

**TRANSPORTATION AND DISTRIBUTION SYSTEMS IN THE  
INLAND EMPIRE: The Impact of the Port Ensenada Proposal**

Phase I

Pat Mc Inturff	California State University, San Bernardino Management Department
Jose L. Garcia	California State University, San Bernardino Director, Inland Commerce and Security Institute
Tania Parmar	California State University, San Bernardino Research Associate

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## **Phase I**

### **Introduction**

Over the last decades the Inland Empire has emerged as a global distribution center with over 700 million square feet of distribution and warehouses under roof. Along with this phenomenal growth, the transportation infrastructure of the region has become over burdened and highly congested. Adding to the growth and an infrastructure stretched thin is the ongoing arrival of super container ships at the ports of Long Beach and Los Angeles. One proposal to lessen the pressure on the Southern California ports has been the expansion and redevelopment of Port Ensenada, Baja California, Mexico. Once a favored port of cruise ships, the port has embarked on moving from principally a passenger destination to becoming a global port facility.

The overall focus of this study is to analyze the impact of Port Ensenada upon the Inland Empire by addressing identifiable consequences upon the transportation infrastructure including highway, rail, and shipping utilization and flow of goods in relation to existing and expected warehouses and distribution centers.

Phase one of this study will consist primarily of the collection of archival research, public writings and the understanding of the Port of Ensenada project proposals along with its current developmental status.

### **Transportation Disequilibriums in the Inland Empire: Identifying Problems**

It was not that long ago that the Inland Empire was a somewhat desolate area dotted with vineyards and orchards. Though San Bernardino does have a rich transportation history the region as a whole had been primarily agricultural. As the Los Angeles metropolitan area sprawled to outlying areas large tracts of land to house the ever expanding warehouses and

distribution centers became increasingly scarce. However, the Inland Empire, along the I-10 and 60 corridors with cheap land and access to rail, air and freeways became an attractive answer. The addition of the I-15 and 215 freeways added to the attractiveness. Currently the Inland Empire totals 700,000 plus square feet of warehousing and distribution facilities under roof; and as any motorist creeping along can tell you, the number of facilities being built has been rapidly increasing.

The low cost of land has attracted more than commercial development. The lure of affordable land has also proved alluring to residential developers and the proliferation of housing tracts has created ever increasing demands upon the region's highways.

Combined, the commercial and residential expansion has brought a new wealth to the region; but the pressure upon the transportation highway network has generated some of the world's worst freeway congestion, along with growing environmental degradation. But the problems confronting the management of logistic and transportation challenges are dynamic in nature and continue in an upward spiral of pressure on the system.

One key factor in the increasing demands on the transportation infrastructure and particularly Southern California, is the growing container throughput at the ports of Los Angeles and Long Beach. Some indication of the traffic flow through these ports is that 40% of the goods entering the U.S. arrive at those two ports. One possible strategy for relieving the spiraling pressure on the region's transportation infrastructure would commence with the lowering of container throughput, hence the development of the Port of Ensenada, Baja, California, Mexico.

### **The Port of Ensenada: Solution Approach, Study Base**

The Port of Ensenada is currently the fourth most attractive port in Mexico for cruise ships. Forecasts suggest that cruise ship usage of the port will stabilize and probably decrease. However, given the cargo overload of the Los Angeles/Long Beach ports, the municipality of Ensenada and the Federal Government of Mexico under the umbrella of the Secretary of Communications and Transports (SCT) have designed expansive plans for the development of Port Ensenada. The plan's mission and vision are as follows:

### **The Mission of the Port at Ensenada**

“We exist to promote highly effective goods transference, and to provide proper resources for passengers transit, in reliable and opportune form; offering added value benefits to customers, and foster logistics competitiveness, as well, generate attractive profits to our stakeholders, respecting the natural environment and contributing with the social and economic development of the region.”

### **Vision**

Our main purpose is to become a strategic port enclave, fully integrated to the hinterland supply chains, divided in three ports with specialized vocations, in order to improve the social and economic development of the region, becoming a logistic platform leader through: The most important container hub port in Mexican Pacific (Ensenada).

