

TEXAS DEPARTMENT OF TRANSPORTATION

BORDER TRADE ADVISORY COMMITTEE  
MEETING

Dewitt C. Greer  
State Transportation Building  
Ric Williamson Hearing Room  
125 E. 11th Street  
Austin, Texas 78701

Tuesday,  
August 12, 2025

COMMITTEE MEMBERS:

Jane Nelson, Presiding Officer  
Rafael M. Aldrete (by Swapnil Samant)  
Mayor Alvaro "Al" Arreola (by Michael Garcia)  
Jon Barela  
Luis Alfredo Bazán  
Eduardo Calvo  
Luis M. Diaz (absent)  
William Dietrich (absent)  
Nicholas English  
John Esparza (by Jerry Maldonado)  
Raquel Espinoza  
Dante Galeazzi (absent)  
Teclo J. Garcia  
Ruben Garibay  
Cynthia Garza (by Victoria Brewster)  
Jake Giesbrecht  
Maria-Elena Giner (absent)  
Iliana Holguin  
Lisa Loftus-Otway (by Susanna Gallun)  
Marga Lopez  
Stan Meador  
Michael Medina  
Daniel Mendoza (absent)  
Jason Modglin  
Kyle Morgan  
Juan Olaguibel (by Arturo Madero)  
Gerardo "Gerry" Schwebel  
Pete Sepulveda, Jr. (by Eric Davila)  
Roberto Tinajero  
Mayor Victor Trevino (absent)  
Mayor Aaron Valdez  
Sam Vale  
Cameron Walker  
Carlos Yerena (absent)

*ON THE RECORD REPORTING*  
*(512) 450-0342*

Also Present:

Fernando Alba  
Andy Brown  
Andrew Canon  
Sergio Guajardo Castellanos  
Marvina Cephas  
Carlos Ealy  
Sarah Eckhardt  
Humberto "Tito" Gonzalez, Jr.  
Marco Gonzalez  
Susan Harper  
Hugo Hernández  
Humberto Hernández-Haddad  
Bobby Janecka  
Claudia J. Lagos-Galindo  
Jerry Maldonado  
Ana Lidia Martinez  
Caroline Mays  
Alejandro "Alex" G. Meade III  
Alvin New  
Krishna Satti  
Wesley Starnes  
Dr. Marco González Valdez  
Sergio Vasquez  
Kirk Watson  
Marc Williams  
David Zapata

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P R O C E E D I N G S

(8:37 a.m.)

SECY. NELSON: Good morning, everyone. We will begin the Border Trade Advisory Committee meeting. Thank you all for being here. Your presence and engagement are vital to the success of today's discussion, and we truly appreciate your participation.

Now, because safety is our top priority, I would like to begin by inviting Marvina Cephas, International Trade and Border Planning Coordinator at the Texas Department of Transportation, to provide a brief safety overview.

MS. CEPHAS: Good morning, everyone. Great.

(Video plays.)

MS. CEPHAS: Thank you. Today's meeting -- today's safety minute will be about Texas schools. Yeah.

A few tips that we all need to follow: obey school zone speed limits, be aware that traffic patterns around school zones may change since the last year, stop and yield for people in crosswalk, stay alert and put your phone away.

Watch for children darting into the street or between vehicles. Stop for school bus stop signs or flashing red lights. Just a reminder: in 2024, there were 781 traffic crashes in Texas school zones, resulting in two deaths and 17 injuries.

1                   Thank you.

2                   SECY. NELSON: Good job. Thank you.

3                   I want to thank everybody for your  
4 participation in the Border Trade Advisory Committee. I  
5 am Jane Nelson, Texas Secretary of State, and it is my  
6 privilege to chair this Committee and to officially  
7 welcome you to our BTAC meeting here in Austin.

8                   Before we begin, I want to take just a moment  
9 to acknowledge the recent passing of Texas Transportation  
10 Commission Chairman Bruce Bugg. I don't know how many of  
11 you knew him, but I've known him for years, and he was  
12 such a fabulous Texan. He was committed. He played a  
13 critical role in advancing transportation initiatives,  
14 supported trade and mobility throughout our state,  
15 especially along the Texas-Mexico border.

16                  I worked with him on many issues throughout the  
17 years, and he will be sorely missed. And we couldn't  
18 possibly be in this meeting today without acknowledging  
19 his many, many contributions. I can tell you Bruce Bugg  
20 was one of the good guys, and we'll miss him.

21                  We are all grateful for his leadership and his  
22 legacy. And I know there will be a service for him, and  
23 it will be announced, but I want to begin this meeting by  
24 acknowledging Bruce and all his many contributions.

25                  Well, as you know, the Legislature met earliest

1 this year and many of our members were busy testifying and  
2 tracking important legislation. And now, the  
3 responsibility falls on many of us to ensure that policy  
4 changes are implemented effectively, for the benefit of  
5 our great state, and that's why we're gathered in Austin  
6 for this meeting. We're going to review the outcomes of  
7 the 89th Legislative Session and assess what next steps  
8 are needed to strengthen trade, to strengthen supply  
9 chains and infrastructure across the Texas-Mexico border  
10 region. By working together to turn legislation into  
11 action, we can continue driving Texas forward, enhancing  
12 global competitiveness, and ensuring that our state  
13 remains a leader on the world stage.

14 We do have a full agenda today, and I want to  
15 be sure that we stay moving forward, on time. I ask  
16 everybody to respect each other's time. I sincerely  
17 appreciate your commitment on staying focused, to make  
18 sure that our time spent together is used wisely.

19 I want to take a moment to recognize several  
20 state officials who are here with us today and  
21 international guests, many international guests who have  
22 joined us today, on both sides of the border, by the way.

23 I would ask you to hold your applause until all of the  
24 introductions are complete.

25 I want to begin by introducing a very dear

1 friend, a former colleague of mine, and I want to express  
2 our sincere appreciation to the mayor of this great city,  
3 Senator -- well, Mayor Kirk Watson, former Senator Kirk  
4 Watson. And we're going to give him an opportunity to  
5 speak later.

6 But Senator -- Mayor Watson, we're going to  
7 talk later, but Mayor, thank you for welcoming us to  
8 Austin, and it's always a pleasure to be in such a vibrant  
9 and forward-thinking city and a place that plays such an  
10 important role in shaping Texas's future.

11 We also have with us Texas Transportation  
12 Commissioner Alvin New. Thank you for being here. Wave  
13 your hand, okay. Y'all talk in a minute.

14 (General laughter.)

15 SECY. NELSON: Texas Transportation  
16 Commissioner Alejandro "Alex" Meade, I appreciate you  
17 being here with us today and not missing a single meeting  
18 ever. I mean, I am so impressed.

19 Marc Williams, Executive Director of TxDOT --  
20 down there. He's waving.

21 We do have several elected officials from the  
22 state of Texas here today, as well as representatives of  
23 officials who could not make it. I am especially excited  
24 to see another one of my former colleagues from the Texas  
25 Senate here today, Senator Sarah Eckhardt. It is truly a

1 pleasure to welcome you here today.

2 And Senator Zaffirini, the Dean of the Texas  
3 Senate, was here last night at the reception. She wasn't  
4 able to make it here today, but we were happy to have --  
5 be with her last night.

6 Travis County Judge Andy Brown, thank you for  
7 joining us, once again, and this is the second consecutive  
8 meeting you've attended. We keep track of these things.  
9 And I sincerely appreciate your continued support and  
10 active participation.

11 We are pleased to welcome Cassy Garcia, Deputy  
12 State Director for U.S. Senator Ted Cruz. Thank you for  
13 being here with us today.

14 Also joining us is Jim Morales, Legislative  
15 Director of Senator Donna Campbell. Thank you for coming.  
16 He's right there.

17 We're happy to be joined by Mike O'Connor,  
18 Chief of Staff to Representative Maria Lucia "Lulu"  
19 Flores. Thank you for attending our meeting.

20 From other State agencies, I want to welcome  
21 Commissioner Bobby Janecka from the Texas Commission on  
22 Environmental Quality. Commissioner, ah ha, he's right  
23 there. And boy, he comes to these meetings too. He knows  
24 where it's at.

25 Larry McManus, Director of Business and



1 Community Development, and Shirley Temple, International  
2 and Existing Industry Team Lead from the Texas Economic  
3 Development and Tourism Office. Thank you both for being  
4 us today and the important work that you do to promote  
5 Texas's global competitiveness.

6 We have quite a few international diplomats  
7 joining us today. I would like to introduce Mexico's  
8 Consul General in Austin, Humberto Hernández-Haddad. He  
9 was at the reception last night. He's got a front row  
10 seat right there.

11 Thank you, Consul General Haddad, for your  
12 presence today.

13 We're pleased to welcome Canada's Consul  
14 General in Dallas, Susan Harper. Thank you for being with  
15 us.

16 I want to offer special recognition to our  
17 colleagues from Mexico's state governments who are with us  
18 today, Marco González, Secretary of Regional Agriculture  
19 Development for the State of Nuevo León. Marco.

20 Fernando Alba, Undersecretary of Industry,  
21 Mining, and Energy for the State of Chihuahua.

22 Sergio -- I was doing so well, Carlos -- Sergio  
23 Guajardo -- how'd I do? Okay. Undersecretary of  
24 Sustainable Development, Competitiveness, and Border Trade  
25 of the State of Tamaulipas.

1           And Ana Lidia Martinez, Representative of the  
2       State of Coahuila. How'd I do? Good.

3           Your partnership with the State of Texas is  
4       invaluable, and we are so pleased to have so many of our  
5       partners, our international partners. We are here to  
6       advance our priorities along the border.

7           Now, before we move on to attendance, I want to  
8       thank the Texas Department of Transportation for hosting  
9       today's BTAC meeting in this beautiful and historic  
10      facility. I was reading the historical marker as I walked  
11      in, and this building is just gorgeous and so historical.

12          So we're going to start with a few brief --  
13      note the word, brief -- remarks before the Committee. And  
14      I want to recognize first Mayor/Senator Watson.

15          I'm so pleased that you were able to join us.

16          MAYOR WATSON: Well, thank you, Madam Secretary  
17      and Madam Chair. I just want to very -- as you point out,  
18      very briefly, because it doesn't take long for me to say  
19      welcome to every -- to all of you, to Austin, Texas, for  
20      this very important work. Everyone that's here is playing  
21      a special role in what we need to be paying attention to,  
22      and that is trade.

23          And I want to say a special thanks and welcome  
24      to our friends from Mexico and Canada. We've met in the  
25      Mayor's Office to talk about this sort of -- these sorts

1 of issues.

2 So Madam Secretary, you know I start a lot of  
3 my speeches by saying it's a great day to be in Austin,  
4 Texas. Well, having all of you makes this a great day in  
5 Austin, Texas. So welcome and know that this city is open  
6 and embracing what it is that you're doing, if we can be  
7 helpful to you.

8 Thank you.

9 SECY. NELSON: Thank you, Mayor.

10 Next, we want to recognize Senator Sarah  
11 Eckhardt, and I greatly appreciate your taking the time to  
12 come over personally and visit with us.

13 SEN. ECKHARDT: Well, you're going to get the  
14 cavalcade of elected officials. And I know part of the  
15 reason for you inviting us here is it's because it informs  
16 us about your needs. So thank you for this nifty little  
17 packet here, deeply appreciated.

18 So I'm State Senator Sarah Eckhardt. I  
19 represent this area, along with my esteemed colleagues,  
20 Mayor Kirk Watson and County Judge Andy Brown. I deeply,  
21 deeply appreciate the work that you all do.

22 As we have often said, and I know we share --  
23 I'm preaching to the choir here -- I look forward to  
24 working with you on this -- that all transportation must  
25 be about moving not only vehicles, but people, goods,

1 services, information. And there is a tremendous flow of  
2 people, goods, services, and information across our  
3 international border.

4 Just looking at your statistics here, 553  
5 billion in trade passing through Texas, 840 billion U.S.-  
6 Mexico trade, and 281 billion Texas-Mexico trade. And  
7 over 5 million jobs tied to U.S.-Mexican trade. Wow.

8 So I look forward to working with you all in  
9 making sure that we have the most robust and most  
10 comprehensive view of moving people, goods, services,  
11 information, and ideas back and forth across our  
12 international border for maximum effect. So thank you  
13 deeply for all that you do.

14 SECY. NELSON: Thank you, Senator, for taking  
15 your time to come. And I have a request -- Mayor, you can  
16 help me with this too. I truly, when I was in the  
17 Legislature, did not fully appreciate the value of this  
18 Committee and all the work they do.

19 And I don't think we talk -- I don't think the  
20 Legislature talks enough about this Committee and the good  
21 work they do. It is -- of all the things I've ever done,  
22 I think I enjoy the discussions here, the communication  
23 that takes place, from all of the people from, you know,  
24 both sides of the border and our neighbors to the north.

25 The discussions we've had have been invaluable,

1 the friendships we've made. I mean, it's been really,  
2 really of great benefit and value, and I wish we'd talk  
3 about it more in the Legislature, so --

4 MS. ECKHARDT: Sure. Educate us. Educate us  
5 and make us think it's our idea.

6 SECY. NELSON: Good.

7 (General laughter.)

8 SECY. NELSON: Great. Next, we'd like to hear  
9 from our Travis County Judge, Andy Brown, for his remarks.

10 JUDGE BROWN: All right. Well, welcome to  
11 Travis County. *Bienvenidos*, welcome, to Travis. I'm so  
12 proud to represent this great county and to welcome y'all  
13 to it.

14 And I am also so thankful of our great  
15 relationship that we have with Mexico and Canada. Our  
16 great trade and our great relationship with the people of  
17 Mexico, I think, improves our county. It helps us thrive  
18 here. So thank you for the great work of this Commission  
19 on helping to make that flourish.

20 We have great employers here, from Samsung to  
21 other companies that also thrive in part because of the  
22 great trade relationship that we have with Mexico. So  
23 thank y'all for your work here today.

24 Thank you, Madam Secretary, for having me here  
25 today. Appreciate it.

1                   SECY. NELSON:  Sí.  Now, I want to recognize  
2                   Texas Transportation Commissioner Alejandro "Alex" Meade.

3                   COMMISSIONER MEADE:  Good morning, everyone.  
4                   Thank y'all for coming today.  You know, Secretary, one of  
5                   the things, as you know, that I got to do last year was,  
6                   tour the state of Texas and go to every TxDOT district  
7                   that we have.

8                   And one of the things that I learned, not  
9                   just -- or I guess I could say, one of the things that was  
10                  validated, having been a former city manager, is that  
11                  finding funding is easy; finding consensus is hard.  And  
12                  so I'm glad to see that we have a consensus on how  
13                  important and vital the border is to the Texas economy.

14                  You know, we've got 32 counties along the  
15                  U.S.-Mexico or the Texas-Mexico border.  We have 454  
16                  active contracts right now, totaling about \$4.8 billion of  
17                  construction, maintenance, and alternative delivery  
18                  projects.

19                  And I have to say that that was led by Chairman  
20                  Bugg, you know, and that he was a true champion to the  
21                  border.  In fact, I got to host Chairman Bugg when I was a  
22                  city manager.  And you know, for years, we didn't have  
23                  representation on TxDOT, per se, right?

24                  But he was always our champion.  He was a guy  
25                  that we would go to, to get the support.  And so he will

1 be missed, but everything that I just mentioned regarding  
2 the contracts and the investments have been under his  
3 lead. And we will miss him and we appreciate him.

4 Thank you.

5 SECY. NELSON: Commissioner New.

6 COMMISSIONER NEW: Well, you just heard from  
7 the important Commissioner, so I'll try to be brief. The  
8 only thing I really want to spend just a little time on  
9 is, I want you to know I have been on the train from  
10 Topolobampo to Chihuahua City, through Copper Canyon. I  
11 have been quite a few times to Torreón, to Parras, to  
12 Monterrey, just spending time as a mayor working on Ports  
13 to Plains, working on trying to get trade through my city  
14 at that time, 2009 to 2013.

15 So I have a heart for making sure that we do  
16 everything we can to have trade with Mexico. Obviously,  
17 spent some time in -- I grew up in Pecos, Texas in West  
18 Texas. So Presidio is not a place that's foreign to me.  
19 And so I just want you to kind of know that about me.

20 And then I want to spend the rest of my time  
21 telling you that what Alex said is absolutely the truth.  
22 Bruce Bugg, more than one time, from the dais said, being  
23 from San Antonio, he had a soft spot for the Valley. And  
24 so you always had a representative when Bruce came on  
25 board in 2015 to the Transportation Commission. So he was

1 a -- you know, a thinker and a listener and a great  
2 leader, and did a really fine job.

3 So I'm gonna miss Bruce on multiple levels.  
4 Anyway, I wish the best for his family and peace to them,  
5 going through this process.

6 You know, the last thing I want to say is, the  
7 work that you do here is on your time and we really  
8 appreciate that. This is a vibrant group, and it's a  
9 group that works at this, and it's also fun. The energy  
10 that you see at a reception, the energy that you see or  
11 that I saw this morning right before the meeting started,  
12 those things are what make life work as you move forward,  
13 because the relationships are what keep things moving,  
14 with and without the Committee.

15 So thanks for what you do and thanks for being  
16 here.

17 SECY. NELSON: Thank you. Well said. It's a  
18 fun group.

19 Next, we're going to recognize Mexico's Consul  
20 General in Austin, Consul General Haddad.

21 CÓNSUL GENERAL HERNÁNDEZ-HADDAD: Good morning,  
22 distinguished members of this Border Trade Advisory  
23 Committee. We all agree for sure that, if someone  
24 represents very well the political acumen of hospitality,  
25 public service, and political skills, it is Secretary of



1 State Jane Nelson. Thank you for your invitation.

2 To share briefly a couple of figures, why  
3 Mexico considers important this Border Trade Advisory  
4 Committee. The top trading partner of Mexico is Texas.  
5 The top trading partner of Texas in Canada also confirms  
6 that if Texas plays such a role as the number one trading  
7 partner of Mexico and the number one trading partner of  
8 Canada, we have to agree that we share a commitment to  
9 defend the idea of a North American economic development  
10 strategy. And that is the purpose of considering  
11 infrastructure of the Mexican-Texan border, such important  
12 element to ensure the 21st century will bring prosperity  
13 for both sides of the border.

14 We wish you the best. Have a great day.

15 SECY. NELSON: Thank you. I would now like to  
16 recognize Canadian Consul General in Dallas, Susan Harper,  
17 to say a few words.

18 CONSUL GENERAL HARPER: Good morning, *bonjour*,  
19 *buen día*. Just to echo some of thoughts that so many of  
20 the leaders have expressed today, starting with yourself,  
21 Secretary Nelson, I think we all understand the importance  
22 of economic growth to anything that we want to do.

23 And I think people in this room understand how  
24 trade fundamentally contributes to all our economic  
25 growth. And to have the opportunity to discuss the issues

1 that are key to us in these volatile times and to keep up  
2 the personal networks which will help us ride the waves as  
3 we go through the next few months, I think this is  
4 essential. And we are so glad that you're having this  
5 meeting, and that it's in Austin is a bonus.

6 Thank you.

7 SECY. NELSON: Thank you. We do appreciate  
8 your ongoing efforts to strengthen the Texas-Canada  
9 relationship, and we are fortunate to have such a  
10 dedicated and dynamic Consul for us here in Texas. We do  
11 appreciate that, and your presence greatly enriches that  
12 shared work.

13 Later in the meeting, we're going to have an  
14 opportunity to hear from our Mexican partners. I would  
15 like to now recognize Caroline Mays, our Director of  
16 Planning and Modal Programs for the Texas Department of  
17 Transportation, who will conduct our roll call this  
18 morning.

19 Caroline?

20 MS. MAYS: Good morning, Madam Secretary. It's  
21 a pleasure to be here. And again, welcome, all BTAC  
22 members and hosts here at TxDOT headquarters. I know many  
23 of you have been here, but I just want to welcome you.

24 And definitely, Secretary, appreciate your  
25 leadership on this Committee. And it's just -- when you

1 see a full place like this, it's amazing.

2 Commissioner, you and I were talking, when  
3 everybody was interacting -- and I told her -- I said,  
4 Commissioner Meade, they spoke yesterday -- we had a  
5 reception. And they can't, you know, stop talking to each  
6 other.

7 So it's good to bring everybody together, but  
8 it's really a testament to your leadership. So appreciate  
9 that. I'm actually not going to be the one to do the roll  
10 call. It's going to be Claudia Lagos.

11 But I just wanted to take a minute to thank  
12 everybody for being here and for your continued efforts in  
13 what, jointly, Canada, Mexico, U.S., and Texas, really is  
14 doing to be able to address trade issues. Quick plug,  
15 you're going to hear a lot from the team today about the  
16 Border Master Plan. Some of you that were involved, we're  
17 about to get ready to kick that off, and really, we're  
18 going to need hands on deck. And so I just wanted to give  
19 a plug on that.

20 So with that, Claudia, please go ahead.

21 MS. LAGOS-GALINDO: Good morning, Madam  
22 Secretary. I would like to start -- I would first call  
23 Rafael Aldrete.

