

# *Nomination of TELCO for the Award for U.S.-Mexico Cross-Border Cooperation and Innovation*

We are nominating The Enterprise and Land-Bridge Company (TELCO) for their bi-national collaboration between organizations, persons, and communities in Mexico and the U.S. for the reason of creating a deep water port in Sonora Mexico. The reason why we feel this project is worth being awarded is because of the tremendous benefits that both regions will receive during the creation and completion of the deep water port. The benefits include the resolution of some of, if not the biggest, issues that this region faces. They include the need for an economic engine, jobs, border security, border stability, border congestion, redundancy in shipping ports, shipping capacity, and infrastructure. TELCO's communication and research shows that creating a deep water port and other related intermodal solutions will not only stabilize these issues, but create immense positive outcomes of which the individual citizens, their communities, this region, and both countries will be the direct beneficiaries.

Phase I of TELCO's multi-phase approach is research and communication. Phase II is planning. Phase III is phased construction/development. TELCO has communicated and personally met with both government agencies/authorities and domestic and international companies (see the attached Nomination Form). TELCO has taken the collaborative lead in bringing the ideas of these parties together. Also TELCO will help continue these collaborative efforts to ensure the success of the Sonoran deep water port and its associated infrastructure.

The following describe what TELCO has gleaned from Phase I:

**(1) Economic Engine:** The deep water port will be the economic engine which will create new jobs with the potential of employing hundreds of thousands of people. These jobs will range from high paying professional jobs, industrial jobs, construction jobs, shipping jobs, skilled labor jobs, support industry jobs, governmental jobs, medical services jobs, hospitality and entertainment jobs, and many more jobs. It can make the Sea of Cortez a Mexican version of the French Riviera. This will happen within the next 5 to 10 years commencing with the planning and construction phase of the port.

**(3) Multiple Industries (Jobs):** The new port will attract the largest ships in the world, including containerships, bulk carriers, pure car carriers, LNG carriers, pure refrigerated ships, etc. The mining and bulk industries will be able to export ore and other bulk products in the largest bulk carriers in the world. Automobile manufacturers in Mexico will have a state of the art port to export new cars and import parts. Along with bringing new industry, the deep water port will also encourage environmental friendliness as these larger ships can come to the port due to the naturally deep water found in the Sea of Cortez. These ships use three times less energy to move the same amounts of goods. Less ships will be needed which can reduce marine congestion.

**(2) Border Security:** When looking at border security, like in other regions of the world, a stable economy on both sides of the border allows for a secure border. Jobs will be created south of the border that are as desirable as jobs north of the border. This will reduce the reason for much of the illegal border crossing and allow the borders to be better secured and managed. Also crime decreases when people are willfully employed. The Port will provide employment on both sides of the border, focusing mainly on jobs in Mexico.

**(4) End Border Congestion:** As infrastructure is developed, the use of double or triple track railroad lines between Sonora and other border crossings will help alleviate the border congestion as goods are moved cross border on trains. These tracks can be designed to handle high speed cargo trains making the delivery of products even quicker. TELCO has had discussions with the Director of Homeland Securities and was told that as long as inspections are made and the trains do not stop between the inspection point and the other side of the border, then trains can pass through the border uninterrupted. This will almost eliminate commercial vehicle border congestion. The environmental benefits from reducing vehicle pollution due to border congestion are another reason for the completion of the Sonoran Deep Water Port and its infrastructure system.

**(5) Earthquake Alternative:** Although there is a fault line that runs down the middle of the Gulf of California, it is not a "major active fault or fault zone". In contrast, these types of faults are found in California and western Canada, with one running through the port of LAX/LOB. The Sonoran deep water port supports the concept of redundancy through multiple ports to help support commerce in the event there is an earthquake on one or more of these faults. If an earthquake does happen, this new port in Sonora will be a perfect alternative to discharging critically needed vessels coming into the Western Hemisphere.

**(6) Need for Capacity:** The number of shipped containers increased from 100 million in 2000 to 400 million in 2008. There was a slump for a couple of years, it is estimated that 400 million containers will be shipped in 2011. Predictions show the quadrupling of containers in the next 20 years. Larger ships are in use or on order with TEUs (twenty foot equivalent units) upwards of 20,000. Of course the advent of mega size ships is not limited to only container vessels, but all vessels are increasing in size and capacity, requiring deep water ports to handle them efficiently.

A deep water port in Sonora allows Mexico to be on the cutting edge of technology to handle the new deep water demands. The Sonoran port will become the deep water port for all of Mexico, thus increasing Mexico's and U.S.'s ability to import and export more efficiently. The Sonoran Deep Water Port will be a major hub in the world's ports and critical for the growth and sustainability of Mexico and U.S.