The goal for Port Ensenada is an ambitious design and dependent upon a multitude of collateral factors ranging from financing rail feed between Tijuana, Tecate, and an additional feed to Mexicali. Also on the drawing board is a bonded yard, cross dock, redesign of customs house. Thus, it does seem reasonable that the expansion and development of a strategic global port at Ensenada would have substantial impacts upon Southern California ports and allied traffic

patterns. What have not been studied are the specific impacts that the Port of Ensenada may have on port activities, rail operations and highway tracking patterns.

### **Importance of the Study**

The importance of studying the impact of the Port of Ensenada on the logistical driven activities of the Inland Empire has substantial importance on several dimensions ranging from traffic and rail usage patterns to future development of warehouse and distribution centers along the I-10, 15, 60, and 215 corridors. Specific questions to be researched and developed are:

- Impact on truck traffic on the Interstate corridors of the Inland Empire
- Rail activity, including changing patterns, alternative routing and possible changes in demand functions
- Impact of carrier regulation under NAFTA, specifically the possible growth of Mexican-based logistic operations
- Impact on ports of Long Beach and Los Angeles operations including security and environmental issues that may arise with the existence of the Ensenada Port

Taken as a whole it is foreseeable that the construction of a major global port at Ensenada could have major impacts affecting transportation issues, investment and management in the Southern California region and particularly the Inland Empire. Thus, any transportation model to be viable will have to account for competitive alternatives and relationships which clearly the Ensenada port would represent. In fact it seems that any planning function that ignores the Ensenada Port would be of very limited importance.

### **The Current State of Port Development at Ensenada**

The current economic downturn and conflicts in Mexico have brought the development of Port Ensenada to a standstill. Further there continues to be uncertainty as to selecting the

optimal port site along the Baja California coastline. Thus, it is difficult to reach any definitive conclusion regarding the impact of Port Ensenada or other competing localities. However it does appear that there is a general consensus that the development of a port along the Baja coast will have an impact on the Long Beach/Los Angeles ports. It is also apparent that their development will alter the logistic and distributional patterns on the West Coast by directly and indirectly changing rail and tracking patterns, as well as warehousing.

#### BACKGROUND- PORT OF ENSENADA

Ensenada that has a population of 413,481 (according to 2005 census) is the third-largest city in the Mexican state of Baja California, also being the largest in Mexico by area of 20,058.88 sq mi. It is comparable in size to San Bernardino County, which is the largest county in the United States.

(Map: <http://www.advantagemexico.com/ensenada/map.html>)

Located about 110 km south of United States border and a 90 minute drive from San Diego, the port of Ensenada is the second most visited port in Mexico.

Being the only deep-water port in the state of Baja California, Ensenada is part of shipping route that is linked to the Mexican cities like La Paz, Manzanillo, Mazatlán, Acapulco and Lázaro Cárdenas.

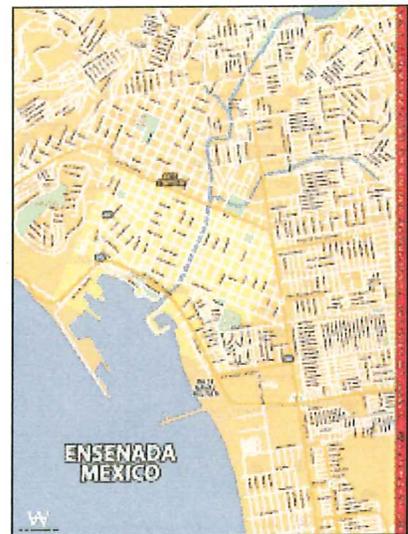
Cargo Activity:

Inbound

- Electronic devices
- Automotive parts
- Home appliances
- Wood
- Cattle
- Fertilizer
- Yatch