24 MR. SAMANT: Swapnil Samant, representing  
25 Rafael Aldrete.

1 MS. LAGOS-GALINDO: Thank you.

2 Mayor Al Arreola, or someone representing him?

3 MR. GARCIA: Michael Garcia, representing Mayor  
4 Al Arreola.

5 MS. LAGOS-GALINDO: Jon Barela?

6 VOICE: He just stepped out.

7 SECY. NELSON: Don't put that in the minutes.

8 (General laughter.)

9 MS. LAGOS-GALINDO: Luis Bazán?

10 MR. BAZÁN: Present.

11 MR. BARELA: Here. Sorry. Timing is  
12 everything.

13 (General laughter.)

14 MS. LAGOS-GALINDO: Eduardo Calvo?

15 MR. CALVO: Present.

16 MS. LAGOS-GALINDO: William Dietrich, or  
17 someone representing the Port of Brownsville?

18 (No response.)

19 MS. LAGOS-GALINDO: Nicholas English?

20 MR. ENGLISH: Present.

21 MS. LAGOS-GALINDO: John Esparza?

22 MR. MALDONADO: Good morning. Jerry Maldonado,  
23 as Dr. Esparza's proxy.

24 MS. LAGOS-GALINDO: Raquel Espinoza?

25 MS. ESPINOZA: Here.

1 MS. LAGOS-GALINDO: Dante Galeazzi, or someone  
2 representing Texas International Produce Association?

3 (No response.)

4 MS. LAGOS-GALINDO: Teclo Garcia?

5 MR. GARCIA: Present.

6 MS. LAGOS-GALINDO: Ruben Garibay?

7 MR. GARIBAY: Present.

8 MS. LAGOS-GALINDO: Cynthia Garza Reyes?

9 MS. BREWSTER: Proxy Victoria Brewster,  
10 present.

11 MS. LAGOS-GALINDO: Jake Giesbrecht?

12 MR. GIESBRECHT: Yes. Good morning. Present.

13 MS. LAGOS-GALINDO: Maria-Elena Giner? Someone  
14 representing International Boundary and Water Commission?

15 (No response.)

16 MS. LAGOS-GALINDO: Iliana Holguin?

17 MS. HOLGUIN: Good morning. Present.

18 MS. LAGOS-GALINDO: Lisa Loftus?

19 MS. GALLUN: Representing The University of  
20 Texas, Susanna Gallun.

21 MS. LAGOS-GALINDO: Can you turn it on? Push  
22 the button.

23 MS. GALLUN: Sorry. Representing The  
24 University of Texas, Susanna Gallun.

25 MS. LAGOS-GALINDO: Thank you.

1 Marga Lopez?

2 MS. LOPEZ: Good morning. Marga Lopez, here.

3 MS. LAGOS-GALINDO: Stan Meador?

4 MR. MEADOR: Present. Sorry.

5 MS. LAGOS-GALINDO: Daniel Mendoza? Someone  
6 representing BNSF?

7 (No response.)

8 MS. LAGOS-GALINDO: Jason Modglin?

9 MR. MODGLIN: Present.

10 MS. LAGOS-GALINDO: Kyle Morgan?

11 MR. MORGAN: Present.

12 MS. LAGOS-GALINDO: Juan Olaguibel?

13 MR. MADERO: Arturo Madero, represents Juan  
14 Olaguibel.

15 MS. LAGOS-GALINDO: Rolando Salinas, or someone  
16 representing the City of Eagle Pass?

17 MAYOR VALDEZ: Yes. Mayor Aaron Valdez,  
18 representing the City of Eagle Pass, present.

19 MS. LAGOS-GALINDO: Gerry Schwebel?

20 MR. SCHWEBEL: Present.

21 MS. LAGOS-GALINDO: Pete Sepulveda?

22 MR. DAVILA: Eric Davila, representing Pete  
23 Sepulveda.

24 MS. LAGOS-GALINDO: Let us bring a chair for  
25 you here at the table. And someone help me -- Roberto

1 Tinajero?

2 MR. TINAJERO: Present.

3 MS. LAGOS-GALINDO: Victor Trevino?

4 (No response.)

5 MS. LAGOS-GALINDO: Sam Vale?

6 MR. VALE: Here.

7 MS. LAGOS-GALINDO: Cameron Walker?

8 MR. WALKER: Present.

9 MS. LAGOS-GALINDO: Someone representing the  
10 Rio Grande Valley NPO?

11 MR. MEDINA: Michael Medina.

12 MS. LAGOS-GALINDO: Someone representing the  
13 Rio Grande Valley Partnership?

14 (No response.)

15 MS. LAGOS-GALINDO: Madam Secretary, we have 27  
16 members. We have a quorum.

17 SECY. NELSON: Quorum is established. Thank  
18 you very much.

19 Now, we'll move to the adoption of the minutes  
20 from the November 12, 2024, meeting of the Border Trade  
21 Advisory Committee held here in Austin. Has everyone  
22 reviewed the minutes? I'm looking and I can tell you all  
23 have.

24 It will now -- I will now call for a motion to  
25 adopt the minutes. Please note that only BTAC members or

1 their designated representatives may make a motion or  
2 second it. After you make your motion or give a second,  
3 please identify yourself so it may be recorded in the  
4 minutes.

5 Is there a motion to adopt the minutes?

6 MR. MORGAN: I'll make a motion, Secretary.

7 SECY. NELSON: Thank you.

8 MR. MORGAN: Kyle Morgan of CPKC Railway.

9 SECY. NELSON: Thank you. There is a motion.

10 Do we have a second?

11 MR. CALVO: I'll make a second.

12 SECY. NELSON: Thank you.

13 MR. CALVO: Eduardo Calvo, with El Paso MPO.

14 SECY. NELSON: Thank you. All those in favor?

15 (A chorus of ayes.)

16 SECY. NELSON: Any opposed?

17 (No response.)

18 SECY. NELSON: Okay. Hearing none, the minutes  
19 of the Committee's November 12 meeting are adopted.

20 Just a quick reminder, please state your name  
21 and the organization you represent before making a comment  
22 or asking a question. Also, please be sure to speak  
23 clearly into the microphone so that our court reporter can  
24 accurately capture your remarks.

25 Now, we're going to move on to our first



1 presentation. I would like to recognize Wesley Starnes,  
2 State Legislative Affairs Advisor for the Texas Department  
3 of Transportation, who is going to provide an update on  
4 transportation-related incomes from the 89th Legislative  
5 Session.

6 Wesley, the floor is yours. You are  
7 recognized.

8 MR. STARNES: Appreciate it. Thank you, Madam  
9 Secretary.

10 SECY. NELSON: Thank you.

11 MR. STARNES: It's a pleasure to be here.  
12 Yeah. Like you said, my name is Wesley Starnes. I'm the  
13 State Legislative Liaison for the Texas Department of  
14 Transportation within our Government Affairs Division.

15 I was tasked today just to provide a general  
16 overview of the 89th regular legislative session, and  
17 highlight key pieces of legislation that directly impact  
18 the Department, as well as transportation throughout the  
19 state.

20 And so as you all are probably familiar with,  
21 the Legislature began back in January, so January 14.  
22 They adjourned, sine die, on June 2. And I'm pleased to  
23 report that, during the session, the Legislature made  
24 major investments and passed several measures that will  
25 further shape the future mobility and movement -- freight

1 movement across the state of Texas.

2 And so today, I'm going to go through several  
3 slide that will just talk about the budget outcomes,  
4 including funding sources, spending priorities, newly  
5 funded projects, as well as highlight several key  
6 legislative achievements that -- and that includes two new  
7 infrastructure grant programs. But before I do that, I  
8 want to just highlight some of the work that TxDOT did  
9 this session and just give thanks to everyone who  
10 contributed throughout the session.

11 So TxDOT monitored over 100 different committee  
12 hearings this session. We held over 50 of those  
13 hearings -- we served as a resource witness for. We met  
14 with 30 different trade associations, local governments,  
15 chambers of commerce, as well as visits with 35 new  
16 legislators. So we had three new senators and 32 new  
17 state representatives.

18 And as it is, each and every legislative  
19 session, there's always a lot that goes into the session.

20 And we appreciate everyone who helped at TxDOT, and as  
21 well as our partners across the state, many of the folks  
22 in this room who reached out to TxDOT, just to talk about  
23 their priorities.

24 And so with that, I'm going to begin my  
25 conversation, talking about key takeaways from the budget,

1 as reflected in Senate Bill 1 and House Bill 500, so  
2 Senate Bill 1 being the General Appropriations Act, House  
3 Bill 500 being the supplemental bill. This Legislature  
4 passed a \$338 billion budget for the biennium, and that's  
5 for across all State agencies, institutions, and programs.

6 As you can see on the slide, TxDOT's proportion  
7 of that is 39.92 billion. And I just wanted to highlight  
8 in particular -- if you look at the slide, you can see the  
9 development, delivery, and maintenance makes up about 89  
10 percent of our total budget.

11 So as we go forward, and we're looking at  
12 the -- just the delivery of projects and development of  
13 projects, and particularly as it accounts for TxDOT's  
14 continued delivery and improvements of projects throughout  
15 the state and our Unified Transportation Program, that's a  
16 bigger portion of that. So looking at the different  
17 funding sources, you'll see on this slide, there's --  
18 actually, our single largest funding source to date is  
19 actually federal funds. It's 36 percent of our funding  
20 source.

21 But if you look at Propositions 1 and 7 -- this  
22 is very important -- both voter-approved, Propositions 1  
23 and 7 combined comprise about 39 percent of our budget.  
24 And so we are blessed in Texas to have that. That's about  
25 \$8 billion from oil and gas severance taxes in Proposition

1 1, and then about \$7.4 billion derived from the sales and  
2 vehicle-related taxes in Proposition 7.

3 In addition, there's about 10.67 billion from  
4 other state highway fund sources. This includes TxDOT's  
5 traditional funding source, the motor fuels tax, 970  
6 million, in Texas Mobility Fund, and 180 million in  
7 general revenue.

8 So how will TxDOT use this nearly 40 billion in  
9 funding? As noted before, the vast majority of it, 35.37,  
10 or 89 percent, is for the development, delivery, and  
11 maintenance of highways. In addition to that, 860 million  
12 is for multi-modal projects. This serves as our rail,  
13 aviation, maritime, and transit.

14 We have 900 million for capital improvements.  
15 That includes buildings, land, IT. And then 180 million  
16 in general revenue for rail grade separations, pedestrian  
17 crossings, and airport improvements.

18 Specific riders to note, as it relates  
19 particularly -- this is going to be an interest of this  
20 Committee -- Rider 54 was allocated in the budget and  
21 includes 131 million for state highway funds plus  
22 5 million in general revenue. And this goes to support  
23 the space industry corridors in Texas. This is being done  
24 in coordination with the Texas Space Commission.

25 And then Riders 11(b) and (c) continue the

1 directive of utilizing funding for the purpose of project  
2 development and delivery along the border. So these  
3 programs are allocated at 120 million. That's done  
4 through the Unified Transportation Program through the  
5 biennium, and that's through the TxDOT's Border State  
6 Infrastructure Funding.

7 And then Rider 14(a) maintains the Border Trade  
8 and Transportation Activities Report published annually  
9 and posted on TxDOT's website. So I know those items  
10 weren't --

11 SECY. NELSON: May I ask you a question?

12 MR. STARNES: Yes.

13 SECY. NELSON: Are these -- shoot -- those  
14 riders you just mentioned, are they referred to?

15 MR. STARNES: So they're not on there. So I  
16 apologize. Yeah. They weren't on the slide, but I do  
17 want to make notes of those, given the importance --

18 SECY. NELSON: Good to know. Yeah.

19 MR. STARNES: -- of the funding, particularly  
20 as it relates to the border.

21 SECY. NELSON: Okay.

22 MR. STARNES: But going -- so moving forward,  
23 looking at House Bill 500, supplemental appropriations  
24 bill, there was an additional 504 million that was  
25 allocated to TxDOT for funding of different priorities.

1 One was the 250 million for off-system rail and pedestrian  
2 grade separations. And so that was enabled by Senate Bill  
3 1555. I want to talk a little bit more about that in just  
4 a minute.

5 129 million for aviation services, 20 million  
6 for State Highway 99 for improvements of Fort Bend County,  
7 and then 105 was allocated for TxDOT fleet vehicles,  
8 aircraft, and aviation services. So if you take a look at  
9 just Senate Bill 1 and House Bill 500 and you add those  
10 together, the Legislature made significant investment this  
11 session towards transportation. And we certainly  
12 appreciate their investment in moving Texas forward.

13 So shifting now a little bit away from budget,  
14 I want to just highlight a few key legislative outcomes  
15 that passed this session.

16 SECY. NELSON: You --

17 MR. STARNES: House Bill --

18 SECY. NELSON: Why don't we pause there --

19 MR. STARNES: Do you want to ask questions?

20 SECY. NELSON: -- and see if anyone has any  
21 budget-related questions, if that's all right.

22 Anybody have any budget-related questions?

23 (No response.)

24 SECY. NELSON: Of course I do. Yeah. I'd love  
25 to drill down on a couple of those, if I might.

1 VOICE: Did you ever run a budget --

2 SECY. NELSON: I'm just -- this is candy to me.

3 And I would love to hear some specifics -- not now,  
4 but --

5 MR. STARNES: Okay.

6 SECY. NELSON: -- sometimes, on those riders  
7 you referred to.

8 MR. STARNES: Yes, ma'am.

9 SECY. NELSON: I'd love to see that. And whoa,  
10 TxDOT did well. The Legislature really -- they had a  
11 little money this time.

12 But TxDOT did really well, and that is a  
13 reflection on -- somebody did a good job presenting. That  
14 doesn't happen by accident.

15 So you guys must have lived over there for a  
16 little while, Commissioner and Commissioner, because  
17 you've got to make good presentations.

18 But I'd love to know, specifically, on -- what  
19 are these slides here -- on your Slides 3 and 4. So are  
20 there any specific investments there that are planned for  
21 infrastructure at -- specifically, for this Committee's  
22 interests, that are at or near our international ports of  
23 entry, that directly support cross-border trade, any  
24 that --

25 MR. STARNES: Yes, ma'am. So there is -- I

1 mentioned previously, there is specific riders 11(b) and  
2 (c) that allocated 120 million through the Unified  
3 Transportation Program, specifically for those border  
4 districts. Now, as far as different investments  
5 throughout the state, including our three border  
6 districts, TxDOT districts, we have a multitude of  
7 projects that are all done through the Unified  
8 Transportation Program.

9 And that's that 89 percent that I mentioned  
10 earlier --

11 SECY. NELSON: Okay.

12 MR. STARNES: -- that's for specifically -- for  
13 the development, delivery, and maintenance of --

14 SECY. NELSON: Sweet.

15 MR. STARNES: -- highways and projects.

16 SECY. NELSON: Great. Well, that will help,  
17 specific to this Committee's interests. That -- I mean,  
18 all this is going to, but that -- those riders, I'd love  
19 to see those.

20 MR. STARNES: Yes, ma'am.

21 SECY. NELSON: And maybe we can make sure  
22 the -- all the Committee members see those as well. Good.

23 MR. STARNES: Yes, ma'am. And I'll talk about  
24 that a little bit more. So I'll talk a little bit -- how  
25 you can find those, for anybody that is paying attention



1 or wants to get more information. I'll show you --

2 SECY. NELSON: Well, I've got a copy --

3 MR. STARNES: -- how to get to that.

4 SECY. NELSON: -- of that on my desk. So I  
5 know how to find it.

6 MR. STARNES: Yeah, that's right.

7 SECY. NELSON: I think it would help everybody  
8 to see that, specifically. So given the specific  
9 investment in intermodal transportation, I think,  
10 \$860 million, can you give us a sense of TxDOT's current  
11 strategy for enhancing productivity across road and rail  
12 and maritime infrastructure, especially in areas that  
13 support international commerce? I think over on that  
14 Slide 5, you're talking about that.

15 Can you give us some sense of that?

16 MR. STARNES: On the -- yes, ma'am. So as far  
17 as -- again, for a lot of our multi-modal projects, or a  
18 lot of our multi-modal funding, a major proportion of that  
19 is because of restrictions, either constitutionally or  
20 statutorily. A large portion of that is through general  
21 revenue.

22 SECY. NELSON: Right.

23 MR. STARNES: And so we did see quite a few  
24 bits of different general revenue that was appropriated  
25 throughout the session. As I mentioned, there was

1 250 million -- I'm going to talk a little bit more,  
2 specifically, when we talk about Senate Bill 1555 -- but  
3 250 million was dedicated for pedestrian/roadway crossing  
4 separations. So that will be a statewide program that  
5 we're going to implement at TxDOT. The Commission is  
6 actually looking at adopting those rules, I think, this  
7 month.

8 So -- and then there's different aviation -- so  
9 throughout the budget, if we look at the funding  
10 categories or the funding that was outlined within  
11 particularly House Bill 500 and was mirrored in Senate  
12 Bill 1, there was a multitude of different aviation  
13 projects that were outlined by different legislators who  
14 included those in the budget.

15 And so that's throughout, again, the state. So  
16 anytime that we are talking about -- particularly our  
17 multi-model, we do have allocations through different  
18 strategies within the UTP. But the general revenue is the  
19 main source for that.

20 SECY. NELSON: Sweet. Okay. Oh, thank you. I  
21 just -- I -- yeah. I wanted to drill down on some of  
22 that, that that really is a testament to the TxDOT  
23 Commission's testimony to the Finance Committee and  
24 Appropriations Committee, where they explained why they  
25 have those needs, and the border trade -- and that's where

1 this Committee's work is important, you know.

2 Where's Gerry? Going down and testifying  
3 before Finance and Appropriations, and helping them  
4 understand why this is an important investment to the  
5 state's economy. And you know, we all -- this all  
6 interconnects.

7 And if we get private citizens to come and  
8 testify and talk about how investment in infrastructure --  
9 and it's not just roads or bridges or -- you know, it's  
10 everything. And having TxDOT testify and say, you know,  
11 this is what we need, but then having public -- or private  
12 citizens come and testify, it all -- and this Committee  
13 has helped really.

14 Gerry, would you identify yourself first?

15 MR. SCHWEBEL: Okay, Madam Secretary. Gerry  
16 Schwebel.

17 Wesley -- there you go. Gerry Schwebel, for  
18 the record. In the budget, how do you -- in the planning  
19 of the budget, how much -- how do you break down the  
20 allocation for what is for mobility projects maintenance  
21 versus new projects?

22 Do you break it down? In regards to the budget  
23 and the funding, what are new projects' breakdown and what  
24 is ongoing maintenance of existing projects?

25 MR. STARNES: Yeah. So Secretary Nelson knows

1     this quite well. So in our budget strategies, there -- it  
2     outlines that for us. So the Legislature actually kind of  
3     dictates what that will look like, and then we, as the  
4     Department, will take those monies and spread it across  
5     the state through our 25 different districts. So that's  
6     outlined in the budget.

7             SECY. NELSON: It's predetermined.

8             Any other budget-related questions?

9             MS. MAYS: Can I just --

10            SECY. NELSON: Sure, Caroline.

11            MS. MAYS: Wesley, can you talk a little bit  
12     about the aviation? Because I think one of them was  
13     really, really significant, where the Legislature reduced  
14     the matching for the smaller -- for general aviation  
15     airports.

16            MR. STARNES: Yes, ma'am. So that's  
17     actually -- I'm about to hit that in --

18            MS. MAYS: Okay.

19            MR. STARNES: -- just a minute.

20            MS. MAYS: Okay, okay.

21            SECY. NELSON: Okay. Continue. Thank you for  
22     answering those questions.

23            MR. STARNES: Yes, ma'am.

24            So as noted, there were several different  
25     pieces of legislation that also passed this past sessions,

1 and I just want to highlight a couple of those, again,  
2 impacting transportation and the Department.

3 So House Bill 252 by Representative Walle and  
4 Senator Hughes just allows TxDOT and other State agencies  
5 to pay certain employees twice a month. And we hope that  
6 this will better align with just the private market and  
7 their hiring practices, and then in their pay structure.  
8 And so appreciate -- it just gives the Department greater  
9 flexibility in doing that, if so choose. And so  
10 appreciate the -- Representative Walle and Senator Hughes  
11 for that.

12 Senate Bill 305 adds vehicles operated by  
13 animal control officers and those operating -- issuing  
14 parking citations to the list of those who are to abide by  
15 the "Move Over, Slow Down" law. So back in 2003, the  
16 Legislature passed a law, "Move Over, Slow Down" law, that  
17 requires that individuals who are driving, if they see  
18 certain vehicles on the side of the road, to either move  
19 over one lane or slow down 20 miles an hour below the  
20 posted the speed limit. So just adds those two into that  
21 requirement.

22 So 4520 -- and this is what, Caroline, I think  
23 you were referring to -- by Representative Martinez and  
24 Senator Nichols, it reduces the local match requirement  
25 for general aviation airports in economically

1       disadvantaged counties.

2               So we have over 100 different economically  
3       disadvantaged counties. There's 130 different general  
4       aviation airports within those counties that we anticipate  
5       this could have a huge impact for. So certainly trying to  
6       get the funds to the areas where it's most needed. But as  
7       you know, there's a lot of different needs and smaller  
8       budgets that usually come with the economically  
9       disadvantaged, more rural areas, and so this would give  
10      them a better opportunity to participate in some of those  
11      federal programs.

