



SMART BORDER COALITION™

SAN DIEGO-TIJUANA

BOARD OF DIRECTORS LUNCHEON

July 13, 2017, World Trade Center Tijuana

**ENVISION THE BORDER AS IT SHOULD BE:
ONE PEOPLE, ONE REGION , ONE ECONOMY**

Executive Director's Report

– May meeting highlights and follow up:

- **Admiral Yancy Lindsey:** Expected growth in the Navy in San Diego as part of pivot/rebalance to the Pacific. Expect 15-20 new ships by 2025, another 15,000 sailors and families. Energy sources diversification need. Ability to enter into intergovernmental support agreements or similar.
- **Ambassador Celorio:** Has been seeing many actors interests but we are not working together enough. Focus on certain topics: Ped West, Tecate Desert Line Railroad and Otay Mesa East. The current administration has one year left for all intents and purposes. Consulates are facilitators and connectors. Very important to know what organizations want and how to ask for it.
- **Consul General Ostick:** Ambassador Celorio and he are on the same page almost all of the time. 90 days waiting period for NAFTA update --- very positive about it. Number of bilateral mechanisms we have is large: SBC is one of them. Local, state, county officials meetings are essential for success. Stakeholders should let the Consuls know if they see any gaps in the collaboration mechanisms. Consulates do not decide big questions but can facilitate many things. Transversal common interests along border are important.
- **Consul Jeff Hansen:** Mandate for free flow of passengers and trade in a secure and efficient way; wait time continuous information for land borders and airports.
- **Jorge Gutierrez of Scotiabank:** private research that looks at US and Mexico databases is a very effective way to study information. Show main sectors where imports and exports are growing, by state and by border city. Mexico has a sound economy; Mexican savings levels are very high due to the 1993 SAR aw -- today, 40% of Mexicans' savings represent 40% of GDP. This keeps interest rates low. Credit has exploded.



Executive Director's Report

– Goal List and Progress

- **Ped West:** Will open this month. Stakeholder insistence and CCE connection proved helpful.
- **No Tags:** Google / Waze changes have resulted in No Tags at SY and OM POEs decreasing 51% and 16% respectively since May 5th. This represents an estimated 170 fewer vehicles per day not being processed at SENTRI, a savings of 340 hours per month.
- **Commuters:** The new approach will be to involve Otay Mesa CC and SBC as intermediaries at companies. USCIS will be training SBC and OMCC on the details of the commuter option on 7/14. The \$450 fee to move into commuter status may be waived depending on income level; some companies are interested in paying for 50% of SENTRI application.
- **Pre-Clearance / Export Corridor:** On 6/29, the Tijuana City Council approved to donate the parcel in the export corridor to INDAABIN. INDAABIN will now provide basic services such as cleaning, lighting and maintenance to the 2 km road. SAT will then plan a comprehensive project to convert the roadway into an authentic fast trade lane (video and technology infrastructure).



Executive Director's Report

- **Wait Times:** SBC will be spearheading a cargo wait time project with El Paso company GMX-21. SBC will be talking with several carriers and brokers for participation. At a minimum, we want to know wait times from the moment trucks line up on the Mexico side to the point where they come out of CBP booths or inspection. Reports will also measure the time trucks are taking in each of the segments.
- **Cross Border Rail:** Baja Rail will officially acquire the Desert Line Concession on July 28th (at Federal Bankruptcy Court). The State of Baja California finally sent letter signed by Governor Vega to Secretary Videgaray requesting the need for diplomatic support to reestablish the cross border commercial relationship at the Tecate rail crossing and the shared customs facility. SBC had spoken several times with Consul General Celorio for support. The Consulate has had meetings with Admicarga, SIDUE, SCT and MTS to better understand the context and take the next steps.
- **Access Roads:** The City of Tijuana (SEDETI, Implan) has presented SAT with a plan to repair and maintain streets coming out of the Port of OM as well as those going to the last mile (export corridor); the plan also determines which streets will be used for empty trucks and laden ones. This initiative also falls into a larger one being pushed by CDT and COTUCO (Tourism Committee). The issue revolves around funding.
- **Signage:** City finished putting up 21 new signs close to the SY POE; planning signage for Zona Rio and Downtown. Implementation will depend on working group authorization (SEDETI, Desarrollo Urbano and CBP). No news on funding. **At the CCE meeting with the Mayor on 6/26, SBC volunteered to be intermediary for funding.**



Executive Director's Report

- **SENTRI Cars:** though there is no solution yet, CBP is looking closely at a local option.
- **Joint Inspection:** SAT has been in conversations with Commissioner McAleenan about increasing the scope. High level agreement reached -- local CBP and SAT are working out the details of the day to day operations and participants. Objective is to use the facility as a fast lane for all trusted trade between 7am and 7pm; inspections would be no more than 3% of all shipments.
- **Opportunity for State Department issued passport cards:** *approximately 6,000 children of parents who cannot come into the US as well as low income earners use birth certificates to cross every day, instead of passport cards. Plan is for CBP to provide sign-up sheets to crossers at the booths so that people can attend a passport fair in a public place in September. Passport cards would be \$30.00; acceptance facility fees would be waived (normally \$25.00). SBC is considering getting involved as either a sponsor or as a facilitator.*