Outbound

- Sea Products
- Televisions
- Port and beef meat
- Scrap
- Metal
- Glass

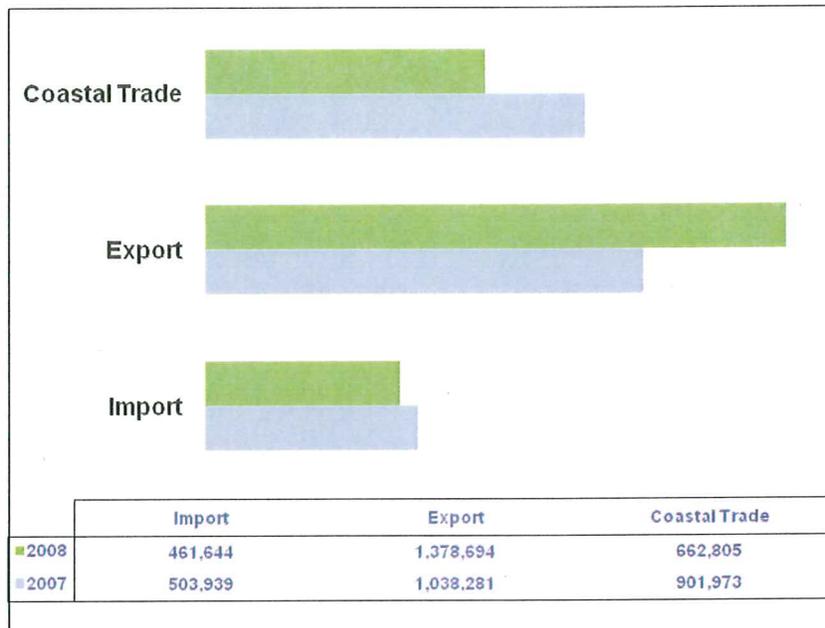


- Fodder & Animal feed
- Cotton
- Wheat

Import-Export Statistics (According to SCT Transportation & Communication Ministry, Mexico)

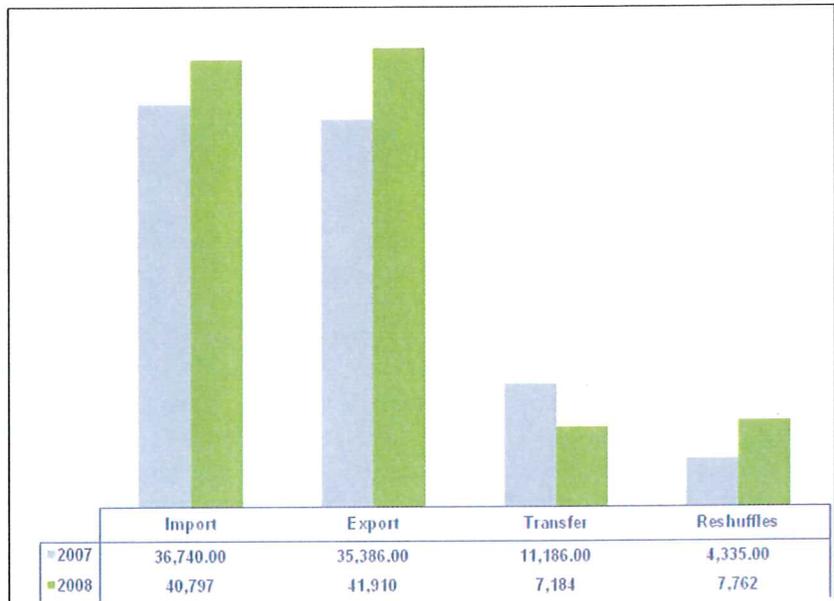
**Movement of accumulated load (TON)**

	2007	2008	% var
Import	503,939	461,644	-8.4%
Export	1,038,281	1,378,694	32.8%
Coastal Trade	901,973	662,805	-26.5%
<b>Accumulated</b>	<b>2,444,193</b>	<b>2,503,143</b>	<b>2.4%</b>



**Movement of Accumulated TEUs**

	2007	2008	% var
Import	36,740.00	40,797	11.0%
Export	35,386.00	41,910	18.4%
Transfer	11,186.00	7,184	-35.8%
Reshuffles	4,335.00	7,762	79.1%
<b>Accumulated</b>	<b>87,647</b>	<b>97,653</b>	<b>11.4%</b>



**Movement of Accumulated Cruises**

CONCEPTO	2007	2008	% var
Passenger	476,086	520,467	9%
Arrival	210	217	3%

Vision Ensenada – 2009

Baja Insider



(Journal of Commerce –New York Sept 3, 2008)

Punta Colonet, 80 miles south of Ensenada is one of the most productive agricultural areas in Baja California Peninsula. Mexico's Department of Communications and Transportation opened bidding process for construction of a large port at Punta Colonet.