12              And Senate Bill 1939 directs the interest  
13      earned on the Ship Channel Improvement Revolving Fund, the  
14      SCIR Fund, to remain within the Fund. So this is -- which  
15      originally those funds were going to general revenue. And  
16      then they are now going back into the Fund in order to  
17      continue future investments.

18              And so the Legislature also passed two new  
19      infrastructure grant programs. And so Senate Bill 1555,  
20      that's what I mentioned earlier, was allowing for -- it's  
21      a 250 million competitive grant program for rail grade  
22      separation, either rail grade or pedestrian separations,  
23      with a 10 percent non-state match requirement. So the  
24      Commission is going through the rulemaking now. We'll see  
25      that this month on the agenda.

1           Senate Bill 2366 was another grant program that  
2 establishes a framework for future short line rail  
3 improvements across the state. Unfortunately, this  
4 program was not funded by the Legislature this session,  
5 but we anticipate that will set the future for future  
6 investments, going forward.

7           A couple items and notes. Senate Bill 14  
8 creates the Regulatory Efficiency Office within the Office  
9 of the Governor. And then House Bill 2775 expands the  
10 membership of the TxDOT-administered I-27 Advisory  
11 Committee. So this is an advisory -- I-27 -- the Ports to  
12 Plains Committee that adds each member from Schleicher and  
13 Ector Counties, as well as a member from the City of  
14 Odessa.

15           And so Madam Secretary, you mentioned -- where  
16 can we get all this information? So we have a summary of  
17 all the information I just talked about today in greater  
18 detail on our website. It's called Moving Texas Forward.

19           And you should have a note card in your folders, as well  
20 as we'll put some out on the table before you leave, where  
21 you can get direct access to that. And that's just all  
22 the information I've talked about today, and additional  
23 other items that pertain to transportation are all  
24 included in there.

25           SECY. NELSON: Perfect.

1           Okay, members, questions?

2           COMMISSIONER NEW: One statement.

3           SECY. NELSON: Commissioner, sure.

4           COMMISSIONER NEW: The only -- he's describing,  
5 you know, there are two maintenance funds that are in  
6 this, but I'm switching gears on this just to say, on the  
7 Unified Transportation Program, which is more about  
8 construction, there's somewhere around 650 million a year,  
9 700 million a year, in that range, that will be spent on  
10 new construction or reconstruction along the border, per  
11 year.

12          SECY. NELSON: Per year?

13          COMMISSIONER NEW: And so --

14          SECY. NELSON: It's not chump change.

15          COMMISSIONER NEW: No, it's not.

16          SECY. NELSON: That's good. Sweet. And I  
17 think that is an indication that this Legislature values  
18 our border region.

19          COMMISSIONER NEW: No doubt, and also the  
20 Commission.

21          SECY. NELSON: Of course.

22          COMMISSIONER NEW: And frankly, administration  
23 staff --

24          SECY. NELSON: Yeah. But that's not always  
25 been the case.



1           Meade, you've done a good job of nagging. Good  
2 job. Good job.

3           COMMISSIONER MEADE: He started it.

4           SECY. NELSON: No. I'm -- that's --

5           COMMISSIONER NEW: Anyway --

6           SECY. NELSON: -- that makes me happy.

7           COMMISSIONER NEW: Yeah. There's some -- there  
8 are some really key projects that are being done in the  
9 Laredo area, the Valley, in El Paso. I mean they're -- so  
10 there are things that are really important to border trade  
11 that are being done right now. So I think it's been good  
12 work.

13           SECY. NELSON: It's working. What is that,  
14 1.3 billion, every budget cycle? It's great.

15           I saw somebody -- yes, sir. State your name,  
16 please.

17           MR. CALVO: Eduardo Calvo, El Paso MPO.

18           Thank you, Wesley, for the presentation. Going  
19 back to Rider 11(b) and (c), did I hear correctly that  
20 it's 150 million?

21           MR. STARNES: 120.

22           MR. CALVO: 120. Is it per year?

23           MR. STARNES: For the biennium.

24           MR. CALVO: Biennium.

25           MR. STARNES: 60 million each year.

1 MR. CALVO: Okay. And how does that compare to  
2 prior versions of the rider? Is it more or less?

3 MR. STARNES: So the rider doesn't specify  
4 that. That's a decision made by the Commission for the  
5 Unified Transportation Program, and they did just increase  
6 that. I think it was not -- I think it's the previous --  
7 before this -- or we're currently in -- or drafted in the  
8 '26 UTP.

9 I think it was the '24 UTP, maybe, '25 UTP,  
10 that they increased it to 120 million from 60.

11 MR. CALVO: Is that something that affects us  
12 directly to -- I mean, that money goes to the border  
13 districts. Right?

14 MR. STARNES: Correct.

15 MR. CALVO: And that's a direct, you know, pot  
16 of money that we can use for our projects. So it's great  
17 to have it, but you know, we'd like to see more.

18 SECY. NELSON: Yeah.

19 MR. CALVO: And if I could ask a second  
20 question?

21 SECY. NELSON: Sure.

22 MR. CALVO: On Senate Bill 155, the off-system  
23 grade separation, I know that the rulemaking is in process  
24 and I hope the Commission approves it on this [inaudible]  
25 or next week. When do you anticipate having the call for

1 projects for that?

2 MR. STARNES: Yeah. So I know that's a goal of  
3 ours, to try to get that out quickly. I can get you a  
4 better timeline after this, Eduardo, but I think the goal,  
5 at least the one I heard before, is to try to get that  
6 started out before the end of the year, so.

7 MR. CALVO: Because I know Raquel and the --

8 MR. STARNES: Yeah.

9 MR. CALVO: -- other folks are really anxious  
10 to see grade separation projects.

11 MR. STARNES: That did a lot for block  
12 crossings and other just safety measures throughout the  
13 state. So yeah.

14 MR. CALVO: Thank you.

15 SECY. NELSON: Other questions, comments?

16 (No response.)

17 SECY. NELSON: Great presentation.

18 MR. STARNES: Thank you. Sorry. Yeah. It was  
19 a great, higher review, but I want to hit at least some of  
20 the highlights for you.

21 SECY. NELSON: No. Highlight is good. Great  
22 presentation.

23 I just -- it just makes me so happy that -- my  
24 takeaway from this, especially the budget part of things,  
25 is that this Legislature clearly understands and values

1 our border transportation needs and then everything else,  
2 but now we're talking transportation, and they clearly  
3 understand that we need to invest in our budget. Good  
4 news. All right.

5 Well, no more questions or comments on that,  
6 then we're going to now go to -- we have a panel that's  
7 going to come up, and I see there are seats up here. So  
8 this morning's panel is going to feature BTAC members  
9 discussing the outcomes of the 89th Texas Legislative  
10 Session and how they will impact the Committee's work,  
11 moving forward.

12 We're pleased to have four members. I feel  
13 like Oprah or something. Come on in. We have four  
14 members representing each of the border regions, to  
15 provide a well-rounded perspective from across the Texas-  
16 Mexico border.

17 I would like to recognize our panelists: Jon  
18 Barela, Chief Executive Officer of the Borderplex  
19 Alliance; Gerry Schwebel, Executive Vice President of the  
20 Corporate International Division at IBC Bank; Teclo  
21 Garcia, President and CEO of the Mission Economic  
22 Development Corporation; and Jerry Maldonado, Vice  
23 Chairman of the Texas Trucking Association. What a great  
24 group.

25 Moderating today's discussion is David Zapata,

1 Vice President of International Affairs and Economic  
2 Development at the Texas Association of Business. I can't  
3 wait. This is a good group.

4 David, turning it over to you.

5 MR. ZAPATA: Thank you. Thank you so much,  
6 Secretary.

7 SECY. NELSON: Yes.

8 MR. ZAPATA: It's truly a pleasure to be here  
9 joining you all today. Good morning to everyone. It's --  
10 again, as I mentioned, it's great to be back. In a  
11 previous life, I was very involved with the Committee, so  
12 it's always good and great to participate in these  
13 important conversations.

14 For those that don't know me, my name is David  
15 Zapata. I'm the Vice President for International Affairs  
16 for the Texas Association of Business, or TAB for short.  
17 And for those that are not familiar with TAB, we are  
18 basically the State Chamber of Commerce.

19 Again, glad to be back -- glad to be part of  
20 this important conversation. And if I could just take a  
21 quick moment to, on behalf of TAB, join in the condolences  
22 for the passing of Chairman Bugg. He was a great Texan  
23 and a great border and trade transportation stakeholder  
24 and leader. So we join in that mourning.

25 Lastly, I want to say -- give a big thanks to

1 Secretary Nelson for organizing, posting, chairing this  
2 meeting. Your leadership over the community itself is  
3 building the conversation and impressing the important  
4 topics that we discuss here to the right stakeholders. So  
5 thank you for that.

6 And also thanks to Assistant Secretary Meade,  
7 Caroline Mays, and the Texas team for organizing and  
8 coordinating this panel.

9 Texas is a \$2.6 trillion economy, ranking as  
10 the eighth largest in the world. This economic success  
11 does not happen by chance. It is the result of strong  
12 leadership, the strategic policymaking, and active  
13 collaboration between the public and private sectors.

14 Our Texas government leaders do a great job of  
15 crafting and promoting policies that [inaudible] and  
16 support our state's business-friendly environment. In  
17 turn, a highly engaged private sector provides expertise  
18 and feedback that helps shape economic development policy  
19 during our state's biannual legislative process. We just  
20 had one, and I guess -- think we're still in the middle of  
21 one right now, so special one.

22 Economic development organizations, chambers of  
23 commerce, trade associations, and other business leaders  
24 play a vital role in advocating for economic growth,  
25 promoting Texas globally, and fostering ties with key

1 international allies. And I commend all of you here,  
2 because throughout the session, I saw and met many of you  
3 as you were doing your jobs, representing your communities  
4 in also the Capitol. So thank you for that, all of you,  
5 as well.

6 Together, these public-private efforts position  
7 Texas as a leader in trade and investment and an economic  
8 powerhouse. With the conclusion of the 89th Regular  
9 Legislative Session, new laws with significant  
10 implications for cross-border trade and business have been  
11 enacted, bringing both challenges and opportunities.

12 This morning, we will hear from key Texas  
13 business leaders who will share their insights on the  
14 session's outcomes and their impact on states -- on the  
15 state's economic future. Our distinguished panelists --  
16 and again, I'm very honored to join this panel, each  
17 single one of you who are truly champions of trade in  
18 Texas and for your regions.

19 Our panelists include: Jerry Maldonado from  
20 Texas Trucking Association; Jon Barela, from the  
21 Borderplex in El Paso; Teclo Garcia, from the Mission  
22 Economic Development Corporation; and Gerry Schwebel, from  
23 IBC Bank.

24 Before we get started with the panel, I want to  
25 give each of our panelists a minute to briefly introduce

1 themselves and share a little bit about their  
2 organization, and then we will move to the questions,  
3 starting with Jerry Maldonado.

4 MR. MALDONADO: Thank you. Thank you, David.  
5 Good morning, Madam Secretary. Good morning, Committee  
6 members.

7 My name is Jerry Maldonado. I sit on the  
8 Executive Committee with the Texas Trucking Association.  
9 I'm born and raised from Laredo, Texas.

10 I'm also the Chairman of the Board for the  
11 Laredo Motor Carriers Association. Same thing as Texas  
12 Trucking, smaller scale, in Laredo. I sit on a couple of  
13 committees on [inaudible] in the city of Laredo,  
14 [inaudible] Advisory Committee, Government Affairs  
15 Committee with the Chamber of Commerce, and equally as  
16 important, I also manage and operate an asset-based  
17 trucking company, Warren Transfer.

18 Warren Transfer has been in business since  
19 1949. Been in business for 75 years. The only motor  
20 operation that they have is in Laredo, Texas. That office  
21 was open back in 1981; that was 44 years ago.

22 And the goal back then was to -- ownership  
23 wanted to move one load a week. We have been very  
24 blessed. We move more than a load a week nowadays, and  
25 we're proud to be here, and thank you for having us.



1                   MR. SCHWEBEL: Good morning. I'm Gerry  
2                   Schwebel. I think I know pretty much everyone in this  
3                   room. I'm Corporate Executive Vice President for  
4                   International Bank of Commerce, a Texas-based bank, the  
5                   largest bank headquartered on the U.S.-Mexico border.

6                   So our structure of our company has always  
7                   been, we were born on the border, and we'll continue to  
8                   work and advocate for any and all issues, not just of the  
9                   border, for Texas. So as a banker, I always say --  
10                  introduce myself as that. Number one, I thank God I live  
11                  in Texas, and I thank God I live on the border in Laredo,  
12                  Texas.

13                  We're really -- you know, we really, those of  
14                  us who have been border warriors, all of us on this panel  
15                  have been border warriors and advocates, delivering the  
16                  message of the importance of the border. That's what  
17                  we'll continue to do. As long as God lets me do it, I'll  
18                  be advocating for the border.

19                  But that's what our company does, because our  
20                  customers are the stakeholders and the users of both sides  
21                  of the border. And the role that we play as a bank,  
22                  economic development, delivering the right message of the  
23                  importance of the border to the North American region, the  
24                  last 30 some-odd years, is of continuing importance. So  
25                  I'm glad to be on this panel and look forward to a good

1 exchange of dialogue and discussion.

2 MR. BARELA: Good morning, everyone, Madam  
3 Secretary, Commissioners. My name is Jon Barela. I am  
4 the CEO and President of the Borderplex Alliance, and  
5 based in El Paso.

6 I was born and raised in the Borderplex region,  
7 native of Las Cruces, New Mexico, born and raised there,  
8 and held public office in New Mexico, and most recently,  
9 was Secretary of Economic Development in New Mexico. Been  
10 with the Borderplex now almost nine years. In two weeks,  
11 I'll be celebrating nine years at the Borderplex Alliance.

12 And it's been a great journey. I love being in  
13 El Paso, love representing the Borderplex region. The  
14 Borderplex Alliance is a very, very unique organization,  
15 and to my knowledge, we're the only private sector  
16 economic development and policy advocacy organization that  
17 represents three states, two countries. We define the  
18 Borderplex region and we represent Ciudad Juárez, El Paso  
19 County, and again, my native county, Dona Ana County, for  
20 those purposes.

21 And I'm very, very proud of our staff, very,  
22 very proud of the collaboration we have with elected  
23 officials like Commissioner Holguin and Senator Blanco and  
24 others. But we're now a two-time winner. Next week, we  
25 will be introduced as the 2025 International Economic

1 Development Organization of the Year Award, awarded by  
2 5,500 of our economic development colleagues, through the  
3 International Economic Development Council.

4 This is a big deal for us. This -- again, we  
5 won in 2021, and we repeated in 2025. So I'm very, very  
6 proud of the work that our board does, very proud of the  
7 work our staff does, and it's a great honor also to be  
8 with such an esteemed and distinguished group of panelists  
9 here today.

10 David, thank you as well and Glenn for what you  
11 guys do at TAB to represent the business interests of  
12 Texas. You guys do a great job. Again, what an honor and  
13 a pleasure to be here.

14 Thank you, Caroline, and your staff for  
15 organizing the meeting.

16 MR. GARCIA: Well, congratulations.

17 Hi, I am Teclo Garcia, Madam Secretary, CEO of  
18 the Mission, Texas, Economic Development Corporation. I'm  
19 glad to be here with friends and respected colleagues that  
20 are in the room. It is my honor to serve on this  
21 Committee and also to bring a different perspective to the  
22 Committee.

23 Mission is a city of about 100,000 people in  
24 the Rio Grande Valley. And we have a -- share ownership  
25 with the bridge -- with McAllen, the Anzalduas

1 International Bridge, which will soon have cargo, once the  
2 federal inspection facilities are completed on both sides.

3 So we're looking forward to that.

4 One thing that Mission is, is part of a  
5 regional economy. So often, Mission doesn't stand alone  
6 in what happens in our area. People who -- kind of like a  
7 DFW sort of a thing, on a much smaller scale.

8 People who live in Mission often don't work in  
9 Mission. People who work in Mission don't often live in  
10 Mission. And people go back and forth, both sides of the  
11 border, this side of the border, et cetera. It's a very  
12 interesting and exciting dynamic that we have to work  
13 with.

14 But we are ready to take advantage of it. And  
15 having forums like this from distinguished leaders on both  
16 sides of the border is extremely important, to hear all  
17 sides of what is happening in their world and how we can  
18 help, in that sense.

19 One last thing I'll mention is that the Mission  
20 Economic Development Corporation is just like -- just  
21 about like all the others in Texas. And we recruit and do  
22 business retention, expansion, et cetera. But we are in  
23 a -- Commissioner Meade knows this very well, because he  
24 helped set this up, is -- we are located in a 55,000  
25 square foot, old Kmart, which we've renovated for about an

1       \$8 million price tag.

2               And it's -- we're almost at year number 10,  
3       Alex, as you know, 10 years of doing that. We have about  
4       22 tenants in the facility, and about 250-plus co-working  
5       members that use the facility. And unfortunately for us,  
6       there is a gourmet coffee shop about 32 steps from my  
7       office. And then I've invested heavily in that.

8               And then we have a brewery on the other side of  
9       the building. So you can start with us -- the day, and  
10      you can finish the day with us as well. So a pleasure  
11      being here, and thank you for having me.

12              MR. ZAPATA: Thank you, everyone. And again,  
13      we look forward to your perspectives on these valuable  
14      topics and questions.

15              A little bit of the format of the questioning.

16      We'll start with some broad questions, where we will hear  
17      from each single one of the panelists, and then we will  
18      move to some individuals' particular questions to get some  
19      more specifics from the expertise and [inaudible] of each  
20      of the panelists.

21              So a quick point, that one of my biggest  
22      stressors this week is that I have two Jerrys on the  
23      panel, so.

24              (General laughter.)

25              MR. ZAPATA: I want to make sure that my

1 question is directed to the right chair, in this instance.

2 But for now, for everyone -- and Teclo, we'll  
3 put you on the spot as we're beginning on this side this  
4 time. What aspect of the 89th Texas Legislative Session  
5 do you believe will have the most significant impact on  
6 cross-border trade and regional and statewide economic  
7 development?

8 MR. GARCIA: What was mentioned before -- let  
9 me follow up on the briefing that was given by the  
10 government relations folks earlier. For us -- and it  
11 sounds kind of silly, but it's funding. I mean, that's  
12 what was most important.

13 The Senate and the House were very focused.  
14 This wasn't one of those transportation-focused, if you  
15 will, sessions like there has been in the past, but  
16 funding was definitely still flowing from the Legislature.

17 And for us, we all have our different issues,  
18 whether it's DFW or Lufkin, or you know, Alpine, or  
19 whatever the case is, right? Same with the Valley. So we  
20 expect, maybe to our detriment, funding to continue to  
21 flow from the Legislature. And we hope that the  
22 Legislature continues to understand, which they did this  
23 past session, their -- with their funding mechanisms,  
24 right -- the Rio Grande Valley, the border areas that we  
25 represent, need funding for these particular projects,

1     whether they are highway connections for trucks or  
2     handling overload corridors.

3             But here's a point I want to make regarding  
4     funding and support for the border regions, which was  
5     mentioned by the Secretary and others earlier in this  
6     meeting, is if you're expanding and fixing roads in  
7     Laredo -- which I worked there as well and got to know  
8     everyone in Laredo very well for several years -- is that  
9     you're not doing it just for Laredo or just for McAllen or  
10    just for El Paso. You're doing it for the rest of the  
11    state and country, for that matter.

12            I'll just say one example. I'm getting off --  
13    a little off topic here. But Lego has a major campus in  
14    Monterrey, and it's the Campus for the Americas. So they  
15    have several buildings, about 6,000 employees, and they  
16    move their Legos through Laredo.

17            These trucks go through Laredo to DFW for more  
18    distribution, or they go on to Memphis to FedEx and other  
19    places for more distribution, right. And so having trucks  
20    move and other vehicles move more expediently through  
21    Laredo, or any port for that matter, isn't just for  
22    Laredo.

23            It's for Memphis. It's for Dallas. It's for  
24    Chicago, Atlanta, et cetera.

25            And maybe you don't like the Lego example,

1 because many of us have stepped on those things over the  
2 years, and they hurt like hell, but I just want to use  
3 that as an example, as how goods and movement -- it's so  
4 important not just for the border areas, but for the rest  
5 of state, Secretary.

6 MR. BARELA: Well, from a perspective of  
7 regional economic development for us -- first, I totally  
8 agree with Teclo. It's about funding and making sure that  
9 our roads, bridges, highways are maintained and are  
10 expanded.

11 We have many, many projects underway in El  
12 Paso. And certainly, Calvo won't tell you that he does a  
13 great job. I will say he does a great job and his  
14 organization does a great job organizing that and  
15 requesting funding. So thank you for the work that you  
16 do.

17 And I'm going to offer two answers. One is, we  
18 were thrilled to see that \$300 million was allocated for  
19 space development and economic development projects  
20 related thereto. We, in our organization, were the  
21 recipients of one of the first grants, of the first  
22 tranche of money that was allocated.