Executive Director's Report

- **NAFTA Comment Period** – SBC submission (in your packets).
- **CCE Coordination:**
 - SBC presence in high level meetings with SAT and INDAABIN Directors in Mexico City.
 - SBC at CCE monthly meeting with Mayor Gastelum – focus on Signage and Access points.
 - Coordination with State of Baja California meetings.
- **SBC Working relationship with Mexican Consulate:**
 - Ped West / Rail Crossing Diplomatic Note / Otay Mesa II / Export Corridor – precursor to Pre-Clearance for Cargo / Sewage system issue / Tijuana River Valley
- **One Border Meeting** – Transversal group of stakeholders of both countries to strengthen our shared goals of security and prosperity and to deepen bonds of friendship. 4 meetings so far; discussion on NAFTA modernization and opportunities, messaging for outreach to policymakers.
- **Financials:**
 - Revenues are 94% of budget (\$170,000 vs \$160,000) and our expenses are below budget by \$21,300.



Executive Director's Report

- **Border Trade Alliance Trip to Washington, DC / Wilson Center event on “Building a Competitive U.S. – Mexico Border”**
 - **Congressman Henry Cuellar (D-TX, 28th District; House Committee on Appropriations)** -- Keen on CBP and BP staffing, agricultural product flows; academic exchanges; legitimate financial transactions.
 - **Governor Ducey of Arizona** – example of State-to-State relationship.
 - **Chris Wilson, WI Director** -- no other country impacting the US more than Mexico – spread positive outcomes!
 - **David Aguilar, former CBP Commissioner and US Border Patrol Chief** – CBP manpower and data and info sharing.
 - **Jose Martin Garcia, SAT representative in Washington** – Innovation projects and data harmonization
 - **Mexican Ambassador Geronimo Gutierrez:** 4 key issues. (1) Need to institutionalize border management (water, security, consular) through organizations such as Binational Borders and Bridges and the 21st Century Border Management Initiative; (2) Move in the direction of pre-clearing and pre-vetting cargo and people away from the border; (3) Need shared assessments of several matters such as security threats, energy, water, infrastructure, health, to have locals and “federals” on same page; (4) Need coordination mechanisms like Borderplex, joint delegations in DC.
 - **Acting CBP Commissioner Kevin McAleenan:** relationship with Mexico is as close as ever; confluence of experience and focused leadership. Must create partnerships and initiatives for trade, security. Kudos to Commissioner Ardelio Vargas (INDAABIN) and Director Osvaldo Santín (SAT).



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Thank You!



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Executive Director's Report

– Planning for 2018

- **What do we want SBC to be?**
 - **Efficient:** A more dynamic force for change in the binational region.
 - **Relevant:** A unique binational organization that makes a difference.
- **What are the major challenges we have?**
 - **Purpose:** what is our place in the binational community?
 - **Relevance:** how significant is our involvement in the resolution of border challenges?
 - **Size / Scope:** how large should we be and what issues should we take up?
- **What do we need to do?**
 - Define who we are and what we do as specifically as possible: facilitators / policymakers / leaders ?
 - Lead 2-3 key projects
 - Work with other organizations / entities to accomplish 7-10 goals
 - Create a brand and market ourselves much better
- **How are we going to accomplish this?**
 - Increase our budget to
 - Create a
 - Partner with xxxx to
 - Leverage xxxx to xxxxxx



Executive Director's Report

– Planning for 2018

- **Membership:** New memberships (at least 4) will be needed to replace former members.
- **Strategic Planning for 2018-2023**
- **Need to create working groups:** cargo/POVs and pedestrians/Innovation to accelerate changes.
- **Project Design and Execution:** cargo, commuters, pedestrians and POVs
 - Grants
 - Sponsors
 - Leverage: Kenn Morris, UCSD US-Mex Studies; GMX-21; Border Works; other companies that will support projects.
 - Own fund to use in Mexico with signage, access and education challenges.
- **Marketing Plan**
- **Large Yearly Binational event or Bi-National Leadership Development course**
- **Small staff :**
 - Contact database: local, regional, federal and binational.
 - Organization and coordination of stakeholder, board and working group meetings.
 - Marketing: website, social media, newsletter, events, white papers, media outreach.
 - Research for raw material for presentations and policy papers
 - Presentation development
- **Additional members (30 total)**



Mission

The Coalition is a catalyst that brings together leaders of the San Diego and Tijuana private and public sectors to find practical and innovative ways to make border crossings between California and Baja California not only secure, but efficient and welcoming for people and cargo.

Vision

To become a world leader in border flow innovation by 2030.



Actionable Goals

1. **WAIT TIMES:** Provide CBP with accurate and measurable wait times.
2. **ACCESS ROADS:** Improve and segment access roads on the Mexican side of the border at San Ysidro and Otay Mesa for both vehicles and cargo.
3. **SIGNAGE:** Highly Improve signage at border crossings on both sides (SENTRI, General and Ready Lanes, SY and OM).
4. **NO TAGS:** Substantially reduce vehicles in wrong lanes by leveraging technology platforms and awareness marketing.
5. **COMMUTERS:** Switch green card holders to commuter status and open the possibility for SENTRI applications.
6. **SENTRI CARS:** Eliminate vetting to get approval for a new car in SENTRI.