Port of Ensenada hopes to increase its capacity to receive post-panamax vessels and allow it to receive 6<sup>th</sup> generation vessels in 2009. Mexico envisions a \$4-billion, 18-berth port with a capacity of 15 million TEUs a year at full build-out. The developers would also construct a 200-mile rail line with one or two border crossings and connectors to railroads in the United States.

The port is also looking into construction of a city with capacity of 250,000 people along with schools, hospitals, offices and roadway infrastructure to support the community. Punta Colonet is positioned as an alternative to Los Angeles-Long Beach for U.S. importers and retailers. The Punta Colonet project would transform a bay 150 miles south of the U.S. border into a booming port city, creating an estimated 80,000 jobs during both construction and operating phase, making Punta Colonet the most important port in Mexico.

It will also become a crucial link between Asian and US production chains, since its strategic location will streamline direct container transport services between the United States and major Asian powers, revolutionizing Mexico's productive apparatus.

The new port would occupy nearly 7,000 acres, 97 percent of it water and 3 percent tidelands. By 2025, 6 million to 8 million 20-foot equivalent units, or TEUs -- the standard measure for container cargo -- are expected to move through Colonet into the U.S. heartland each year. Nearly all the commerce would bypass San Diego.

According to the President 15 projects have been planned for the 2007-2012 National Infrastructure program. (<http://www.baja123.com/blogs/baja/archive/2008/08/29/president-calder-n-launches-punta-colonet-project-the-work-that-will-make-mexico-a-leader-in-port-issues.aspx>)

A planned railroad would link Punta Colonet to the United States, allowing freight to skip Southern California traffic and head directly to points across the Midwest.

By 2020, the port should hope to be able to handle 6 million TEUs, or 20-foot-equivalent units, annually - more than double the nation's current freight capacity.

The \$5 billion project, proposed for a natural deep-water harbor may one day compete with Long Beach and Los Angeles for a share of containerized freight.

It was in August of 2008 the Mexican government opened bidding for private development of port terminals and docks, and completed land-use and right-of-way negotiations with landowners in the area. Rail routes leading to U.S. Southwest have also been surveyed.

According to Mexico's Consul General in Los Angeles, Juan Marcos Gutierrez, this ambitious infrastructure project will help upgrade the country's railway system and in turn provide a cheaper, more efficient freight movement system for U.S. consumers and retailers. It is expected that more than 95 percent of goods shipped to a Colonet port would be bound for the U.S. market via railway and through border crossings in Yuma, Arizona and El Paso, Texas.

Union Pacific, which controls an existing rail link along the Southwestern U.S. border, has been in talks with Mexico to participate in the project, but no deals have yet been signed.

Hutchinson Port Holdings, based in Hong Kong, expressing interest as a major international developer will be the project's most likely developer.

Port would serve U.S. market (Journal Of Commerce)

Mexico's goal is to capture about 6 million containers annually at Punta Colonet, then ship them via rail to points within the U.S. Very little of the cargo would be destined for Mexico's domestic market, which is served primarily by ports in Manzanillo and Lazaro Cardenas.

The Baja port is the latest challenge to Long Beach-Los Angeles' longtime role as America's busiest and most lucrative seaport. The twin ports currently handle more than \$350 billion worth of cargo annually, a figure representing about 30 percent of the nation's maritime trade worth. Competition grows

The ports are already being challenged by a new container port in Prince Rupert, British Columbia, expansions in Tacoma, Washington and Oakland, California and a modernized Hampton Roads in southeast Virginia. In addition, the expansion of the Panama Canal - now under way - allows passage for larger container ships from Asia to ports in the Gulf.

But there remain cost and time-prohibitive barriers for sending Asia-originated freight through the Panama Canal. It takes an average 21 days to ship cargo from China to the U.S. East Coast, but only 12 to the West Coast. With high energy costs, the extra nine days at sea makes much such trade prohibitive.