23 We have a provisional award of \$19.7 million to  
24 create a space innovation hub in downtown El Paso. And we  
25 are in the final stages of negotiating a grant agreement,



1     which we believe will be instrumental and transformational  
2     and diversifying for our economy. We're thrilled to be  
3     able to work that.

4             The Borderplex Alliance is working very closely  
5     with the Space Commission, with Dr. Wilson at UTEP and  
6     others to make sure that our highway trajectory continues  
7     and our diversification in industry continues in El Paso  
8     and in our region. So we are also working with the Space  
9     Force, the Space Systems Command, to do a public-private  
10    partnership for innovation and solving particular issues  
11    that they may have for our national defense. So that's  
12    very exciting for us, and that was funded again through  
13    the Space Commission, another tranche of \$300 million,  
14    which will be important for us.

15            The next answer that I will have -- and bear  
16    with me here -- may be a bit quirky. It may seem not  
17    terribly relevant to this meeting, a little  
18    unconventional. \$250 million was allocated for film.

19            I'm on the record, in my prior life, of not  
20    being a big fan of the film industry, to get -- be honest.

21    I'm always concerned when states subsidize an industry  
22    that denigrates them. It's happened in New Mexico.

23            Texas did it right. I've got to compliment --  
24    getting in this game, Texas did it right. There's a  
25    provision in this bill that says that if you are going to

1     malign or create a film that does not portray Texas or  
2     Texans in a positive light, the State has no right to fund  
3     that particular production.

4             Now, for those of us who live on the border,  
5     public perception of us as a violent, dangerous frontier  
6     persists. I can assure each and every one of you, we have  
7     lost projects because of that perception. Commissioner --  
8     she knows of one particular project.

9             And we all know better. According to the  
10    latest FBI statistics, El Paso was ranked the safest city  
11    in America of cities over a half a million in population  
12    and above.

13            So if you're going to get into this game -- and  
14    by the way, it's a portable industry. Film companies come  
15    and go and leave jurisdictions based on the next highest  
16    bidder. But if you are going to get in this industry, I  
17    have to compliment the leaders and the legislators and the  
18    Governor and all of us who were involved in getting this  
19    bill passed, because the last thing you want to do is  
20    subsidize an industry that denigrates or tears down your  
21    reputation, or worse, mocks certain cultures, as what had  
22    happened in New Mexico.

23            So the last thing I'll say about it is now we  
24    have an opportunity to push back on pop culture and the  
25    portrayal of the border as a dangerous and lawless

1 frontier. Perhaps, just perhaps, we can use state money  
2 to portray our region in a more positive light, because we  
3 have a great culture. Many heroes come from the border  
4 area. And I hope that maybe some film productions will  
5 push back on that negative image and will create some  
6 positive productions that portray us in a very, very  
7 different light, but in a real and very realistic light.

8 So thank you for bearing with me on that one.

9 MR. ZAPATA: Great insights, Jon.

10 Gerry Schwebel?

11 MR. SCHWEBEL: Very good, very good insight. I  
12 mean, it's a hard act to follow.

13 But I will tell you, from my perspective, Mae  
14 West used to say, it's better to be talked about than not  
15 to be talked about at all. And sometimes what they tend  
16 to remember is that it's up to us to tell the story.

17 I have been known to spread the gospel of the  
18 border, like you and Jerry, and you know, Teclo, and it's  
19 never enough. So for -- what we've tried to do with the  
20 Legislature is engagement.

21 We started off the meeting with our Secretary  
22 talking about what she's learned, even though she is --  
23 had been so engaged in the Legislature for so many years,  
24 but it's really humbling to hear that you're still  
25 learning. And there's others that are still learning of

1 the role of the border. But we don't do enough.

2 And one -- I'll tell you one of the things  
3 that -- I also serve Lt. Governor Dan Patrick's  
4 Transportation and Ports Committee and an advisory  
5 committee, and all of these advisory committees is, you  
6 know -- 30, 40 advisory committees in different areas.  
7 The first meeting of the year, of the session, when  
8 there's a session, is -- he rolls out his -- the bills  
9 that he really wants to make sure that everybody is aware  
10 of. And -- but unfortunately, for some folks, that's the  
11 first time people hear about these bills.

12 And it's kind of like, these are your marching  
13 orders. This is what we want you to focus on. The work  
14 really was before that.

15 And that's the important role, I think, for all  
16 of us that -- whichever section of the Legislature it is,  
17 we've got to be engaged. And that's one of the elements  
18 that I think that we don't do enough of as private sector  
19 as well as the public sectors of border communities. We  
20 do it because it's part of kind of like -- it's natural  
21 for some of us.

22 But for others that are not accustomed to it,  
23 you've got to encourage, you know, other members of your  
24 communities to go out there and come to the Commission  
25 meetings, be here. Because I tell -- you know, the story

1     that I tell is that, when it comes to the funding, that  
2     Commissioner Meade says, the funds are there -- everybody  
3     wants to go after them. And the question is, who's going  
4     to go after them first? Who's -- what are those  
5     priorities? Who is going to present the best arguments?

6             Like everything else. I've been in the  
7     business as a banker to negotiate loans and CD rates,  
8     things of that nature, but I don't wait for people just to  
9     walk in the door. You've got to go out there and hustle  
10    for the business. Well, we've got to out there and hustle  
11    for the business, and you know, at the State Legislature,  
12    and even, you know, in Congress all the time.

13            So for us, this particular session was really  
14    relevant because, you know, when you throw out \$40 billion  
15    here, throw out \$120 billion there, and the dollar figures  
16    go up, but the money goes like that. And by the time  
17    you're out there knocking at the door, somebody's already  
18    got a priority. And that's the challenge that we have.

19            One of the things that I learned from, you  
20    know, my good friend Bruce Bugg is he would always turn  
21    off his presentations in regards to all of the projects  
22    that we're working on and that we're advocating for at the  
23    Legislature -- is use the word execute, execute, execute.

24            That stayed in my mind always when I would be in a  
25    meeting with Bruce Bugg.

1           And you know -- and I always said, look, any  
2     idea that we come up with, you know, that we present, if  
3     we don't execute, it's just a hallucination. It doesn't  
4     happen. So therefore, it's up to us.

5           So that's the role we play: execute, execute,  
6     execute. Work with not just the Legislature, but  
7     understand clearly the role that the leadership of  
8     TxDOT -- you know, Marc's, you know, learned a lot. Marc  
9     Williams has been a great advocate. Caroline, I can't  
10    speak enough -- Caroline and the whole TxDOT team, our  
11    Commissioners.

12           In 1993 -- I'll tell you a story -- 1993, I  
13    invited them in TxDOT Commission -- they had three  
14    Commissioners back then -- to a football game. And we had  
15    a nice seat arrangement in Texas Stadium, you know,  
16    with -- and this Commissioner in 1993, I asked her, how  
17    many times have you come down to the border?

18           She says, I've never been to the border. Right  
19    there, I had my marching orders. I know what I had to do.

20    And I will tell you that, since I've been involved with  
21    the BTAC, since I've been involved in advocating -- it's  
22    been a long while -- the Commissioners -- this Commission,  
23    the leadership of TxDOT has been the most engaged on the  
24    issues of the border than any other commission I've been  
25    involved.

1           It has -- as Senator Eckhardt said, we have to  
2 educate. It's a constant education. I've been married  
3 for 30 years to an educator, and I saw what she did as a  
4 teacher.

5           And I said, I'm a teacher too. I just teach  
6 adults. You teach kids, you know. I don't know which  
7 one's easier or which was harder.

8           But at the same time it's a constant educator  
9 of our issues, and then making sure that we stay focused  
10 on the priorities and understand clearly the role of the  
11 UTP, the role of every mayor, the role of every county  
12 judge, and how together the private sector works with the  
13 Legislature in making sure that we execute, execute, and  
14 execute everything that we set forth. Because as we  
15 always say in this panel, what's good for the border is  
16 good for Texas, it's good for the United States, it's good  
17 for the North American region.

18           MR. MALDONADO: Thank you.

19           So I had to read the question again, because my  
20 train of thought went in many different directions. But  
21 the most impact on cross-border trade -- so as my fellow  
22 panelists have said, you know, the border is important.  
23 Infrastructure is important.

24           A key part of everything that we do daily, and  
25 sometimes we just don't think of it, is what is happening

1 at the border, what is coming in and out of Mexico, in and  
2 out of Canada. Our drivers are the ones that move  
3 America, you know.

4 A lot of bad things happened, unfortunately,  
5 back with COVID, but one of the key things that we took  
6 from it as an industry, as a transportation community,  
7 was, our drivers were very quickly categorized as  
8 essential workers. A lot of people were told to go home.  
9 And that was fair, you know. We needed to be safe.

10 But in our world, in the transportation world,  
11 we couldn't do that, you know. Our drivers couldn't go  
12 home and work remote, or at least not yet. I don't think  
13 I'll be able to see that in my lifetime.

14 But with that being said, you know, anything  
15 that helps the flow of traffic, of cross-border freight,  
16 to get it faster and safer, helps our drivers. Our  
17 drivers are on the clock every single day. They have to  
18 drive -- they're only allowed to drive a 10-hour span  
19 within a 14-hour span, right.

20 So their job is to get from point A to point B  
21 safely. And that is something that we communicate and  
22 talk to them and we have to deal with every single day.  
23 You know, the safety of our highways is important. The  
24 safety of them being able to find a place to rest is  
25 important.



1           You know, statistics show, unfortunately, that  
2       there is one parking space out there for every 11 drivers.  
3       And it is something that we've got to continue to work on  
4       when we do our infrastructure projects, when we continue  
5       to do these funding mechanisms.

6           You know, the flow of freight continues to  
7       increase year over year, and that's good. That's positive  
8       for business. It's positive for Texas being the biggest  
9       trading partner of Mexico. We're proud to do that.

10          We're proud to say that. You know, the city of  
11       Laredo, humbly and respectfully to all the other ports  
12       here, is the busiest port. You know, we've come a long  
13       way to get to where we are.

14          In Laredo, we actively have four presidential  
15       permits, you know, expansions. New bridges are coming, et  
16       cetera. Why is that important? Because we need to  
17       continue to move cross-border freight. We need to  
18       continue to move these relationships that we have with  
19       Mexico and Canada.

20          So you know, I'll leave you with this.  
21       Whenever you're out there on the roads, we're all out  
22       there on the roads. I've got to drive back to Laredo at  
23       some point today.

24          You know, the drivers out on the road, always  
25       remember that they're on the clock. They're professional

1 drivers and their main goal is to get where they're going  
2 as safely as they can.

3 Will they make a mistake eventually?  
4 Unfortunately, they will. They are exposed more than all  
5 of us, because they drive for a living.

6 So thank you very much.

7 MR. ZAPATA: Jerry Maldonado, I want to stay  
8 with you, because gaining the perspective of the Texas  
9 Trucking Association and you give such a strategic aspect  
10 of trade. And again, from the Texas Trucking Association  
11 perspective, during this legislative session, what bills  
12 may help maximize benefits for freight carriers and  
13 minimize disruptions?

14 MR. MALDONADO: So one of the key things that  
15 we've got to focus -- continue to focus, as you know,  
16 leaders in the transportation community, we were not  
17 successful this session -- SB 30. You know, basically,  
18 what are we talking about? What are we advocating for as  
19 an industry -- tort reform. Plain and simple, we need to  
20 stop the lawsuit abuse, right.

21 What does that mean? We're all insured, right?

22 And as an industry, we are heavily regulated by the  
23 FMCSA, a lot of guidelines, and it's okay. That's the  
24 rule of the game.

25 But what we're trying to address here is not us

1 as an industry getting away with things. That is not the  
2 goal here. The goal is to stop the abuse. And I'll be  
3 specific on that.

4 What does that mean? Unfortunately, in many  
5 instances, our drivers are out there on the road and  
6 they've been involved in accidents. And even if it's not  
7 our fault, even if our driver was on his break, legally  
8 parked in a rest area and he gets hit, we immediately get  
9 a lawsuit, right.

10 Why? Because the trial lawyers exist, because  
11 there's no regulation against it, right. And until that  
12 gets fixed, that will, unfortunately, continue to be  
13 something that affects us negatively. And how does that  
14 affect every one of us here in the room today?

15 Well, the insurance world -- is there any  
16 insurance people in the room? They're running a business,  
17 right. So if they have to be writing checks every month,  
18 you know, to pay out these lawsuits, what's going to  
19 happen next year, when we all renew our insurance? Our  
20 premiums are going to go up, because the insurance world  
21 is also a business, and they're in the business of making  
22 money and staying in business.

23 So this affects everyone, not only us with  
24 commercial insurance; it affects everybody across the  
25 board. You know, you see the billboards on the road that

1 say, you know, you got hit? Call this guy. Call that  
2 guy.

3 We don't like them, by the way. And people --  
4 and the narrative has been created out there that you get  
5 in an accident, and you'll become a millionaire. It  
6 doesn't work like that. There is no such thing as free  
7 money, unfortunately -- well, unless you win the lottery,  
8 but then again, it wasn't really free. It was everybody's  
9 three dollars.

10 So you know, that narrative has to change, you  
11 know. As humans, we've been trained to, instead of  
12 calling 9-1-1 or calling your insurance, you've got to  
13 call that guy, because now you've read it. You see it  
14 everywhere.

15 You know, they do a hell of a job on their  
16 marketing. I'll give them that. But we have to continue  
17 to remember, you know, where that comes from and it  
18 affects every one of us. So you know, that is a fight  
19 that we haven't won yet, but it's a fight that we will  
20 continue to fight as an industry.

21 And it is something that we feel very strongly  
22 that, as soon as we conquer that, aside from making a  
23 celebration, Texas will be better -- continue to be a good  
24 state to do business, but it could always get better.

25 MR. ZAPATA: Thank you.

1           Jon, as a policy advocacy organization  
2     representing a region covering three states and two  
3     nations, what strategies does the Borderplex Alliance  
4     implement during the legislative session to advocate for  
5     increased transportation investment, workforce development  
6     and [inaudible] policy to supply chains resilience?

7           MR. BARELA: Well, getting legislation passed,  
8     as all of you know, is a team sport. No one organization,  
9     no one legislator, no one interest gets things past the  
10    finish line and signed into law by a governor. So it's  
11    very obvious, I'm sure, to all of you, but the simple  
12    answer is collaboration and making sure that you work with  
13    a variety of organizations, not only during the session,  
14    but in the months and the years prior to a particular  
15    legislative session.

16           So it's absolutely vital. We work very closely  
17    with the city and the county of El Paso, with their  
18    legislative team, to make sure we're on the same page. We  
19    do take a lead in pan-regional advocacy. So I'm in  
20    Washington quite a bit, coming back here.

21           As it affects Texas, we work with other  
22    business organizations as well, including the TAB --  
23    they're doing a great job, as I mentioned before -- the  
24    Hispanic Chamber. We work with our legislators. Dr.  
25    Wilson, we work with in terms of who and how we're going

1 to be pushing particular pieces of legislation.

2 As evidence of that, Senator Blanco was able to  
3 acquire \$10 million for a mining engineering program at  
4 UTEP, which is very, very important, not only for our  
5 area, but the entire supply chain and for our national  
6 security. UTEP is, to my knowledge, one of only three  
7 universities that offers an engineering -- mining  
8 engineering program. Ironical, because they're known as the  
9 miners. So -- and that's their heritage as a university.

10 But the critical thing here is that we engaged  
11 in developing a very comprehensive strategic plan that  
12 includes, of course, pieces of legislation that  
13 encompasses a whole variety of things. And that has  
14 literally over 200 people participating in our region for  
15 that plan that ultimately gets implemented into our  
16 legislative proposals with these individuals that we just  
17 mentioned.

18 The last thing I want to say is that when you  
19 talk about collaboration, it's absolutely critical for us,  
20 all of us in this room, to know that when we go to Austin  
21 or to Washington or to any other state capitol or even our  
22 city and county commission that we always have Mexico in  
23 mind.

24 I want to give one example of where I think  
25 there was a failure in process. And Jerry knows this

1 issue very well, and that is the removal of cargo truck  
2 traffic from our Bridge of the Americas, an essential  
3 artery for truck traffic. The GSA, in its ultimate  
4 wisdom, moved forward with this proposal with no -- very  
5 little regard for the business community and virtually no  
6 regard for our friends in Mexico, at least at the federal  
7 level. We know that.

8 And to proceed with a major decision like that,  
9 that it will impact trade and traffic flow in our region  
10 and the rest of the state, was a horrendous decision and  
11 one that was fraught with many, many peculiarities and  
12 many, many flaws. But the biggest flaw of all was not  
13 consulting with our friends in Mexico. Shame on the GSA  
14 for not engaging them at the highest levels of the Mexican  
15 federal government.

16 And these administrative decisions or  
17 legislative decisions always have to be made with our  
18 friends in Mexico in mind, because in the end -- and I  
19 said this to you many times before -- Mexico is a  
20 strategic and economic ally of the United States. It's  
21 not a foe. And we need to treat our friends in Mexico  
22 with that kind of respect, and whether it be at the  
23 federal level, the state, or local level. So we're  
24 working to get that decision reversed.

25 Jerry, thank you for your efforts in that and

1 your organization's efforts in that. And TAB, as well, is  
2 involved in that decision, and hopefully, we'll get it  
3 reversed. We'll see what happens, but that's one example  
4 of how we have to work together, not only in the  
5 legislative process, but in the administrative process, as  
6 well.

7 MR. ZAPATA: Teclo, although you're currently  
8 at the Mission EDC, you have experience in the RGV, also  
9 in Laredo and other regions. So again, you have a very,  
10 very vast experience on working with economic development  
11 groups.

12 From your perspective, what strategies can  
13 border EDCs consider to ensure that small and mid-sized  
14 enterprises are represented during the legislative  
15 session? What strategies did the Mission EDC convey  
16 during this session? What happened?

17 MR. GARCIA: That is true, David. I have done  
18 the trifecta: Laredo, McAllen, Brownsville. I've lived  
19 in every place. Interesting -- each one is different.

20 But from an economic development -- or you  
21 know, point of view or economic development corporation,  
22 EDC, I think it's really simple. It's called engagement.  
23 Gerry was talking about that a little bit earlier.

24 No matter how small or large the EDC is, they  
25 can engage in the process, the legislative process, be



1     educated on what's happening in Washington. And often,  
2     I'll have conversations with EDC leaders who say, well, I  
3     don't do politics. Well, you're not doing politics, okay?  
4     Politics is all around us.

5             But if you're not engaged in the legislative  
6     process in D.C. or Austin, then you can't meet the needs  
7     of your -- even your small businesses, much less your  
8     large ones. And any time anyone here recruits businesses  
9     to this state or your region, one of the very first  
10    questions is about transportation. How can I get my goods  
11    to market? How can I get my people back and forth?

12            So -- and it's -- and there's ways you can do  
13    this without having to spend a ton of money if you're an  
14    EDC or if you're a small business or a medium-sized  
15    business. One of the ways that we engage is through  
16    groups like this, right. The Border Trade Alliance is out  
17    there. Ports to Plains is out there.

18            There is the -- NASCO is out there. There's  
19    all sorts of groups that -- Alliance for I-69 is another  
20    one that participates a lot and follows legislation  
21    closely. And each one of these groups, as everyone here  
22    knows, is -- they have professionals. They're usually a  
23    direct organization.

24            They engage with advocacy and lobbying groups  
25    that produce monthly reports. It's not that hard to do

1 it. You do have to make an effort, but I think that even  
2 small businesses need to understand what's happening in  
3 Austin and Washington, and EDCs can be a conduit for that.

4 I think it's our job to educate our members to  
5 do that. And so that's what I would suggest, David.

6 MR. ZAPATA: Great. Thank you for that, Teclo.

7 And Gerry, I'm going to give you the last  
8 question before we open up for at least one or two  
9 questions with the audience. But speaking on your past  
10 experiences on this effort, how can public and private  
11 sector leaders work together during legislative sessions  
12 to ensure that border communities are represented?

13 What recommendations does your organization  
14 have to help convey the importance of Laredo, for example,  
15 for cross-border trade?

16 MR. SCHWEBEL: Thank you.

17 I think this is -- you know, I'm going to save  
18 a little bit of privilege because I think it's the most  
19 important question. I have said, when it comes to  
20 economic development, when it comes to advocating the  
21 issues that are relevant or important to your communities,  
22 you need to decide whether you want to be at the table or  
23 on the menu. Let me say that again. You either want to  
24 be at the table or you're going to be on the menu.

25 That means that you've got to be there

1     advocating to the issues of the priorities that are  
2     relevant and important to each and every community. On  
3     the border, with the exception of El Paso, which is the  
4     largest city on the border, and population-wise that you  
5     have -- most of our communities have less than 300,000.  
6     And our mayors and our county judges that we have up and  
7     down the border, you know, are critical.

8             The danger that we have sometimes, when someone  
9     gets elected, they believe that they sit on the chair and  
10    they know more than the private sector, and they don't  
11    meet private sector stakeholders. But we also -- we, the  
12    private sector stakeholders, also understand that  
13    government cannot be for everything. And we have to work  
14    in partnerships, and truly looking at those projects that  
15    are relevant and important to us because the needle moves  
16    too slow in government, and they go out there and things  
17    are always behind.

