our border is not considered in the study to
relocate the airport at Lindbergh Field, except you would need quick entry across the border. Supervisor Slater-Price stated that in the 1990s there was a study of a binational airport, and for different reasons it never took off.

Dr. Ganster pointed out that another important partner, Carlos Lopez, Secretariat of Infrastructure and Urban Development of the State of Baja California, has arrived, and he will be involved in terms of planning along the border.

**Action:** The Committee received this item for information and directed staff to identify next steps for the planning and implementation of border transportation infrastructure, following the completion of the Economic Impacts of Border Wait Times Study.

4. **NEXT MEETING DATE AND LOCATION**

The next meeting of the Borders Committee will be held at 12:30 p.m. on Friday, July 22, 2005, at the SANDAG Offices in the Board Room. Please note this is the new Committee meeting schedule. This and future meetings will be held on the fourth Friday of each month.

5. **ADJOURNMENT**

Chair McCoy adjourned the meeting at 1:49 p.m.
## CONFIRMED ATTENDANCE
### BORDERS COMMITTEE MEETING
**June 17, 2005**
**12:30 p.m. to 2:30 p.m.**

<table>
<thead>
<tr>
<th>GEOGRAPHICAL AREA</th>
<th>JURISDICTION</th>
<th>NAME</th>
<th>MEMBER/ ALTERNATE</th>
<th>ATTENDING</th>
</tr>
</thead>
<tbody>
<tr>
<td>South County</td>
<td>City of Imperial Beach</td>
<td>Patricia McCoy (Chair)</td>
<td>Member</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>City of Coronado</td>
<td>Phil Monroe</td>
<td>Alternate</td>
<td>✓</td>
</tr>
<tr>
<td>Imperial County</td>
<td>County of Imperial</td>
<td>Victor Carrillo (Vice Chair)</td>
<td>Member</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>City of Calexico</td>
<td>David Ouzan</td>
<td>Alternate</td>
<td>✓</td>
</tr>
<tr>
<td>North County Coastal</td>
<td>City of Del Mar</td>
<td>Crystal Crawford</td>
<td>Member</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>City of Solana Beach</td>
<td>Lesa Heebner</td>
<td>Alternate</td>
<td>✓</td>
</tr>
<tr>
<td>North County Inland</td>
<td>City of San Marcos</td>
<td>Pia Harris-Ebert</td>
<td>Member</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>City of Escondido</td>
<td>Ed Gallo</td>
<td>Alternate</td>
<td>✓</td>
</tr>
<tr>
<td>East County</td>
<td>City of La Mesa</td>
<td>David Allan</td>
<td>Member</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>City of Lemon Grove</td>
<td>Jill Greer</td>
<td>Alternate</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ralph Inzunza</td>
<td>Member</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Brian Maienschein</td>
<td>Alternate</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Greg Cox</td>
<td>Member</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Pam Slater-Price</td>
<td>Alternate</td>
<td>✓</td>
</tr>
</tbody>
</table>

### ADVISORY/LIAISON MEMBERS

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>COBRO</td>
<td></td>
<td>Dr. Paul Ganster</td>
<td>Member</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cindy Gomppers-Graves</td>
<td>Alternate</td>
<td>✓</td>
</tr>
<tr>
<td>County of Riverside</td>
<td>City of Lake Elsinore</td>
<td>Thomas Buckley</td>
<td>Member</td>
<td>✓ ✓ ✓</td>
</tr>
<tr>
<td>Republic of Mexico</td>
<td>Consul General of Mexico</td>
<td>Luis Cabrera Cuaron</td>
<td>Member</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>Deputy Consul</td>
<td>Ricardo Pineda</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>Deputy Consul</td>
<td>Lydia Antonio</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Caltrans</td>
<td></td>
<td>Pedro Orso-Delgado</td>
<td>Member</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Bill Figge</td>
<td>Alternate</td>
<td>✓</td>
</tr>
<tr>
<td>San Diego County Water Authority</td>
<td></td>
<td>Howard Williams</td>
<td>Member</td>
<td>✓</td>
</tr>
<tr>
<td>County of Orange</td>
<td></td>
<td>Debbie Cook</td>
<td>Member</td>
<td>✓</td>
</tr>
</tbody>
</table>