By building an alternative western port and offering cheaper labor and less costly tariffs, Mexico hopes to lure shippers whose goods would have passed through California or the Panama Canal and destined for the American Midwest.

"The market we're (trying for) is east of the Rockies," said Gutierrez. "It's a share of that 45 percent or so of freight that (Long Beach-Los Angeles) carry that is headed inland."

Professor Kaye Bragg, a Cal State Dominguez Hills economics professor, said the Punta Colonet proposal only makes sense if projections of growth are on the mark. Based on 20-year trends, economists expect the volume of containerized goods between Asia and Long Beach-Los Angeles to surpass 36 million 24-equivalent containers, or TEUs, by 2020.

Therefore, if Punta Colonet siphons six million TEUs from Long Beach-Los Angeles, it represents only a share of future growth, and not a chunk of current volume - potentially making competition less hostile and more collaborative.

Don Snyder, the Long Beach port's trade relations director, said that although labor costs and regulatory pressures will likely be less in Mexico, developers will need to recoup their investment costs, which may drive up transportation and dockage prices to levels comparable in Southern California.

"Someone's going to have to amortize the cost of building that rail track, building those terminals, building the infrastructure," Snyder said. "When you add those costs in, plus the transportation costs of using U.S. rail inside the States, is there a great savings?"

Long Beach Harbor Commissioner Mario Cordero, who visits Mexico this week to discuss regional trade, says projects like Punta Colonet represent the competitive realities of global trade.

"Everybody is developing megaports ... you see it in Asia, Europe, South America," Cordero said. "People are looking for their share. The difference this time is we have a big project being developed next door."

Snyder sees it as a stimulus to continue improving local port facilities and transportation links.

"Competition is a good thing because it keeps everyone sharp," Snyder said. "Our goal is to have the most efficient supply chain and be a leader in terms of helping introduce technologies that save fuel, pollute less and make the most economic sense for our customers."

### **TimeLine**

The project was initially scheduled to start in April of 2009 and conclude by June of 2009. Mexican officials hope the port will open in 2012 and will include about 20 slips for container-cargo ships, Mexican port and merchant-marine coordinator Cesar Reyes Roel said.  
Start operating 2012

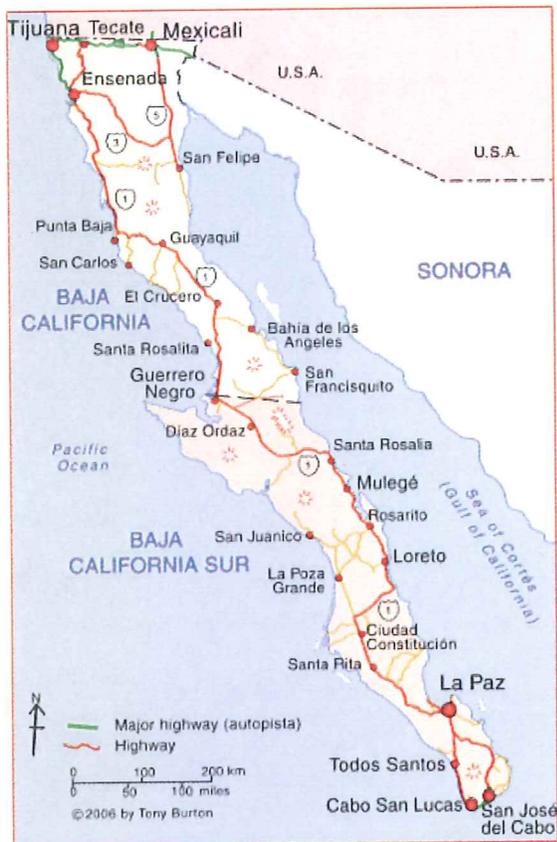
### **Cost figures**

Mexico envisions a \$4-billion, 18-berth port with a capacity of 15 million. Future investment in the port and rail line has been estimated at as much as \$9 billion. And a city with 200,000 inhabitants is expected to materialize in an area that now is mostly fallow farmland owned by collective agricultural groups called ejidos.