18            There's always a reason. There's always going  
19    to be some crisis that slows down a project. And for us  
20    in infrastructure, we need that private sector engagement.

21            We need communities to have protocols for  
22    private-public partnerships. And they need guidance. And  
23    they need to understand clearly what the role of private  
24    sector and the public sector is, and not public sector  
25    saying, give me the money. We'll know how to spend it.

1           That's not the way it works, not the way it  
2 works in Dallas and not the way it works in Houston or  
3 Austin. So with that learning curve on the border of  
4 understanding those private projects, we've got -- we  
5 started off -- this organization, BTAC, was  
6 instrumental -- and I have -- I see Javi Salinas back here  
7 represents Senator Cruz.

8           It took the private sector to be engaged with  
9 Senator Cruz to understand that we had major projects on  
10 the border that were basically stalled, you know, by  
11 the -- you know, in the White House, for border projects,  
12 bridges. And there was two of those projects involved the  
13 private-public partnerships. And they were willing to  
14 advocate and state that this is the role that we've got to  
15 play for the future of infrastructure needs on the border.

16           But it also means that everybody has to be  
17 engaged and involved. And sometimes -- my challenge to --  
18 not sometimes. I'm always challenging the private sector.

19           You've got to go to the MPO meetings. You've  
20 got to go to the city council meetings. You've got to go  
21 to the county commissioners meetings. You've got to come  
22 to Austin, and you've got to get yourself and get your  
23 member of the Legislature to put you on a panel, to  
24 testify and tell the story of why we need it, for the  
25 benefit of the region, for the benefit of the state of

1 Texas.

2 And we need to have more of these PPP projects,  
3 especially for the border, because we don't have -- nor  
4 the political clout nor the funding at the local level,  
5 and we can't just be out there asking, give me, give me,  
6 give me. We also need to step up to the plate as the  
7 private sector and say, let's work together. Let's share  
8 in how -- on the funding that we need, to work together  
9 and make sure that we have the adequate infrastructure.

10 I will tell you that, you know, complementing  
11 what you said about Mexico, Jon. Mexico is much farther  
12 ahead in private sector engagement in their  
13 infrastructure. A percentage that they spend as a  
14 government, you know, as part of their GDP for  
15 infrastructure is much greater than the percentage that we  
16 spend. And therefore, they allow more of the private  
17 sector to be more engaged in the roads and bridges and  
18 highways.

19 So we need to make sure that the public sector  
20 understands that the stakeholders that are here, and  
21 sometimes our friends at the politics -- and you know, the  
22 [inaudible] theme is that our members, the elected  
23 officials, come and go. And we the private sector bear  
24 the brunt of those decisions. But if we let things  
25 happen, it's up to us. And I always said, if it has to

1 be, it's up to me.

2 MR. BARELA: I agree with you. Real quickly,  
3 Hector? I saw Hector somewhere in the audience. He's a  
4 perfect example of what you just talked about.

5 I was honored to take a tour of his project  
6 from Tornillo to El Paso -- or excuse me -- to Ciudad  
7 Juárez. What a fantastic tour that was, privately funded,  
8 a brilliantly operated road and port, and amazing,  
9 amazingly done, and that's a public-private partnership  
10 that Hector and his group have taken --

11 MR. SCHWEBEL: And we can have more of those,  
12 Jon. You know, I mean, I've got -- I remember we've got  
13 have folks in here. How many of you in the private sector  
14 are here, listening to what's going on in this meeting?  
15 Stand up, or you know -- you, the private sector folks,  
16 stand up.

17 I want everybody to look. These are the folks  
18 that are creating jobs and economic development, together  
19 with the cities and the counties --

20 (Applause.)

21 MR. SCHWEBEL: That involves not just Texas,  
22 but it involves Mexico. We have private sector in Mexico  
23 involved. And we have to work together, but for the  
24 benefit of all, not for the benefit of one or two, but to  
25 the benefit of all.

1           MR. ZAPATA: Well, thank you, everyone for your  
2 comments.

3           Madam Secretary, I think we're trying to keep  
4 it on time. But meanwhile, do you think it appropriate --  
5 we can open up for more questioning --

6           SECY. NELSON: Let's open up for questions. I  
7 think this has been a fabulous panel discussion. I'll let  
8 you filter the questions.

9           MR. ZAPATA: Yes. Commissioner New?

10          COMMISSIONER NEW: So I -- what I was really  
11 wanted to do was emphasize some of the points that you  
12 made, but specifically about staying engaged. It's not --  
13 be careful that we don't -- all of us that engage with  
14 legislators at different places, but don't just go after  
15 the issue you're after, but stay after your engagement,  
16 because you need relationships that are developed over  
17 time and trust about the information that you bring to the  
18 table. And that only comes with staying engaged over  
19 time.

20          And I'm going to use TxDOT and the Texas  
21 Transportation Commission as an example of what I'm saying  
22 on the receiving end. It was 2014 when the Legislature  
23 put forth something to be voted on as a referendum, and  
24 the Governor signed and we voted through Proposition 1  
25 that started funding transportation. And then it was the

1     Legislature in 2015 that put forth Proposition 7, signed  
2     by the Governor, put before the people of Texas as a  
3     referendum that created Proposition 7 on sales tax and  
4     motor vehicle sales tax, that are now nearly 40 percent of  
5     the funding for state roads in Texas.

6             And so just -- you know, it's not a one-time  
7     thing. And so I just want to encourage everyone to get  
8     started, stay with it, move forward, and it's the  
9     relationships you develop so that there's trust in what  
10    you say and what you bring to the table that really  
11    matters.

12            MR. ZAPATA: Any other questions?

13            COMMISSIONER NEW: That was like a question.

14            (General laughter.)

15            SECY. NELSON: May I add, if there are no more  
16     questions, just a thought, because this has been a  
17     marvelous panel discussion, and it brings forth some  
18     thoughts that I might -- I just have to comment on, as  
19     somebody who spent 30 years over there as a legislator and  
20     see things through some eyes that maybe nobody else can  
21     share, and who chaired the Finance Committee for eight  
22     years.

23            And I cannot tell you how right you are about  
24     relationships. If you are working the Legislature, in  
25     fact everybody in this room, your legislator representing



1     you, and that includes those of you who aren't from  
2     Texas -- if your person representing you doesn't know you  
3     by name, you're not doing your job. They should know you.

4             You know, when you walk into a room, they  
5     should know who you are. Relationships are what's so  
6     important. And you first develop the relationship, then  
7     that opens the door.

8             And it's an ongoing process, Commissioner.  
9     It's forever.

10            I encourage all people with whom -- you know,  
11     people ask me, how do I learn to lobby, or you know -- and  
12     the first thing you've got to do is, know who represents  
13     you. And then you talk to them about the issues that are  
14     important to you. With border -- you know, it's a  
15     constant education process, because you're constantly  
16     having new legislators over there who maybe never visited  
17     the Valley.

18            My goodness. I'm married to a guy from the  
19     Valley, so you know, I'd been down there 50 years ago.  
20     But I went -- how many years had it been, Gerry, when I  
21     went back to Laredo? It had been -- I don't know -- 15  
22     years.

23            MR. SCHWEBEL: Yes.

24            SECY. NELSON: I couldn't believe the growth in  
25     Laredo. And you know, it's a constant education process

1 for all of us. It's a constant -- we are all -- we look  
2 at these things, and we're so misled about issues.

3 And it hurts my -- I love what you said about  
4 the film industry. It hurts my soul, the image that some  
5 people are getting about our border area, through some  
6 misrepresentation on [inaudible] and film. And I want  
7 people to get good images and to know how special we have  
8 with our neighbors to the south and to the north, Susan.

9 And it's up to us to make sure that our  
10 legislators have that, they know how precious. These are  
11 our brothers and sisters to the south of us, and we --  
12 it's up to us to make sure that our -- that we spread that  
13 message. And we've got to continually do that.

14 And we've got to invite our legislators who may  
15 not live in the valley. We've got get them down there.  
16 Fiesta -- that's the best way you do this, my friends.  
17 You have parties.

18 MR. SCHWEBEL: Madam Secretary?

19 SECY. NELSON: Yes, Gerry.

20 MR. SCHWEBEL: You know, don't forget. Let's  
21 not all forget that just like we're talking about what our  
22 needs are right now --

23 SECY. NELSON: Yeah.

24 MR. SCHWEBEL: -- we also have to continue to  
25 have a vision for the future, for the future

1 interstates --

2 SECY. NELSON: Yeah.

3 MR. SCHWEBEL: -- in the state of Texas.

4 SECY. NELSON: Yeah.

5 MR. SCHWEBEL: The I-27s, the I-69s, the I-2s,  
6 the 14s. All of that connectivity benefits the entire  
7 state of Texas.

8 SECY. NELSON: Everybody. We're all --

9 MR. SCHWEBEL: And it falls in the same  
10 rhetoric.

11 SECY. NELSON: -- in this together.

12 MR. SCHWEBEL: And that future interstate --

13 SECY. NELSON: Yeah.

14 MR. SCHWEBEL: -- you know, argument or  
15 justification has got to be everybody at this table.  
16 Everybody in this room and everybody in the Legislature.

17 SECY. NELSON: Yeah, yeah. And we need to  
18 understand what our neighbors to the south need, what  
19 Canada -- we're all in this together. Now, our  
20 Commissioners can tell you that they're being inundated  
21 not just by people from the Valley, but from DFW, and  
22 they've got to weigh that out.

23 Somebody mentioned, you know, the budget.  
24 Well, I can tell you that one time I added up the number  
25 of requests that came in versus the amount of money that

1 the Comptroller told me I had, and we probably had -- you  
2 know, it's not just transportation needs. It's education  
3 needs and health needs. We had 20 -- just from State  
4 agencies, 20 times the amount that the Comptroller -- we  
5 had in requests.

6 So you have to balance it out, but then within  
7 transportation requests, you've got the border region.  
8 You've got DFW region. And that's when the master plan --  
9 you know, you've got people who really know what they're  
10 talking about saying, okay, what do we really need now?

11 What do we need in terms of roads and bridges?  
12 And we're all in this together.

13 So anyway, I've ranted enough. What a  
14 wonderful discussion. Relationships matter, communication  
15 matters. And it's a constant, constant, ongoing  
16 messaging.

17 Great -- we need to do this more often. This  
18 is a great discussion. Wow.

19 MR. ZAPATA: Thank you all. Thank you.

20 Thank you, panelists.

21 SECY. NELSON: Thank you. Oh.

22 (Applause.)

23 SECY. NELSON: Okay. So next, I would like to  
24 recognize Sergio Vasquez, Border Program Manager of the  
25 Texas Department of Transportation, along with consultants

1 Krishna Satti and Hugo Hernández, as they officially kick  
2 off the update to the Texas-Mexico Border Transportation  
3 Master Plan, finally. The important effort will build on  
4 the foundation of the Master Plan, the 2021 Master Plan.

5 Sergio, you're on.

6 MR. VASQUEZ: Hi. Good morning. Thank you,  
7 Secretary Nelson. Thank you, members, for the opportunity  
8 to be here today.

9 Before we get started, I want to briefly  
10 reintroduce myself. Sergio Vasquez, Border Program  
11 Manager with the International Trade and Border Planning  
12 Branch.

13 So first off, I want to start off with a little  
14 overview of why we're here today. Today, we're here to  
15 officially kick off and introduce the Texas-Mexico Border  
16 Transportation Master Plan update. Our purpose here today  
17 is to inform the Border Trade Advisory Committee members  
18 of the planning process, personnel and timeline, present  
19 the planning framework and schedule, discuss stakeholder  
20 engagement strategies, and gather feedback from the  
21 Committee today to be able to ensure that we move forward  
22 in the correct way.

23 So with that being said, briefly, what is the  
24 Texas-Mexico Border Transportation Master Plan? This plan  
25 is a binational, comprehensive, multi-modal, long-reach

1 transportation plan that identifies issues, needs,  
2 challenges, opportunities, and strategies for moving  
3 people and goods efficiently and safely across the Texas-  
4 Mexico border, the border regions, and beyond. This is a  
5 truly binational plan, where we look at issues not only on  
6 the Texas side, but also on the Mexican side.

7 And we're here because we're officially ready  
8 to kick this off with the Border Trade Advisory Committee  
9 meeting.

10 So just a show of hands, BTAC members, who was  
11 here during the last BTMP update in 2021? Okay. All  
12 right. So we do have a lot of familiar faces with this  
13 process.

14 But I'm going to briefly go over what occurred  
15 in 2021. So the last time this Texas-Mexico Border  
16 Transportation Master Plan was updated was in 2021.  
17 That's when it was adopted by the TxDOT Texas  
18 Transportation Commission.

19 It identified current and future transportation  
20 needs, challenges, and opportunities for moving people and  
21 goods and it outlined recommendations for policy, program,  
22 and project recommendations to address needs. Obviously,  
23 I don't need to tell all the members here what has changed  
24 since 2021, but I'll talk a little bit about what has  
25 changed and what TxDOT has done since the implementation

1 of this plan. It also facilitated coordination and  
2 collaboration between Texas and Mexico through the  
3 International Trade and Border Planning Branch in the TPP  
4 Division.

5 So a little bit about what came from the 2021  
6 plan. There were 661 total Texas-Mexico border-wide  
7 projects that were recommended in 2021, 559 projects with  
8 the Texas-U.S., totaling a need of 32.7 billion, 102  
9 projects in Mexico representing a \$4.7 billion need. 193  
10 of those 661 projects were for border-crossing projects,  
11 totaling a need of 6 billion, and 468 of those 661  
12 projects were corridor projects that represented a  
13 31.4 billion needs of estimated cost.

14 So what has happened since the BTMP was last  
15 updated? Like I mentioned, we had 661 projects that came  
16 as a recommendation of the BTMP. That number, through  
17 consolidation of the project over the past couple of  
18 years, now sits at 632.

19 From those 632, 530 projects are in Texas, and  
20 300 of those projects are those TxDOT as the lead sponsor.

21 From those 300 projects, the Texas Department of  
22 Transportation has completed or has under construction  
23 57 projects.

24 209 of those 300 projects are under  
25 implementation, that's through the UTP of 2025, and 34

1 were either cancelled or could not verified. And that's  
2 either because there was a consolidation of the projects  
3 or it was identified as no longer a need.

4 From those 530 projects, 230 projects were non-  
5 TxDOT. Thirty were completed or under construction. 117  
6 of the implementation phase that's stated through the MPO,  
7 city, or other sponsors, and 83 were canceled or could not  
8 be verified.

9 And 102 projects were on the Mexican side.  
10 Fifty-three were in the state of Chihuahua. Twelve were  
11 in Coahuila de Zaragoza. Four in Nuevo León, ten in  
12 multiple region states, and 23 in Tamaulipas.

13 In addition to those projects recommendations,  
14 there were some program recommendations. Like I  
15 mentioned, the previous master plan outlined policy,  
16 programs, and projects recommendations. There was a total  
17 of 153 program recommendations that came from the 2021  
18 BTMP.

19 TxDOT was identified as the lead agency for 46  
20 of those programs, and TxDOT has completed or has studies  
21 in progress of about 18 of those 46. TxDOT has completed  
22 seven of those studies, and some members here have  
23 received briefing on those. An example is -- some of the  
24 programs that are being implemented, like the border wait  
25 time implementation system. My coworker, Marvina, is



1 going to talk a little bit about the border connectivity  
2 study that's also a recommendation from this plan and also  
3 some corridor studies, oversights, overweights.

4 So this is an example as to some of the  
5 programs that came from this plan. And what came from  
6 this previous master plan -- there's a full report on our  
7 website and what was submitted from the Border Trade  
8 Advisory Committee to the Texas Transportation Commission.

9 But it's a binational plan that provides goals and  
10 objectives and institution for moving peoples and goods  
11 throughout the Texas-Mexico border.

12 It shows the past and present. It designates  
13 the multi-modal transportation network throughout the  
14 Texas-Mexico border. It looks at the current and future  
15 needs assessment. It also provides forecasts, economic  
16 importance, and identifies and evaluates strategies to  
17 address the current needs, allowing stakeholder engagement  
18 recommendations and implementation plans.

19 So why we're here is, what are we updating.  
20 We're updating most of the plan. And that's because we  
21 last did this in 2021, and we know a lot has changed since  
22 2021.

23 So why are we updating this? We know just --  
24 without scratching the surface, a lot of things have  
25 happened since 2021. We had a pandemic. We had changes

1 in key stakeholders.

2 We have new policies. The USMCA was  
3 negotiated. We have the phenomenon which I don't need to  
4 mention to the members, nearshoring, reshoring, and a lot  
5 of technology deployments that have occurred since then.  
6 We have global and local supply chain disruptions, and  
7 this all has led to an increase in transportation demand.

8 And just to put it into context, this is how  
9 the border looks like in 2024. As you can see, \$840  
10 billion passes between U.S. and Mexico trade, \$553 billion  
11 of trade passes through the state of Texas.

12 Back when we did this in 2019 -- the data from  
13 the BTMP from 2019 -- there was a \$138 billion increase,  
14 about a 33 percent increase since that last plan. In  
15 addition to that, you will see that we have passenger  
16 vehicles of 35 million that cross just northbound. That's  
17 a 6 million -- 6 percent increase, almost 2 million of the  
18 increased traffic going northbound, not including  
19 southbound.

20 You'll see there's also 1,254 miles, 34  
21 crossings, and we know that there's been additional  
22 presidential permits that the panelists mentioned that we  
23 need to take into consideration. That's why we're in the  
24 process of updating this.

25 I know I talked a little bit about why we're

1 updating this and a little overview as to what the Texas-  
2 Mexico Border Transportation Master Plan is and some of  
3 the key factors. But I did just want to briefly ask the  
4 members here today, what other factors should we consider?  
5 I know I mentioned nearshoring, technology implementation,  
6 but it is there something that, as we kick this off  
7 officially and begin the analysis, begin stakeholder  
8 engagement, is there something that members here would  
9 like for us to consider?

10 Maybe one or two keywords for us to move  
11 forward?

12 MR. BAZÁN: Luis Bazán, Pharr International  
13 Bridge. Hours of operation -- hours of operation. That's  
14 been a constant reminder to us for the past 10 years or  
15 so, even before that. So that would make it a priority.

16 MR. VASQUEZ: Thank you, sir.

17 MR. MORGAN: Kyle Morgan with CPKC here. We  
18 opened a new international bridge so we can take our  
19 [inaudible] trains from 30-day to 60-day. That opens up  
20 more trade into Mexico significantly.

21 As well as -- Canada Pacific Kansas City was  
22 created 2023. So we are now Calgary-headquartered. We're  
23 taking raw material from Canada, taking it to Mexico,  
24 finished goods into Texas. So that is another  
25 consideration.

1 MR. VASQUEZ: Perfect. Thank you, sir.

2 Anyone else?

3 MR. SCHWEBEL: I will tell you -- this is Gerry  
4 Schwebel. I think it's important -- we need to -- we have  
5 a lot of new councils, city councils, county  
6 commissioners. I think we need to go back and refresh all  
7 our community leadership, public leadership, and even some  
8 private sector stakeholders, kind of like chambers,  
9 [inaudible], and EDCs once again and update them on what  
10 this plan is all about and what the intent is, so that the  
11 right decisions can be made and people [inaudible]  
12 switching gears, you know, especially, you know, that --  
13 new projects that were not discussed in years past.

14 MR. VASQUEZ: Perfect. Thank you, sir. And we  
15 will go next over project approach and stakeholder  
16 engagement, and that's where we're also going to open up  
17 to the members. Obviously, this is not the first time  
18 we'll have a conversation, but it's a good direction for  
19 us to begin the work towards your needs.

20 MR. CALVO: Madam Secretary?

21 MS. MAYS: And -- yeah. Go ahead.

22 SECY. NELSON: Go ahead.

23 MR. CALVO: This is Eduardo Calvo with the El  
24 Paso MPO. I think it's tremendously important to update  
25 this, because like you said, four years ago, the plan was

1 approved, but we were basically using 2019 data, if I  
2 remember correctly. So in terms of population and all the  
3 movement, it's a totally different world now.

4 After the pandemic and so many changes, you  
5 know, it's been so, so -- you know, dynamically changed.  
6 It's a different world. So the update, in terms of the  
7 data, in terms of the stakeholders, it's so important to  
8 update this.

9 And hopefully, we can set up a mechanism so  
10 that the Border Master Plan is updated not every four  
11 years, but -- it has to be a living document, right,  
12 because things are changing so, so quickly. So -- but  
13 I'm looking forward to participating and helping.

14 MR. VASQUEZ: Thank you, sir.

15 SECY. NELSON: Yeah. Other --

16 MS. MAYS: I just wanted to --

17 SECY. NELSON: Wait. There's -- excuse me a  
18 minute. Go ahead.

19 SECY. GONZÁLEZ: More participation from Mexico  
20 needs to be implemented on the Border Trade Master Plan,  
21 especially the states supporting the U.S. Nuevo León can  
22 be at your hands to make this possible. And we'd love to  
23 help with the federal government. But we need more Mexico  
24 presence in the Border Master Plan.