Actionable Goals

7. **PED WEST:** Complete PedWest southbound pedestrian crossing at San Ysidro-Virginia Avenue/El Chaparral.
8. **PUERTA DE MEXICO:** Puerta de Mexico buildings must be cleared out to prepare for additional lanes at SY POE.
9. **CARGO PRE-CLEARANCE:** Enable advanced secure cargo pre-inspection away from the border.
10. **JOINT INSPECTION:** Grow existing agricultural inspection facility in Otay Mesa to encompass more agro companies and/or other industries.
11. **RAILROAD:** Cross border railroad completion by October 2018 from Tijuana/Tecate to Plaster City.



Goal Progress

- Please see your information packets.



Thank You!



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Actionable Goals

Goal	Key Enabler	Enabler 2	Enabler 3	Involvement
1	A	X	Y	Various
2	B	X	Y	Various
3	C	X	Y	Various
4	D	X	Y	Various
5	E	X	Y	Various
6	F	X	Y	Various
7	G	X	Y	Various



Example of High Level Goals

- Specific, Measurable, Achievable, Realistic and Timely.
 - General Lanes for Vehicles → 40 minutes
 - Ready Lane for Vehicles → 25 minutes
 - SENTRI Lane for Vehicles → 15 minutes

 - General Lanes for Pedestrians → 20 minutes
 - SENTRI Lanes for Pedestrians → 10 minutes

 - General Cargo → 45 minutes
 - Cargo (CTPAT) → 20 minutes



Classification / Criteria for Goals

- Pedestrian / Vehicle / Cargo / RR
- Infrastructure / Logistics
- Status
- Impact: number of people affected / dollar impact / other
- Degree of Complexity
- Leadership -- availability of “Enablers”
- Time Frame: Short (< 12 months) / Medium (12-24 months) / Long Term (>24 months)
- Funding
- Approach (strategy)



	GOAL	KEY ENABLER	ENABLER ²	ENABLER ³	INVOLVEMENT
1	Improve signage at border crossings on both sides (SENTRI, General and Ready Lanes, BY and DM).	City of Tijuana BCLiaison David Moreno			CBP, ADUANAS
2	Improve access roads on the Mexican side of the border at BY and DM.	City of Tijuana BCLiaison David Moreno			CBP, ADUANAS
3	Switch xxx (amount TBD) employees from resident alien status (living in Mexico) to commuter alien status.	Otay Chamber of Commerce Alejandra Mier Teran	Eduardo Acosta	Frank Carrillo	CBP
4	Eliminate the long wait to get approval for a new car in SENTRI.	Otay Chamber of Commerce Alejandra Mier Teran	Eduardo Acosta	Russ Jones	CBP
5	Implement U.S. Fast Track lanes and Aduana lane openings at BY Southbound crossings between 3 and 7 pm, M-F.	City of Tijuana BCLiaison David Moreno	Councilmember David Alvarez	San Ysidro Chamber of Commerce Jason Wells	ADUANAS, CBP
6	Mexican completion of the Ped West southbound pedestrian crossing at San Ysidro-Virginia Avenue/El Chaparral.	City of Tijuana BCLiaison David Moreno	Councilmember David Alvarez	San Ysidro Chamber of Commerce Jason Wells	INDAABIN, MEXICAN CONSULATE

7	Make sure all remaining Puerta de Mexico buildings are demolished to avoid future bottlenecks.	City of Tijuana SBC Liaison David Moreno	Councilmember David Alvarez	SIDUE Carlos Lopez	INDAABIN, MEXICAN CONSULATE, GSA
8	Provide CBP with an accurate and measurable wait times	Cubic Katie Busch-Sorensen	Vesta Elias Laniado	Index Luis Hernandez	
9	Design and promote advanced secure pre-inspection cargo facilities away from the border.				
a	- Use current agro facility for 10-20 non-agro companies.	Index Luis Hernandez	Vesta Elias Laniado		
b	- Enable electronic escort from warehouse to destination for an initial 5-10 companies (C-TPAT plus) and intelligent fleets of trucks and trailers.	Cubic Katie Busch-Sorensen and Secure Origins	Vesta Elias Laniado; Index Luis Hernandez	City of Tijuana SBC Liaison David Moreno	CBP, ADUANAS, SCT
10	Pilot programs for Cash Only lanes at Northbound border crossings (1-2 lanes).	Cubic Katie Busch-Sorensen	City of Tijuana SBC Liaison David Moreno		CBP, ADUANAS, SCT
11	Cross border railroad rapid completion by October 2018 from Tijuana/Tecate to Plaster City	Baja Rail	Tecate City Leaders	City of Tecate	CBP, ADUANAS, Consulate

Extra Goals

- Pilot programs for Cash Only lanes at Northbound border crossings (1-2 lanes).
- Segmentation at POEs by type of crosser and time of day.