### **Jobs**

#### **[Jobs \(wiki\)](#)**

US citizens are concerned about loss of jobs in favor of cheaper Mexican labor. Where unions do not have a stronghold to direct employees' terms and limits with employers may be the key to this project in relation to California based port operations success. A new view of Mexican labor may be apparent with Punta Colonet.



## Potential Market

West Coast of US and Canada

The similarity in the ground freight of Long Beach/Los Angeles to San Diego and Ensenada to the United States makes import and export from San Diego a high potential market for the Mexican port.

Port of Long Beach and Los Angeles  
(Book- Ports of United States)

Traffic in any given port is stimulated in direct relation to the positive and negative aspects of a group of factors concerned with governance and operation of the port. And these factors are affected by the conditions of the cities adjacent to the port centers. Location of a port is one of the principle factors in determining the kind of economic role it is likely to play and this is true for all ports and in all ages.

Port of Los Angeles

The Port of Los Angeles, one of the greatest man-made harbors, situated in the San Pedro Bay of Southern California is 23 miles southeast of mid-city Los Angeles.

Port of Los Angeles- Statistics (<http://www.portoflosangeles.org/maritime/stats.asp>)

## TEU Statistics (Container Counts)

Provided statistic breakdowns include annual and monthly container counts (in TEUs<sup>1</sup>) dating back to 1995. Container counts for years 1980-1994 are provided in calendar year totals only. For more information, contact the Port's Public Relations Division at (310) 732-3508.

The following table lists container counts (TEUs) for the previous month. Statistics for the recorded month are released on or around the 15th day of the following month.

For general port industry statistics, visit the [American Association of Port Authorities \(AAPA\)](#) website.

December	2008	2007	Change	Percent Change
<b>Loaded Inbound<sup>2</sup></b>	296,442.70	340,075.65	(43,632.95)	-12.83%
<b>Loaded Outbound<sup>3</sup></b>	109,704.50	148,124.00	(38,419.50)	-25.94%
<b>Total Loaded</b>	406,147.20	488,199.65	(82,052.45)	-16.81%
<b>Total Empty</b>	154,886.05	173,202.65	(18,316.60)	-10.58%
<b>Total</b>	561,033.25	661,402.30	(100,369.05)	-15.18%
<b>Fiscal Year 2009<sup>4</sup></b> (to date)	4,075,506.05	4,306,881.80	(231,375.75)	-5.37%
<b>Calendar Year 2008</b> (to date)	7,849,985.20	8,355,038.50	(505,053.30)	-6.04%

<sup>1</sup>TEUs = Twenty-foot equivalent units, a standardized maritime industry measurement used when counting cargo containers of varying lengths.  
<sup>2</sup>Inbound = Imported containers.  
<sup>3</sup>Outbound = Exported containers.  
<sup>4</sup>Fiscal Year = July 1 through June 30.

## Tonnage Statistics

Tonnage stats are presented in Million Metric Revenue Tons (MMRT) and recorded by Fiscal Year<sup>1</sup>.

**Metric Tons (or Tonnes):** A unit of weight equal to 1,000 kilograms, or 2,204.6 pounds.

**Revenue Tons:** A ton on which the shipment is freighted. If cargo is rated as weight or measure

(W/M), whichever produces the highest revenue will be considered the revenue ton. Weights are based on metric tons and measures are based on cubic meters (RT=1 MT or 1 CBM).

Year	General Cargo	Liquid Bulk	Dry Bulk	Total
2007	171.9	14.5	2.8	190.1
2006	155.2	22.8	3.6	181.6
2005	145.0	12.8	4.3	162.1
2004	146.3	11.9	3.9	162.1
2003	131.9	11.4	4.2	147.5
2002	107.1	12.9	6.2	126.2
2001	97.6	10.9	5.4	113.9
2000	81.9	12.5	7.1	101.5
1999	66.8	10.2	5.1	82.1
1998	60.0	13.3	4.6	77.9
1997	57.7	14.1	3.5	75.3

Fiscal Year = July 1 through Ju

Port of Long Beach

([http://www.polb.com/economics/stats/5\\_yr.asp](http://www.polb.com/economics/stats/5_yr.asp))