25 MR. VASQUEZ: Thank you, sir.

1           SECY. NELSON: Another -- yes. And please  
2 state your name for the record. And we'd like to ask  
3 members to be the ones to ask questions.

4           Go ahead.

5           MR. GIESBRECHT: Yes. This is Jake Giesbrecht.

6       I would echo Nuevo León, participation with the federal  
7 government and especially in the 559 Program -- or 560,  
8 because we in Presidio have some issues there, clarify  
9 some. Counter, if we on the U.S. side asked for services,  
10 the Mexican side does not know what we're talking about.  
11 So there's a lot of policy issues.

12           And also, what Gerry said earlier on the  
13 meeting over there, the PPP Program, we have people that  
14 are interested in the PPP, and TxDOT participation and  
15 types of participation in the PPP Program, if that's going  
16 to be possible. And also Mexico, because we have projects  
17 that are wanting to work with the PPP and Mexico and Texas  
18 on the border.

19           MR. VASQUEZ: Thank you very much. Not to get  
20 ahead of myself, but the team is going to talk about  
21 stakeholder engagement and see what the plan is and then  
22 get your feedback there.

23           SECY. NELSON: Okay. Other questions?

24           (No response.)

25           SECY. NELSON: Okay. Caroline?

1 MS. MAYS: No. I was actually going to pop a  
2 couple of members here.

3 Ruben, new bridges. A lot was mentioned. He  
4 had a lot of presidential permits. A lot of those -- some  
5 of those were not in the previous Border Master Plan.

6 So I just wanted to make sure that public or  
7 you all know that those will be included in this Border  
8 Master Plan going forward. So Ruben and many others, with  
9 all the new presidential permits, the Laredo -- one  
10 district, Laredo, alone, we have eight new presidential  
11 permits in one border district.

12 So just wanted to at least bring that up,  
13 Secretary.

14 SECY. NELSON: Okay.

15 Yes, ma'am. Go ahead. Oh, identify yourself  
16 first, please.

17 MS. ESPINOZA: Raquel Espinoza with Union  
18 Pacific Railroad. I think for -- from our standpoint,  
19 we're a private company and we invest in our own  
20 infrastructure, as does the CPKCS. I would suggest that  
21 you look at your methodology and how you base your  
22 assumptions to ensure that they are accurate, because if  
23 you can make a projection and plan around that, but if  
24 your projection is not accurate, it's shortchanging some  
25 other needs.

1           And so I just have to make a very quick plug  
2     for the grade separation grant program. I invite all of  
3     our communities to apply. That doesn't sound like  
4     international commerce, but there is nothing like the  
5     Texas transportation system, nothing like it in the world.

6           And we are moving commerce by road and by rail.

7     And we can't do that at the expense of the residents, the  
8     people who are driving. And so that's very important and  
9     critical that we invest and catch up in that way. And  
10    that doesn't just help railroads and the communities, but  
11    it also helps our trucking partners. It makes it safer  
12    for them.

13           We had a terrible accident in Pecos where we  
14    lost our crew members. And so I just ask that you look  
15    into your methodology and ensure that your assumptions are  
16    accurate. Thank you.

17           MR. VASQUEZ: Thank you, Raquel.

18           SECY. NELSON: Okay. Other questions,  
19    comments, thoughts?

20           (No response.)

21           MR. VASQUEZ: Okay. Thank you. Now, I want to  
22    talk a little bit about project management and approach,  
23    but before we do that, I want to introduce the consultant  
24    team. So this is the project team.

25           Like I mentioned, Sergio Vasquez. I'm the



1 project manager for the -- on behalf of TxDOT with my  
2 management, Andrew Canon and Claudia Lagos.

3 We have three consulting firms that are going  
4 to be assisting us to be able to update this plan. We  
5 have AECOM through the project manager, Krishna Satti. We  
6 have HNTB through the lead, Will Smithson, who's going to  
7 be leading data and economics. And we have HDR, through  
8 their lead, Hugo Hernández, who's going to be leading  
9 stakeholder engagement.

10 But then I want to pass it over to the project  
11 manager of the consulting team, Krishna Satti.

12 Krishna?

13 MR. SATTI: Good morning, Madam Secretary.  
14 Good morning, all the Committee members. My name is  
15 Krishna Satti, and today I'm going to walk us through how  
16 we're going to update the Border Transportation Plan.

17 First, we wanted to acknowledge -- we heard a  
18 lot through the panel discussion before how important this  
19 plan is going to be for all of you. So we have structured  
20 the plan, how we're going to update it in four stages.

21 In Stage 1, we're going to start with  
22 developing the vision, mission, and the supporting goals  
23 and objectives for this plan update. We're going to -- at  
24 the same time, in the Stage 1, we're going to evaluate the  
25 international trade context. Basically, we'll be looking

1 at the international level, regional level, state level,  
2 and at the local level too. So we're going to look at  
3 various levels.

4 And then Stage 2, we're going to assess the  
5 current and future needs of the border region. We're  
6 going to identify policies, strategies, programs, and  
7 projects that are going to address these needs.

8 In Stage 3, we're going to assess these  
9 policies, strategies, programs, and projects. Moving on,  
10 finally, with the Stage 4, we're going to document all the  
11 findings and recommendations, and we're going to develop  
12 an implementation plan. This is all on the technical side  
13 of the things. We're going to be on the background and  
14 crunching all the numbers.

15 But the important thing of this plan update is  
16 the stakeholder engagement. It's going to be -- people  
17 representing from both sides of the border. We heard a  
18 lot from the members today how important that engagement  
19 is going to be, and then we're going to prioritize in this  
20 plan development, which Hugo Hernández is going to cover a  
21 lot on what the framework is and how we're going to engage  
22 with those stakeholders.

23 Now, the next few slides, I'm going to walk us  
24 through the process quickly so that we all are on the same  
25 page of what we're going to do while we're updating this

1 Border Transportation Master Plan.

2 In Stage 1, as we said, we're going to look at  
3 the vision, mission, goals, and objectives. When it comes  
4 to that, we're going to review all the existing plans on  
5 both sides of the border, the plans that are being  
6 adopted. And we're also going to look at and assess the  
7 2021 BTMP that has already been adopted, see what is still  
8 relevant from that plan.

9 Based on that, we're going to define the  
10 vision, establish an aspirational, long-term view for this  
11 Texas-Mexico border region. After that, we're going to  
12 craft the mission, what this plan is about and how it's  
13 going to help the community, and who it's going to serve.

14 And then finally, we're going to establish supporting  
15 goals and objectives that are going to align with the  
16 vision that's been established earlier.

17 And all these goals and objectives are going to  
18 be high-level focus areas and themes that are going to be  
19 very important. We're not going to do this in a vacuum,  
20 as I said earlier. We're going to engage with the  
21 stakeholders, and especially with the Committee, to help  
22 us formulate the vision and the supporting goals and  
23 objectives.

24 Moving on, when we are establishing or  
25 evaluating international trade and context in the existing

1 conditions and the future conditions, we're going to look  
2 at comprehensive data. We're not just going to look at  
3 the freight data. We're also looking at how people are  
4 going to move. We're going to look at all levels of  
5 geography.

6 We're going to starting looking at the  
7 international level, followed by the national, state, and  
8 local levels. We're going to collect all that data.  
9 We're going to benchmark with other regions how those port  
10 of entries are doing.

11 We're also going to look at the supply chain  
12 and the trade dynamics that are happening in the border  
13 region. We're going to look at all the key industry  
14 clusters that are there. We're going to look at the  
15 nearshoring and the reshoring activities, the technology  
16 trends that are focused -- happening right now, and also  
17 the shift in policies. We're going to take all those  
18 things, and with the existing data, we're going to  
19 establish a baseline condition.

20 And that's when one of the Commissioners -- the  
21 Committee member touched on earlier, is -- we're going to  
22 list all the assumptions, how we got the data, and  
23 establish that baseline condition. Once the baseline  
24 condition is established, we'll go and produce the future  
25 conditions. We're going to forecast what the future trade

1 is going to look like at the border region, and how the  
2 movement of people are going to happen.

3 This is just a prediction based on the baseline  
4 condition we established. We're going to look at,  
5 again -- at the international level, national level, state  
6 level, and at the regional level.

7 Continuing with our plan development process,  
8 we are going to move to the Stage 2. Now, we established  
9 the baseline condition and we know what the future is.  
10 The next step is looking at what the needs are for this  
11 Texas-Mexico border region.

12 We're going to assess the current conditions.  
13 We're going to identify the needs and the gaps in the  
14 infrastructure, not just at the border crossings, but also  
15 the multi-modal transportation that's active right now in  
16 the region. We're going to impact -- we're going to  
17 identify the impacts of those future trends on this  
18 transportation infrastructure, and we're going to assess  
19 the current and future needs of the border region. We're  
20 going to engage with key stakeholders and all the  
21 Committee members to get your feedback on what the needs  
22 are, and we're going to finalize those transportation  
23 needs.

24 Moving on, once we set the stage for the needs,  
25 then we're going to start identifying what policies,

1 strategies, programs, and projects are needed to address  
2 the needs that we identified in the previous step. For  
3 that, we're going to review all the existing U.S. and  
4 Mexico policies, both at the federal, state, and local  
5 levels. And we want to review the strategies, programs,  
6 and projects that are already being listed in the existing  
7 plans. We're going to categorize those strategies,  
8 projects, and programs by types.

9 We want to make sure that those projects and  
10 programs are all aligned with the vision and goals that  
11 were established earlier. We're going to collaborate with  
12 this Committee, as well as all the stakeholders to  
13 document the list of identified policies, programs, and  
14 projects.

15 Moving on to the Stage 3, this is an important  
16 stage where we're going to assess the policies,  
17 strategies, programs, and projects that we all come up  
18 with. For this, we're going to work with the Committee  
19 members to develop criteria on how we're going to assess  
20 these programs and projects. We're going to assess the  
21 list of the programs and projects based on the criteria we  
22 all agree upon, and make sure it aligns with the vision  
23 and goals.

24 Lastly, we're going to develop a portfolio list  
25 of projects and programs, and we are also going to look at

1 the programs and projects dependencies that could be  
2 dependent on one another or could be dependent on other  
3 programs that are going on right now.

4 Finally, we are at the Stage 4. We're going to  
5 document all the findings and recommendations that may  
6 come up, and then we're going to develop an implementation  
7 plan.

8 For the implementation plan, we're going to  
9 start looking at all the planned projects, both funded and  
10 unfunded. We're going to assess potential funding sources  
11 that are available. We're going to look at all the  
12 implementation catalysts, barriers, and risks that are  
13 there when it comes to implementation.

14 We're going to consider the existing  
15 technologies that are there, and also the emerging  
16 technologies that are coming up to improve the border  
17 infrastructure, as well as moving people, goods and people  
18 in the region. Lastly, we're going to consider the time  
19 frames for when these strategies, projects, and programs  
20 are going to be implemented.

21 And then lastly, we're going to develop an  
22 investment plan and document findings and recommendations.

23 All this is to make this plan more actionable.

24 With that, I'm going pass it on to Hugo  
25 Hernández to walk us through the stakeholder engagement

1 process.

2 MR. HERNÁNDEZ: Thank you, Krishna.

3 Hello, Board members.

4 So building upon your points, Krishna, we  
5 wanted to walk you a little bit through the framework of  
6 the stakeholder engagement. Of course, this stakeholder  
7 engagement is building upon the 2021 Border Transportation  
8 Master Plan, and enhancing its outreach, right. So this  
9 is intended to be a top-down, bottoms-up communication  
10 plan and engagement. Of course, with BTAC being at the  
11 center of the engagement process, providing the direction,  
12 right, and the guidance of the decisions made in this  
13 Border Master Plan.

14 And of course, we will also be engaging with  
15 TxDOT districts, given that they will provide, of course,  
16 the -- they are boots on the ground in terms of  
17 essentially being out there for the projects, as well as  
18 regional partners. And also, we'll be engaging at the  
19 federal and state level with, of course, the JWC and BBBXG  
20 on the border crossings committees at the federal level.

21 Of course, we will also be engaging with  
22 stakeholder interviews, hearing from the stakeholders, the  
23 users, essentially, of the roadways and the people moving  
24 those goods. Of course, it's going to be very important.

25 And of course, we also want to hear from the public in



1 general, the community itself, how they are impacted by  
2 the projects. We want to hear their issues, their  
3 concerns.

4 And of course, last but not least -- one of the  
5 major frameworks -- one of the major stakeholders in this  
6 framework is going to be our regional working groups.  
7 That's going to be a forum of binational members. And of  
8 course, starting from West Texas, covering the El Paso  
9 area into Juárez, of course, it's going to be the first  
10 work group. Then we also would have the Presidio/Ojinaga  
11 work group.

12 We will have, in the central Valley -- I know  
13 it's kind of small in your presentation, but we will have  
14 the counties of Val Verde, Maverick County, with Acuña and  
15 Piedras Negras. We also have the Webb County, Colombia,  
16 and the Laredo area, of course, with the Nuevo Laredo  
17 being as partner. We will also have the Starr/Hidalgo  
18 Counties, with the Rio Grande, Mexico, and Miguel Alemán  
19 as another work group. And last but not least, of course,  
20 the Cameron County and the Matamoros/Nuevo León -- no,  
21 Progreso, I'm sorry -- the Rio Grande Valley.

22 So why are these regional working groups going  
23 to be important for this development of the Border Master  
24 Plan? And we are specifically splitting the efforts in  
25 terms of six binational regional working groups. They're

1 going to be formed, again, by the Texas and Mexico border  
2 regions and members.

3 They will have -- and they will be the core  
4 mechanism of the stakeholder input. They will have and  
5 shape the foundation of the Border Master Plan update. We  
6 want to hear what the issues are, and this is where the  
7 stakeholders essentially will roll up their sleeves, and  
8 we will request information, concerns, issues.

9 We want to hear it all, essentially. We want  
10 to make this plan a true binational update. And  
11 essentially, we want to gather all the information, all  
12 the binational perspectives.

13 We want to hear, of course, all the other  
14 initiatives that will be coming up for each of the border  
15 regions. We also want to build consensus to help us make  
16 that -- develop a plan, inform the rest of the state in  
17 terms of what short-, mid-, and long-range terms of  
18 projects, programs, what have you, will come out and are  
19 actually needed for the region.

20 One of the major differences that we can point  
21 out in terms of the 2021 Border Master Plan is that,  
22 previously, there were three binational regional steering  
23 committees, or BNRSCs. I don't know if you guys, some of  
24 you, remember that.

25 But those were very -- sometimes attended by

1 over 100 members. And so it was very well engaged, of  
2 course, definitely. However, there were issues and  
3 concerns discussed at different levels.

4 What I mean is, essentially, a lot of the  
5 regions were discussing issues in other areas that, of  
6 course, were sometimes not to the extent that other -- the  
7 other region could essentially expand on. And so that's  
8 one of the reasons why we're expanding into six different  
9 regions, smaller groups, of course, to listen and to, of  
10 course, get better feedback in terms of the projects.

11 Of course, what other considerations we have in  
12 terms of the lessons learned. We want to build, of  
13 course, from the 2021 Border Master Plan. It was a very  
14 successful plan, and other initiatives, such as the Border  
15 Connectivity Study and the House Bill 4422. We already  
16 have the relationships -- speaking earlier, in terms of  
17 the relationships of what everyone needs to be, of course,  
18 seeding, and of course, continuing that communication.

19 We want to build upon those relationships. We  
20 want to keep that relationship going. We have and we want  
21 to build and hear from the specific users, again, from the  
22 U.S., from associations in the Mexico side. We want to  
23 hear from those users as well.

24 And of course, we want to be up front, we want  
25 to ask what the issues are. We want to, of course,

1 complete the communication cycle in terms of providing the  
2 results of each of the meetings. And of course, we want  
3 to provide opportunities to keep that networking going.

4 As it was discussed before, there were -- there  
5 are different players on the table. And so it is a cycle  
6 that needs to be implemented in terms of the plan update  
7 itself.

8 I know it's very small, but on the right side  
9 of the slide, you see a geographical separation of the  
10 regions. We can certainly provide a bigger map in terms  
11 of how the regional working groups are split up in the  
12 intention of the Border Master Plan framework.

13 And so what or who do we want to hear and who  
14 do we want to engage? We want to, of course, hear from  
15 the U.S. and the Mexico side. We want to hear from the  
16 local partners. We want to engage with the bridge owners,  
17 the operators.

18 We want to hear from the county leaders, from  
19 the city, the chambers, the economic developments. Of  
20 course, in the private side, we want to hear from the  
21 trucking associations, the brokers, logistics,  
22 nearshoring, warehousing companies, rail, Union Pacific,  
23 CPKCS.

24 And the federal level, the federal/state level,  
25 of course, from TxDOT itself. There are also big

1 partners. The U.S. Department of Transportation, Federal  
2 Highway Administration, GSA, Customs and Border Patrol,  
3 the Coast Guard itself.

4 And also in the Mexico side, we want to hear  
5 from the State Secretaries of Economic Development. We  
6 want to hear from the municipalities. We want to hear  
7 from the planning sectors, the private sectors, from the  
8 chamber of commerce.

9 We want to hear from the maquiladoras. We want  
10 to hear from the different transportation itself. And of  
11 course, going up the way into the federal level, we want  
12 to hear from the SICT, Aduanas, and of course, all the  
13 Regional Advisory Council for Economic Development and  
14 nearshoring industries.

15 And with that, of course, this is very high-  
16 level in terms of who do we want to hear, but we want  
17 to -- one of the questions that we have for you right now  
18 is: what other initiatives are happening in the region,  
19 in your region, in El Paso and Laredo and the Valley, that  
20 we should be aware of?

21 We want to be partners with you. We want to  
22 engage with the stakeholders, and of course, move this  
23 plan forward. So I'll open it up for any questions or  
24 comments in terms of who do we want to engage with.

25 SECY. NELSON: Questions? Yes, sir.

1 MR. CALVO: Eduardo Calvo, El Paso MPO. Just a  
2 couple of things.

3 As far as other initiatives, Madam Secretary,  
4 we kicked off our own plan in the El Paso/Ciudad Juárez  
5 region. We're calling it the International Border  
6 Crossing Strategic Plan, which is really the -- looking at  
7 our crossings in our region. But it's going to be very,  
8 very heavy -- mirroring a lot of what the Border Master  
9 Plan is doing, but obviously, we're going to be focusing  
10 in our region.

11 Tremendously important, the involvement of our  
12 counterparts on the Mexican side, and of course, I see  
13 here Fernando Alba from the State of Chihuahua, and all of  
14 the other state and local organizations, from the public  
15 and private sector on both sides of the border. So one  
16 very important thing that we must do is coordinate these  
17 efforts. Because again when we do these, you know,  
18 binational efforts, we see that there is a lot of  
19 activity, a lot of meetings that may lead to  
20 stakeholder -- you know, there are way too many meetings.

21 So there's fatigue. No. I'm not serious. So  
22 there's a lot of meetings. So all of us need to be very  
23 careful in that these meetings are very well targeted,  
24 that we understand exactly what we're asking the  
25 stakeholders and keep them engaged.

1           Because, again, Gerry, the private sector --  
2   you know, you guys know that, you know, your time is  
3   limited, right. So you don't have time to participate in  
4   overlapping meetings and so on. We have to be very, very  
5   smart in how we coordinate that.

6           The second thing, related to the first version  
7   of the Border Master Plan, a good part of the development  
8   was during COVID, right? So a lot of the meetings, a lot  
9   of the engagement, was done via, you know, video meetings,  
10   right. So yeah. We got a lot of people participating,  
11   but I think we lack that in-person, you know, engagement,  
12   right?

13           So I really, really like the idea of doing this  
14   in smaller groups so that they can be more targeted, more  
15   focused, and get more of a substantive participation from  
16   the stakeholders. But we've got to very, very, you know,  
17   targeted in how we engage the stakeholders, because if  
18   not, you know, we may lose interest in the stakeholders.

19           MR. GARIBAY: Madam Secretary, if I may make an  
20   additional comment? Just to expound a little bit on  
21   Eduardo's comments?

22           SECY. NELSON: Need to identify yourself,  
23   please.

24           MR. GARIBAY: I'm sorry. Ruben Garibay from  
25   Puerto Verde.

1                   SECY. NELSON: Thank you.

2                   MR. BAILEY: There's two agencies that I  
3 strongly recommend that you engage, as well as SRE and  
4 SELA [phonetic]. They're actually one of the best pulse  
5 for SELA that will tell you truly the advancement of that  
6 particular quarter for a project.

7                   They're one of the last vetting agencies, which  
8 comes to my next comment. When we were engaged at the  
9 BBBXG meeting very recently, there was a lot of newcomers  
10 on both sides. And one of the things that we were kind of  
11 tasked with at the end is, like -- hey, we met all these  
12 new people, when you're talking about all these meetings,  
13 but we still don't understand, what are the priorities?

14                  Like, Mexico doesn't understand the like U.S.  
15 priorities, like what's being funded, what's actually  
16 permitted. So there's going to be, like a lot of us said,  
17 a lot of meetings, a lot of, you know, mental traffic, a  
18 lot of data, but it's going to be really, extremely  
19 important that both sides, at the end of this Master Plan,  
20 and even at the federal level, truly understand what's  
21 really possible within the next five years, with  
22 permitting, budget.

23                  So I think it's also going to be very important  
24 that whoever the sponsor is of that project be able to  
25 articulate and prove truly the stage at where they're at,



1 and by documenting it. I think that's something that is  
2 going to be very, very important, because that will allow  
3 both the U.S. and Mexico, at least on the Texas side --  
4 I'm not only concerned about Texas, but, you know, even at  
5 the other states -- would actually coordinate efforts on  
6 both sides. Because that is one thing that SICT in Mexico  
7 has told us.

8 We truly still don't understand, what are the  
9 priorities? Like, where should we focus our energy and  
10 time, both in developing, engineering, and analysis of  
11 traffic, so that we're keeping in pace financially.

12 Thank you.

13 SECY. NELSON: Good point.

14 Yes, sir?

15 MR. WALKER: Madam Secretary, I am Cameron  
16 Walker. I'm an Executive Director of the Permian Basin  
17 Metropolitan Planning Organization. We -- our board  
18 approved our 25-year transportation plan in November of  
19 last year.

20 Within that document are two new interstate  
21 corridors, the I-27 piece that's coming through the middle  
22 of the Odessa area, and also I-14 in -- also coming in two  
23 different -- sort of different angles into our region.  
24 But they're very important corridors, and we would love to  
25 be a part of the overall planning process too, because

1 that 900-plus-mile I-27 corridor is critical to the state.

2 SECY. NELSON: Yes.

3 MR. WALKER: And us.

4 SECY. NELSON: Yes.

5 MR. WALKER: Thank you.

6 SECY. NELSON: Commissioners, are you  
7 listening? Wait.

8 Okay. Of course. Go ahead.

9 MR. GIESBRECHT: Yeah. This is Jake from  
10 Presidio. I'm very excited; it's very good that we're  
11 updating the plan.

12 I love engaging the program, and most excited I  
13 am, that you've got it in six pieces, because we've got --  
14 with my friends here in El Paso, we have different needs  
15 in Presidio than they do in El Paso. So I'm very happy  
16 that you did that. I don't know who thought of that, but  
17 whoever did that, it's like, congratulations. It's going  
18 to help us.

19 In Presidio, it's going to help us a lot  
20 because of our needs in Presidio are so different than  
21 yours in Laredo, even though they're the same on the  
22 federal level, like the 559, all those programs, and with  
23 our friends in Midland, Odessa, also. We have -- we can  
24 really make it work, I think, a lot better. Thank you.

25 SECY. NELSON: Other questions, thoughts?

1 Let's --

2 MR. SCHWEBEL: Question --

3 SECY. NELSON: -- save questions just for the  
4 members, please.

5 MR. SCHWEBEL: -- if I could?

6 SECY. NELSON: Gerry?

7 MR. SCHWEBEL: Thank you. Gerry Schwebel, for  
8 the record.

9 Thank you, Madam Secretary.

10 One of the, I think, initiatives that I think  
11 we need to make sure we stay focused on is that there's  
12 been so much work that's been done in the past with the  
13 framework agreement. It's the Governor of our state of  
14 Texas that said it was important. It was our Legislature  
15 who said, we need to have a plan --

16 SECY. NELSON: Yes.

17 MR. SCHWEBEL: -- for the state. Okay?

18 SECY. NELSON: Yes.

19 MR. SCHWEBEL: We stay focused on that. What I  
20 get concerned about, and I want to make sure that our  
21 friends from Mexico listen to this, is that sometimes we  
22 tend to deviate from a plan that we have in place and try  
23 to look at local MOUs, the local initiatives, that may not  
24 tie into a plan that we already have in place.

25 So I would encourage, you know, our planners on

1 both sides of the border to refrain from looking at these  
2 local MOUs. They sound nice politically, but the reality  
3 is that -- the practical matter is that we've got a plan.

4 Let's focus on executing that plan on both sides of the  
5 border and not go out there and try to reinvent the wheel.  
6 And that's a challenge that we have.

7 I understand on our side and we have it on our  
8 friends on the Mexican side. But if we can show that we  
9 have a plan and we want to make sure the plan is executed  
10 to the way -- with the priorities and the changes in times  
11 that we have right now, we can get something accomplished.

12 But if we start doing our own thing and every community  
13 starts doing their own thing and they want to change --  
14 deviate from the plan, it's only gonna slow down the whole  
15 progress of this plan.

16 SECY. NELSON: Listen to wisdom. Any other  
17 questions, thoughts?

18 I -- yes. Go ahead.

19 MS. ESPINOZA: Madam Secretary, thank you.

20 SECY. NELSON: Yes.

21 MS. ESPINOZA: Raquel Espinoza with --

22 SECY. NELSON: Yes.

23 MS. ESPINOZA: -- Union Pacific.

24 I just want to add that from the freight rail  
25 perspective, we have a border master plan. CPKC, BNSF,

1 Union Pacific, we don't plan for five, 10 years; we plan  
2 for decades. And it's important that we note that these  
3 railroads are in constant communication with the railroads  
4 in Mexico.

5 And we're not shy about investing when needed,  
6 and we always work to ensure that our borders are fluid  
7 when it comes to freight rail. So that's an important  
8 thing to note.

9 We're not asking the State's funding, when it  
10 comes to our own infrastructure. So that's just something  
11 that should be kept in mind. We're the ones who know what  
12 our customers are expecting, et cetera. And so those are  
13 the things that need to be considered when looking at the  
14 freight rail component.

15 Thank you.

16 SECY. NELSON: Good.

17 MR. VASQUEZ: Thank you. And I do want to just  
18 mention that we are taking also all of this, and we are --  
19 that's why we wanted to be here today to see -- we don't  
20 want to duplicate efforts. We want to make sure that we  
21 work -- that we build upon what has already been done,  
22 best practices.

23 We have 4422. We have [inaudible]. We have  
24 the border connectivity studies. The stakeholder  
25 engagement is based on what we've done over the year and a

1 half.

2 And we've seen how it worked when it comes to  
3 identifying all the needs from the border. Similar,  
4 different, we understand that.

5 That's all I have on my end, and I want to pass  
6 it on to Krishna, if there's no more questions.

7 SECY. NELSON: I -- if everyone has had an  
8 opportunity? I do have a couple of questions that I want  
9 to add to those that have been asked.

10 I'm looking at your project schedule here, and  
11 you know, plan adoption is 2027, which seems like far  
12 distant future in many ways. And a question was raised  
13 earlier. I mean, you know, things can change between now  
14 and then.

15 So you're going to be doing a continual  
16 reassessment, and as things change, you'll make changes.  
17 Is that correct?

18 MR. VASQUEZ: Yes. So I'll go over the project  
19 schedule. So where we're at right now, we'll begin the  
20 vision and goals and international trade and existing and  
21 future forecasts. That's where we are right now.

22 SECY. NELSON: Right.

23 MR. VASQUEZ: And we're going to brief BTAC  
24 members throughout each meeting to make sure that we  
25 provide direction, to make sure that we provide the

1 schedule, to make sure that --

2 SECY. NELSON: Update.

3 MR. VASQUEZ: -- everything that we hear  
4 throughout the border, you -- we come back to the BTAC  
5 members and we can confirm findings.

6 SECY. NELSON: Perfect.

7 MR. VASQUEZ: We can prioritize  
8 recommendations --

9 SECY. NELSON: Every meeting?

10 MR. VASQUEZ: Yes.

11 SECY. NELSON: Thank you.

12 MR. VASQUEZ: Yes.

13 SECY. NELSON: It's what I wanted to hear.

14 MR. VASQUEZ: Yes. And this plan adoption,  
15 that's the current plan as it is right now, but we'll  
16 continue updating the members --

17 SECY. NELSON: Perfect.

18 MR. VASQUEZ: -- through each meeting.

19 SECY. NELSON: Perfect. Well, let me ask you  
20 this then. What -- are there performance measures or  
21 success indicators that you're considering to track  
22 progress once the plan is adopted? Will there be  
23 performance indicators or some kind of measuring tool once  
24 the plan is adopted to show us if we're on track?

25 MR. VASQUEZ: I did want to pass that over to

1 Krishna. I know we do have about three more or four more  
2 slides, Secretary.

3 SECY. NELSON: I'm sorry. Well, then, finish.  
4 Yeah.

5 MR. SATTI: So --

6 SECY. NELSON: But if you have a chance to  
7 answer that question, I always like to know how we're  
8 going to measure our progress, our success.

9 MR. VASQUEZ: Yes. So as I mentioned in the  
10 beginning, we are going to continue tracking the projects  
11 once this gets implemented. And I think something that  
12 Ruben Garibay mentioned is crucial, is making sure that we  
13 get as much information as we can from those project  
14 sponsors so we can make sure that we continue to track  
15 those as it progresses.

16 SECY. NELSON: Good.

17 MR. VASQUEZ: That's how we're going to make  
18 sure that we come back to the members and say, this is  
19 what came out from this new update, this is where we're  
20 at, similar to how we presented from the 2021.

21 SECY. NELSON: Perfect. I'm sorry. I didn't  
22 realize we hadn't completed.

23 So go ahead and finish, and then we'll see if  
24 there are any questions about your other slides.

25 MR. SATTI: Thank you, Madam Secretary.



1           SECY. NELSON: Go ahead.

2           MR. SATTI: So now, we're going to cover the  
3 schedule, which is very important, like you asked the  
4 question, like how are we going to finish all these  
5 things? It's an exciting time. We are all excited.

6           We are ready, and we are kicking off this  
7 project with this Committee this month. And we plan to  
8 finish everything in 18 months from now and be -- get the  
9 plan ready for adoption in Jan '27. That's what we are  
10 planning to do.

11           And as you listened earlier, we provided all  
12 the four stages of how we're going to develop the plan.  
13 All those four stages are going to be completed by this  
14 time next year. That's like a year from now.

15           We're going to finish all the technical  
16 activities of that, and then we're going to start drafting  
17 the first version of the BTMP update. And then as you  
18 follow along with the schedule, we have listed all the  
19 district meetings with TxDOT, as well as the six regional  
20 working groups. We're going to meet them at every stage  
21 of the plan development.

22           The four stages -- we're going to meet with  
23 those six regional working groups. The first three of  
24 those working group meetings are going to be in-person,  
25 because of the -- to have a meaningful conversation, and

1 the last one, we are thinking of an option with either an  
2 in-person one or a virtual one.

3 We also plan to meet with this Committee  
4 periodically. Right now, we are thinking we are going to  
5 meet with you on a quarterly basis, and we're going to  
6 provide you with the information that we've gathered from  
7 these regional working group discussions, and also solicit  
8 feedback on our plan development process. We also  
9 included ample time in the schedule for this Committee to  
10 review the draft plan and the various versions of those  
11 plans. In addition to that, we have included time for the  
12 TTC plan introduction, as well as the plan approval.

13 The last thing, we also included a 30-day time  
14 period for the public. We're going to solicit feedback  
15 from the public. So with all that being said, we are  
16 ready and very excited to get this plan rolling and be  
17 ready by Jan 2027.

18 The first engagement meeting, just to announce  
19 it -- we are going to have this with the regional working  
20 groups, for the six of them, a couple of weeks from now.

21 With that, I'm going to pass it on to Sergio  
22 for the next steps.

23 MR. VASQUEZ: All right. Thank you. I know we  
24 went over a lot of information. I do want to open for any  
25 additional comments after I finish these two slides.

1           But I just wanted to highlight again about why  
2 BTAC is crucial to the update of the BTMP. We're going to  
3 rely a lot on the members here when it comes to  
4 engagement, when it comes to identifying the needs, when  
5 it comes to these final recommendations. So that's why we  
6 are officially kicking this off with the members, because  
7 you guys are crucial to this component.

8           As we mentioned, you, the BTAC members, are  
9 going to provide direction throughout key decision points.

10          The BTAC members are going to strengthen and expand  
11 binational stakeholders and public engagement activities,  
12 and also, members already mentioned who we need to speak  
13 to. So we'll consider reaching out to the members to say,  
14 this is who we plan to speak to; is there anyone else that  
15 you think we should speak to, to identify those needs?

16          Also, to again collaborate to shape policies,  
17 programs, and implementation plan, and provide feedback  
18 throughout the entire process and final recommendations so  
19 that it's submitted to the Texas Transportation Commission  
20 for adoption. And some of the initial efforts we're going  
21 to begin after this kick-off, is -- we'll begin  
22 interaction with BTAC members and stakeholders. So this  
23 will not be the first time you hear from us.

24          We're going to begin data analysis, begin  
25 existing conditions evaluations, and something that

1 Krishna mentioned, you'll be hearing from us over the next  
2 couple of weeks as we begin Round 1 engagement. Like we  
3 mentioned, we'll be traveling from El Paso all the way to  
4 Brownsville, making sure that we have those initial  
5 meetings about what the expectation is when it comes to  
6 project submittal, what we need, what are we looking for,  
7 and begin that interaction. Because it's crucial for us  
8 to be there in person. And any subsequent updates will be  
9 given through BTAC.

10 With that being said, I did want to share  
11 contacts information. Sergio Vasquez, you can contact me  
12 for anything regarding the BTMP -- and obviously Claudia,  
13 Andrew, Caroline. But we're here to answer any questions.

14 And thank you for your time.

15 SECY. NELSON: Awesome.

16 MR. GARIBAY: I have one final question. This  
17 is more of a comment.

18 SECY. NELSON: You need to state your name for  
19 the --

20 MR. GARIBAY: Ruben Garibay.

21 Will some of these regional meetings be  
22 available at least via Zoom? I'm saying it for the benefit  
23 of, like -- I mean, Eagle Pass has a brand-new MPO. So  
24 they may not be as familiar or as prepared.

25 And I think, just to give them a chance to be

1 more prepared, listening in on another regional meeting  
2 would be of great benefit for, an example, Eagle Pass, so  
3 that they can have a little bit of time to prepare and  
4 have a more effective presentation.

5 MR. VASQUEZ: Thank you. We're still creating  
6 the stakeholder engagement plan, but we'll take that into  
7 consideration as we finalize this. Thank you.

8 SECY. NELSON: Other questions?

9 MR. SCHWEBEL: I have one more question.

10 SECY. NELSON: Gerry?

11 MR. SCHWEBEL: Gerry Schwebel. This is a  
12 question more to Caroline.

13 Caroline, are we going to be able to tie in our  
14 state freight mobility plan with the BTMP?

15 MS. MAYS: Yes, Gerry. Thanks for that  
16 question. I know some of you sit on both the Border Trade  
17 Advisory Committee and the Freight Advisory Committee.

18 As we have done in the past, really, this  
19 effort highlights the border issues that fits into the  
20 overall freight plan. You know, the freight plan covers  
21 the entire state. The Border Master Plan covers the  
22 border region, and really is the signature that actually  
23 feeds into the freight plan.

24 So there's a lot of synergies between the  
25 Border Master Plan and the freight plan. This is actually

1 starting earlier. I think the freight plan will be  
2 started in about a year.

3 So this is actually staggering really well,  
4 because whatever comes out of this, Gerry, will feed into  
5 the broader freight mobility plan. So they're not  
6 necessarily separate. This one just delves a little bit  
7 deep into border and border trade issues.

8 SECY. NELSON: Other questions, comments?

9 (No response.)

10 SECY. NELSON: Let's roll.

11 MR. VASQUEZ: All right. Well, thank you all.

12 And --

13 SECY. NELSON: Thank you.

14 MR. VASQUEZ: -- thank you for that.

15 MS. MAYS: Thank you.

16 SECY. NELSON: Thank you so much. All right.

17 For our final topic, we will hear presentations  
18 from our Mexican border states on their respective  
19 infrastructure plans and investment priorities. These  
20 updates are essential to strengthen in coordination and  
21 facilitating the efficient movement of people and goods  
22 between Texas and Mexico.

23 I am going to ask each of you to be respectful  
24 of our time constraints. We've asked that you limit your  
25 presentations to eight minutes. And I've asked someone to

1 let us know when those eight minutes are up, and be  
2 respectful of the time constraints that each of you will  
3 have.

4 So we're going to begin. The Chair will  
5 recognize Sergio Guajardo, Undersecretary of Sustainable  
6 Development, Competitiveness, and Foreign Trade for the  
7 State of Tamaulipas.

8 Welcome.

9 UNDERSECRETARY GUAJARDO CASTELLANOS: Thank you  
10 very much, Madam Secretary. Thank you very much for the  
11 invitation and for being here.

12 I want to share just brief greetings. So our  
13 Governor Américo Villarreal and obviously our Secretary  
14 Ninfa Cantú. And we'll be respectful of the time.

15 As you said, we're going to make that. So I'm  
16 going to run quickly through the slides. Well, just to  
17 make some facts about this state, this is where Tamaulipas  
18 is located, and as you can see, has one of the largest  
19 border lines with Texas, and obviously, one of the most  
20 crossings we have between both states.

21 So we see, with you guys what this Master Plan,  
22 this Border Master Plan, is going to work. And while we  
23 at Tamaulipas make -- want to be participants and want to  
24 help you coordinate all these working groups. So please  
25 consider us for all this work that you're going to have.

1           This is one of the facts about Tamaulipas and  
2       what's the specific weight it has in the border trade with  
3       Texas. So Tamaulipas has the first place, not only in  
4       railway but also in highway and these crossing operations.

5       And we're talking about more than \$350 billion that cross  
6       around our border with Texas.

7           And this goes along the 19 crossings we have  
8       within each states. As a productivity state, we have the  
9       first place in the chemical industry, third place in  
10      machinery, third place also in -- it has to do with TIs,  
11      and the fourth place in electronics.

12          These are the 19 crossings we already have.  
13      One of those, with actually the brand -- the newest one we  
14      have with CPKC. They've just constructed the third  
15      railway bridge we have between our states.

16          These are some of the characteristics of the  
17      railway system we have. Tamaulipas run both railway  
18      systems in Mexico that is Ferromex and that is CPKC.  
19      Ferromex joining the American ports we have in our state,  
20      that is Tampico and Altamira, that also connects with  
21      Nuevo León and then runs through the border railway system  
22      that has CPKC and the three bridges we -- that communicate  
23      both states.

24          This is the highway connectivity. And  
25      actually, this is one of the facts that we would like to



1 highlight, in which this border crossing master plan that  
2 you're planning to do in the border, it's going to help  
3 all this highway information we have and all of the  
4 infrastructure and new projects that we are running  
5 through in our state are going to help with this  
6 information that you're working on.

7 Right now, we have -- well, a couple of months  
8 ago, we only have been working with two ports. That was  
9 the Port of Altamira and the Port of Tampico. Actually,  
10 the Port of Altamira has a lot of similarities with the  
11 ports of Texas, Houston, one of them. They share a lot of  
12 the companies that are installed there.

13 But I was talking about two months ago. Right  
14 now, the last month, we have the new operations of the  
15 Port of Matamoros. So the Port of Matamoros, that is just  
16 across the bridge, has been for long years trying to work  
17 and help start operations. And last month, they started  
18 with the export of some of the vehicles that Hyundai  
19 Glovis is constructing in [inaudible].

20 And this is just the update of the confirmed  
21 projects we have in investment projects that companies  
22 that have been coming to our state. We're talking about  
23 145 investment projects that started just two years and a  
24 half ago. This is where they are located. These are some  
25 of the companies that have the decision to start -- to

1 stay in Tamaulipas and start working.

2 So I know the clock's running. So I just would  
3 like to talk about the strategic projects that is the fact  
4 that brought us here to talk about -- these are some of  
5 the projects that with -- well, I'll continue with the  
6 timing. So we're only going to touch about five of these  
7 14 projects that are concentrating in our state.

8 These projects, we would like to put them as an  
9 input in this Master Plan that you're working on. So  
10 there is how -- I would like to give you an invitation to  
11 come to our state so we can share this info with you and  
12 be more detailed about all this. But we would like to  
13 talk about the five of them, that we consider the five  
14 most important.

15 First would be the expansion of the World Trade  
16 Bridge, the most important bridge we have, not between  
17 Texas and in our state of Tamaulipas, but in all America,  
18 there is no other border bridge that has more operations  
19 in the whole continent. That is Laredo. And I -- well,  
20 we've been talking about the importance of this region.

21 We have an expansion that, right now, is  
22 running now. So what is this expansion? Right now, this  
23 port has eight lanes that are crossing northbound and  
24 southbound, but it's expected to grow to 18.

25 So how are we going to that? We're going

1 to construct a brand-new bridge that is going to give us  
2 eight more lanes, and construct in the bridge that we're  
3 already working on, two more lanes. So that is going to  
4 run us from eight to 18 lanes.

5 These are some of the works that we're working  
6 on. As I just mentioned, right now, we have eight lanes  
7 that are working, but we are trying to grow to 18. This  
8 not only makes some of the investments in the construction  
9 of the bridge, but also in the highways that connect to  
10 the bridge.

11 So there is a highway called Mex 2 that is on  
12 the Mexican side, and we're working on expanding that  
13 highway so we can have a more secure and obviously more  
14 efficient operations that run through Nuevo Laredo.

15 We brought a brief video. I don't know what --  
16 you can help me playing it. But this video will show you  
17 how the operations work nowadays and how will it work when  
18 the expansion is already done.

19 This simulation has been done in the most  
20 demanded hours of the bridge, where the traffic goes, more  
21 operations are done. The one on the part below is how  
22 it's working right now, the operations on the bridge. And  
23 the part on the top is how it's going to work once the  
24 bridge is already done.

25 (Video plays.)

1                   UNDERSECRETARY GUAJARDO CASTELLANOS: Well,  
2                   when is this part going to be done? This is a timeline  
3                   that we've been working on with the American side of the  
4                   team and the Mexican side of the team. We're planning to  
5                   finish this project in 2028.

6                   This is when the infrastructure is going to be  
7                   done, and we're going to have these new operations done.  
8                   I would like to highlight all of the cooperation that  
9                   we've been having with the City of Laredo to working on  
10                  these project.

11                  The next project that we would like to share  
12                  more about is the IV-V Bridge that already has the  
13                  presidential permit. I'm going to try to run my words so  
14                  I can make it on the time.

15                  The expansion of Anzalduas, that we've been  
16                  working with the City of McAllen -- great companions here.  
17                  We're partners.

18                  Pharr Bridge, that has been one of our biggest  
19                  partners in Tamaulipas. The Mexican -- well, [inaudible]  
20                  also working on with them. [Inaudible] already finished  
21                  the infrastructure made on the Mexican side, and Pharr  
22                  city is projected to finish their infrastructure final  
23                  months of this year. So we're going to have a brand-new  
24                  bridge in 2026.

25                  This is some of the information of the Port of

1 Matamoros that we've just finished. Well, I've already  
2 talked about their operations. They already started. So  
3 we've having a new port, a maritime port in our state,  
4 that connects also with the bridges in our border.

5 And after I finish, I would just like to have  
6 an honorable mention to the people of Starr Bridge  
7 Camargo. We've been working a lot with Robert and Mr. Sam  
8 Vale. We've been running through new problems there, some  
9 that has to do with cold rooms, and I think this is going  
10 to bring big and new opportunities for the region of the  
11 [inaudible] and Tamaulipas.

12 Thank you very much. I hope I did good on  
13 time.

14 SECY. NELSON: You did beautifully. Thank you  
15 very much. Eighteen lanes. Thank you very much.

16 (Applause.)

17 SECY. NELSON: Next, Marco González, Secretary  
18 of Regional and Agricultural Development for the State of  
19 Nuevo León.

20 SECY. GONZÁLEZ: Thank you, Madam Secretary. I  
21 have to finish at 11:34, so I will keep it under the  
22 eight-minute --

23 SECY. NELSON: Perfect.

24 SECY. GONZÁLEZ: -- time. First of all, I want  
25 to thank you, Madam Secretary, for inviting us, making us

1 also in this border -- Texas development plan, having the  
2 support source, the binational meetings. This is going to  
3 give the whole sense of what the border need to be done.

4 We also are very excited working with PPP  
5 projects. Last Friday, Governor Samuel García was in  
6 Laredo. We were working with Mr. Cross, who is here  
7 present, from Gateway, the Walker family, Alejandro Ramos,  
8 a lot of important people that live in Laredo that are  
9 interested in working and developing all the 255 corridor.

10 I'm also very excited that yesterday I came  
11 here to Austin. I found that 255 -- already, TxDOT is  
12 making it better, making it bigger, and we're very excited  
13 about that.

14 Also, I want to say that it's a World Cup time  
15 next year. And the Colombia Bridge has been designated as  
16 the FIFA for in and out of people, but also trade and  
17 goods during the games between Houston, Dallas, and  
18 Monterrey. We're going to be hosting a binational World  
19 Cup. It's going to be very exciting, and we're going to  
20 be together here with Texas.

21 Also, as you already know, Nuevo León is the  
22 economic engine of Mexico. Texas is the economic engine  
23 of the U.S. Monterrey is the most important capitol of  
24 Mexico. Austin is the most important capitol of the U.S.

25 We have a daily flight from Monterrey to

1 Austin, which is very exciting. The connectivity with  
2 you, with Texas, is great. Now, I'm going to continue  
3 with my presentation.

4 This is our reality. I was here three years  
5 ago talking about plans; here are the results. The master  
6 plan that we have in Nuevo León is for all the cargo not  
7 to go out of Nuevo León.

8 Once they go from Matehuala, they can go across  
9 all the way to Colombia without exiting the state and  
10 ensuring complete security of their goods. Also, those  
11 highways are in progress. The one in Colombia, already  
12 open.

13 And Friday, we're making a connectivity of the  
14 Federal Highway 2, where La Gloria Colombia is. We're  
15 also, with state resources, making it four lanes, so that  
16 way, it's going to be a very accessible border, and more  
17 traffic is going to be there. We also have housing  
18 projects, which we're already [inaudible].

19 We're going to work a 24-hour port. Before, it  
20 was only a 14-hour port. Now, it's going be a 24-hour  
21 port.

22 Here, we need all the highways on the port. We  
23 need all concrete. It was -- before, when we took office,  
24 it was full of holes, full of craters. Now, it's  
25 concrete.

1           The three-kilometers port, either export and  
2 import, there's the way you can see it. Also, the  
3 image -- this is very important. Once, when we took  
4 office, it looked like a barricade, our port. With a  
5 front wall, it looked like a prison.

6           We got rid of the walls already to give us a  
7 new image because of the security that Nuevo León is  
8 guaranteeing in our port. Here are also the total image  
9 change, how it was when we took office; now, how it is.  
10 Also, the entrance -- we're also doing this before the  
11 FIFA begins, a new arch of welcoming all of Texas to Nuevo  
12 León, giving it a fresh image.

13           And also the toll booths, we expanded from  
14 seven to 13. Also, our first responsibility -- when we  
15 took office, there were 35 policemen. Now, there are 250.

16           But we add Guardia Nacional and SEDENA. 550  
17 armed agents are present in Colombia, 24/7.

18           Also, we have a paisano office. There was not  
19 even a paisano office when we took office. Now, we can  
20 give a complete service, tourist information, free wifi,  
21 and bathrooms. So we're going to get bathrooms when we  
22 took office.

23           This is very exciting. For the first time in  
24 34 years, we're fixing the bridge on the Mexican side with  
25 concrete. Every time people will cross to Mexico, you



1 would notice at the middle of the bridge when you cross to  
2 Mexico, because you will feel your car bumping around.  
3 Now, it's straight like the U.S., and you could see we  
4 have finest quality.

5 We're very excited about the presidential  
6 permits. June 9, we got the first PPP project, green  
7 corridor with the State of Nuevo León, which I will talk  
8 briefly. But also we have this permit granted in June 13,  
9 just four days after that permit this year.

10 There's going to two new bridges. There's  
11 going to be five lanes each, cargo export on the right-  
12 hand side, cargo import on the left-hand side. And we're  
13 going to make this also possible. We need to start this  
14 in 2027.

15 Here is how we changed all the whole concrete  
16 thing on the port. Here are the new bridges, and here's  
17 how we also are working in the middle of the bridge.

18 Here's how it's going to look in 2031, with  
19 green corridor, you have there. We're going to have four  
20 bridges, three which are going to go on by the city of  
21 Laredo and coming from the State of Nuevo León. And that  
22 blue line is going to be green corridor.

23 We're very excited of making this possible, but  
24 we also are very excited that we have the right  
25 counterparts and the right allies, which is Texas. We're

1 going to be working with Texas, *hombro con hombro*, always,  
2 because we know Texas and Nuevo León should always be  
3 together, and we will be together in the rest of this  
4 administration.

5 Thank you for your time.

6 SECY. NELSON: Thank you very much.

7 (Applause.)

8 SECY. NELSON: Thank you. Right on time, too.  
9 Thank you.

10 Next, Fernando Alba, Undersecretary of  
11 Industry, Mining, and Energy for the City of Chihuahua.

12 UNDERSECRETARY ALBA: Yes. Thank you.

13 SECY. NELSON: Thank you.

14 UNDERSECRETARY ALBA: Okay. Thank you, Madam  
15 Secretary and the rest of the Committee and everyone here  
16 today.

17 I'll talk briefly about the situation between  
18 Chihuahua and Texas. As we have discussed before, we had  
19 a closing of the Bridge of the Americas at a time where we  
20 were seeing the number of crossings and the dollar value  
21 of the exports were on an increasing trend. Let's say  
22 that, daily, we were crossing about \$500 million.

23 Right now, and two years for now, that crossing  
24 will be basically gone for crossing goods between  
25 Chihuahua and Texas. The number of border crossings was

1 around 7,000 per month.

2 Something that we've been seeing over the last  
3 four or five years is the number of crossings between the  
4 U.S. and Mexico through the state of Chihuahua basically  
5 remained the same. However, the value of goods have been  
6 increasing about 40 percent. Four years ago, five years  
7 ago, we were seeing every -- let's say, every truck, the  
8 value of the export was about \$50,000.

9 Right now, it's more close in between \$70,000  
10 to \$80,000. So what that means is that we are seeing more  
11 goods, more value-added goods like computers,  
12 semiconductors, servers, and things like that, that have  
13 been growing steadily over the years.

14 We've been talking a lot today about the  
15 dialogue, communication between the governments and the  
16 stakeholders, between, let's say, U.S. and Mexico or the  
17 State of Texas and Chihuahua and the border states in  
18 Mexico. However, with the Bridge of the Americas, over  
19 the last three years, at every meeting, every high-level  
20 meeting between U.S. and Mexico, we presented a case at a  
21 State Department level, Foreign Relations, everyone,  
22 talking about the impact of crossing this bridge.

23 However, at the end of the day, what happened  
24 was we've been discussing all along. On this situation  
25 right now, we have basically dropped three options right

1 now, which will be Zaragosa-Ysleta, San Jerónimo-Santa  
2 Teresa with the state of New Mexico, and Guadalupe-  
3 Tornillo.

4 I would like to mention that Chihuahua State is  
5 the number one exporter of goods to the U.S. We closed  
6 December with \$75 billion in exports, and for the first  
7 time in the history of our country, computers and servers  
8 are the number one product of exports to the U.S., over  
9 automotive and car-related components.

10 We continue to -- we believe that this trend  
11 will continue. And the state of Chihuahua has the largest  
12 cluster of semiconductors, servers, and computers being  
13 assembled in the whole of Mexico. So this is positive, so  
14 we will be seeing a continued, let's say, growth of trade  
15 between the two countries.

16 I will say, regarding Guadalupe-Tornillo,  
17 Marcelino Serna border crossing, still we are seeing a  
18 growth in the crossing between the two countries, between  
19 Chihuahua and Texas. Also right now -- a year ago, we  
20 were around 50 crossings per day. Right now, we have 150,  
21 300 total per day, which is a positive number that we are  
22 seeing.

23 There has been several infrastructure and  
24 construction upgrades over the last year. In the last --  
25 the last thing we are seeing right now -- we are asking

1 our federal government to basically have a special permit  
2 to -- that would allow us to -- for the trucks coming into  
3 the U.S., basically to go to the Guadalupe-Tornillo border  
4 crossing, which is farther away from the 30 kilometers  
5 that is between the stated border. So with this special  
6 permit, we'll be able to route more trucks to the U.S.  
7 through this border crossing.

8 As I mentioned, there are already some upgrades  
9 that are happening on this crossing. There has been --  
10 and there is already a project underway to create a road  
11 connector between, let's say, the city of Ciudad Juárez  
12 and the Guadalupe-Tornillo border crossing. So we would  
13 expect to see that project in the next two to three years.

14 I would like also to mention that, just on the  
15 26th of the month of -- June 26, our Governor, Maria  
16 Campos, was with the President, Claudia Sheinbaum, which  
17 we signed the agreement to collaborate on the San Geronimo  
18 Economic Development Hub. In Spanish, you basically  
19 follow the San Geronimo Económico.

20 And this is in a strategic zone, the only one  
21 designated by the federal government. One -- I mean, I  
22 will say, one of the three hubs in the whole of Mexico  
23 right now that will have special fiscal treatment from our  
24 government and save 100 percent immediate deduction for  
25 investment in new fixed assets, additional 25 percent

1 deduction for training or innovation. This will be in  
2 addition to the existing incentives on the Northern Border  
3 Free Trade Zone, which is also through a program in  
4 Mexico.

5 Also, we are including grants to companies  
6 selling in these projects -- will be a reduction in  
7 payroll taxes, cash grants, and things -- and some other  
8 incentives that we believe will continue to see growth in  
9 the -- in this zone.

10 This is a project for 60 hectares, around 130  
11 or so acres. So we believe that we will receive around  
12 2 billion to 3 billion in new investment in the next three  
13 to five years. Also, we are working closely with federal  
14 government in the modernization of the San Jerónimo Port  
15 of Entry, in addition to Guadalupe-Tornillo and the  
16 Zaragosa border crossing. They will be the, I would say,  
17 the three strongest ports of entry goes between Mexico and  
18 the U.S., crossing through Chihuahua.

19 So I will conclude by saying that we continue  
20 to see new investment, mostly from tech [inaudible]  
21 companies coming into Mexico, as you all know, coming into  
22 Chihuahua. As you all know, the state of Texas is also a  
23 big hub of [inaudible] investment in the U.S. So what we  
24 are seeing right now is that the goods that are being  
25 manufactured in Chihuahua, where we have also a place here

1 in Texas, we are seeing a reduction from the -- for the --  
2 in the tension of U.S. companies investing into Mexico  
3 right now.

4 And I will conclude by saying that, right now,  
5 our country is the country with the lowest tariffs in the  
6 whole world. Every product compliance with -- compliance,  
7 sorry, with the USMCA has a zero tariff. Right now, as  
8 you all know, countries in Asia have between 15 to 25  
9 percent.

10 So there is still an ongoing conversation  
11 between U.S. and Mexico regarding tariffs. We expect that  
12 these issues will be resolved, and then we will be  
13 continuing with territory between the two countries.

14 Thank you very much.

15 SECY. NELSON: Thank you.

16 (Applause.)

17 SECY. NELSON: And finally, the Chair  
18 recognizes Ana Lidia Martinez, representative of the State  
19 of Coahuila.

20 MS. MARTINEZ: Yes. Thank you. Last but not  
21 least, I will just -- I'm not here to promote our  
22 beautiful state of Coahuila and Zaragosa. I'll just give  
23 you a quick update of our Camino Real, Coahuila 2000  
24 International Bridge project in progress, expansion  
25 progress.

1                   SECY. NELSON: Yes.

2                   MS. MARTINEZ: *Primeramente* -- I'm going to  
3 speak in Spanish.

4                   SECY. NELSON: *Bueno.*

5                   MS. MARTINEZ: (Speaks in Spanish.) *Muchas*  
6 *gracias.*

7                   SECY. NELSON: *Muchas gracias.*

8                   (Applause.)

9                   SECY. NELSON: *Y yo entiendo.*

10                  (General laughter.)

11                  SECY. NELSON: *Muchas gracias.*

12                  I thank you all for excellent presentations  
13 today. At this time, I'd like to open the floor for  
14 discussion. And there is one particular presentation that  
15 I'd like to ask Gerry to share with us. This is really,  
16 really special.

17                  So Gerry, I'd -- well, first of all, let me  
18 thank you again, and thank IBC Bank for the reception last  
19 night.

20                  MR. SCHWEBEL: You're very welcome.

21                  SECY. NELSON: It was wonderful and --

22                  MR. SCHWEBEL: It's your home. It's your home.

23                  SECY. NELSON: Thank you. Well, you're  
24 special. And this is a really special presentation that  
25 I'd like to recognize you to share with us, please.



1 MR. SCHWEBEL: Well, thank you, Madam  
2 Secretary. I'm going to just stand up, because I think --

3 SECY. NELSON: Stand up, stand up.

4 MR. SCHWEBEL: -- it merits this.

5 All through the morning, we have all been  
6 talking about the role of this Border Trade Advisory  
7 Committee, the role of our Secretary of State, the role of  
8 TxDOT, and our Commissioners, and how more attention has  
9 been placed on the border and the role that the border  
10 plays for the benefit of Texas and of the United States  
11 and North America.

12 So last night, the Dean of the Senate, Senator  
13 Judith Zaffirini, was at our reception last night, and she  
14 surprised me by letting me know that she, in the Senate --  
15 the Senate adopted a resolution really showcasing the  
16 importance of the border region. It was a bipartisan  
17 resolution that she brought to us last night. It's Senate  
18 Resolution 394.

19 It's a very lengthy resolution. But I would  
20 invite each one of you all, members of this Border Trade  
21 Advisory Committee, to come here and look and read what it  
22 says, because the focus that she -- the focus that -- I'm  
23 only going to read one particular paragraph. And it  
24 really tells you what we're all about.

25 A lot of "whereas," but this is the one I think

1 that really -- I think it's important for people to  
2 understand.

3 "The Texas-Mexico border features an  
4 ecologically diverse environment. The region's natural  
5 sites include the Bentsen-Rio Grande Valley State Park."  
6 And she lists all the state parks in a number of these  
7 regions.

8 "Countless Texans benefit for the border  
9 region's premier educational institutions, which include  
10 four-year universities." And she cites many of those as  
11 well.

12 But I think what's important to understand is  
13 that, what they're saying here is that the "Texas-Mexico  
14 border is a vibrant, thriving, multicultural region that  
15 contributes to the richness and diversity of our state and  
16 country. The majority of the area residents are Americans  
17 of at least partial Mexican descent, and the trinational  
18 region includes tribal nations" that are listed here as  
19 well that we all know.

20 This, quite frankly, is something that I've  
21 been asking the Senator Zaffirini, when she goes to the  
22 Senate and says, please tell your colleagues the important  
23 role that the border region plays to the entire state of  
24 Texas.

25 So I'm happy to present this, because it

1 belongs to each and every one of this Committee, each and  
2 every one that really has been advocating for the  
3 important role that the border region plays for the entire  
4 state of Texas. So it belongs to you all as well, and  
5 we're very appreciate of Senator Zaffirini and the  
6 Secretary of State that has allowed me to present this,  
7 because it belongs to all of us.

8 So congratulations to you all. Congratulations  
9 to the role that you play, not just for our region, but  
10 for Texas, for the whole North American region, for our  
11 relationships with our friends in Mexico. And it's  
12 important that you all really take the time to come and  
13 read it, because it belongs to you all.

14 Thank you so much.

15 SECY. NELSON: Yes.

16 (Applause.)

17 SECY. NELSON: Commissioner?

18 COMMISSIONER NEW: I just quickly want to share  
19 a little bit of data that should be of interest, maybe.

20 SECY. NELSON: Yes.

21 COMMISSIONER NEW: So the Pharr district -- in  
22 2017, the Pharr district was the recipient of one and a  
23 half billion in the Unified Transportation Program, so 150  
24 million a year over 10 years.

25 And this year, assuming that we vote through in

1 this August meeting the draft UTP, it will be 3.2 billion,  
2 or 320 million a year. So it's more than doubled in the  
3 Pharr district. The Laredo district, 1.1 billion in 2017,  
4 2.3 billion in this draft UTP. So up 143 percent over  
5 that time.

6 And then the El Paso district, 1.2 billion in  
7 2017 UTP, and 2.2 billion in the 2026 UTP. Again,  
8 assuming that we pass through this draft, as it's  
9 presented. So you hear those numbers.

10 The border is receiving significantly more  
11 money eight years later. So okay.

12 SECY. NELSON: I can't think of a better note  
13 to end this meeting on.

14 (General laughter.)

15 SECY. NELSON: Anything else anyone would like  
16 to add to that?

17 (No response.)

18 SECY. NELSON: I am so grateful for your  
19 participation today. I am -- I'm hesitant to announce  
20 when and where our next meeting is going to be, but I will  
21 let you know. As you know, the Legislature is having  
22 ongoing special sessions, and I hate to conflict with  
23 their activities.

24 So I'm not yet going to announce when the next  
25 meeting is going to be, but we will let you all know.

1 That was really good news. It's working.

2 Gerry, that's really good news. It's working.

3 Thank you all for your participation. Thank  
4 you, Austin, for hosting us. Do I hear a motion from  
5 anybody to adjourn?

6 MR. SCHWEBEL: We don't want to go.

7 SECY. NELSON: Y'all just want to stay here.

8 Gerry makes a motion to adjourn. Is there a  
9 second?

10 MR. GARCIA: Second.

11 SECY. NELSON: Yes. We have a second. Is  
12 anybody opposed to that?

13 (No response.)

14 SECY. NELSON: With no further business, the  
15 Committee is in recess till our next meeting.

16 Thank you so much.

17 (Applause.)

18 (Whereupon, at 11:53 a.m., the meeting was  
19 concluded.)

C E R T I F I C A T E

MEETING OF: TxDOT Border Trade Advisory Committee

LOCATION: Austin, Texas

DATE: August 12, 2025

I do hereby certify that the foregoing pages,  
numbers 1 through 150, inclusive, are the true, accurate,  
and complete transcript prepared from the verbal recording  
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DATE: August 19, 2025

/s/ Adrienne Evans-Stark  
(Transcriber)

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