Five-Year Cargo Statistics					
	2003	2004	2005	2006	2007
<b>Volume in Metric Tons</b>	65.4 million	73.6 million	80.7 million	85 million	87 million
<b>Value in U.S. Dollars</b>	\$95.9 billion	\$92 billion	\$105.4 billion	\$140 billion	N/A
<b>Containers in TEUs*</b>	4,658,124	5,779,852	6,709,818	7,290,365	7,312,465

Latest Monthly TEUs

**Port of Long Beach**  
**Latest Month**  
**Container Trade in TEUs\***

	November			Fiscal Year to Date***		
	2008**	2007	% Change	2008**	2007	% Change
LOADED INBOUND	267,840	310,068	-13.6%	560,296	633,199	-11.5%
LOADED OUTBOUND	109,850	143,848	-23.6%	242,371	288,687	-16.0%
EMPTIES	179,769	157,690	14%	349,981	334,293	4.7%
<b>TOTAL(T.E.U.)</b>	<b>557,459</b>	<b>611,606</b>	<b>-8.9%</b>	<b>1,152,648</b>	<b>1,256,179</b>	<b>-8.2%</b>

*\*TEUs: 20-foot equivalent units or 20-foot-long cargo container*

## Environmental Initiatives

1. PierPass,
2. Clean Air Action Plan at Los Angeles-Long Beach,
3. new "green" engineering designs for the newest generation of ships,
4. voluntary vessel speed-reduction plan,
5. harbor-safety plans enacted and approved for all Southern California ports
6. waterways to improve vessel traffic efficiency and enhance environmental protection,
7. Improved efficiency at all the container terminals.

## (CLEAN TRUCK PROGRAM)

### PIER PASS

OffPeak program, launched on July 23, 2005, and run by PierPASS Inc., a not-for-profit company created by marine terminal operators at the Ports of Los Angeles and Long Beach helped controlling congestion, security and air pollution at the Inland Empire interstate highways to an extent. The OffPeak shifts handle about 68,000 truck trips a week which equals 40 percent of all container moves at the two ports. This is for both peak and Offpeak shifts. Rapid growth in container traffic at the two ports between 2000 and 2004 led to severe traffic congestion in and around the ports by 2004. OffPeak provides an incentive for cargo owners to move cargo at night and on weekends, in order to reduce truck traffic and pollution during peak daytime traffic hours and to alleviate port congestion.

Since July 2005, all marine terminals in the Ports of Los Angeles and Long Beach have offered OffPeak shifts on nights and weekends. As part of the program, a Traffic Mitigation Fee is required for cargo movement through the ports during peak daytime hours, with certain exceptions.

By May of 2007 the OffPeak Program had diverted more than 5 million truck trips from peak daytime traffic. It helped eliminate costly bottlenecks at the Ports of Long Beach and Los Angeles, reducing gridlock on area freeways and curtailing air pollution from idling traffic. [http://www.pierpass.org/files/offpeak\\_program/5\\_million\\_trucks\\_final\\_5\\_7\\_07.pdf](http://www.pierpass.org/files/offpeak_program/5_million_trucks_final_5_7_07.pdf)

### **Security & Environment**

Delivery of goods will constantly have to be checked thus slowing JIT delivery system.

### CNN

According to a CNN report Mexican trucker drivers may soon haul cargo deep into the heart of United States. They're currently limited to within 20 miles of the U.S. border. It could mean U.S. job losses and serve as a gateway for human and drug smuggling.

This would basically make a driver from Mexico be able to freely go about throughout the United States, and to us that's scary from a safety standpoint, but it's especially scary from a standpoint of security.

Critics say U.S. sovereignty is also on the line. To understand, go back to 2005. President Bush, Mexican President Vicente Fox, and then Canadian Prime Minister Paul Martin launched what's called the Security and Prosperity Partnership, a trade and economic partnership that many see as a precursor to a North American union modeled after Europe.

### Inland Empire

<http://proquest.umi.com.libproxy.lib.csusb.edu/pqdweb?index=0&did=1621410891&SrchMode=1&sid=8&Fmt=3&VInst=PROD&VType=PQD&RQT=309&VName=PQD&TS=1231956047&clientId=17861>

### **Bad year costs thousands of jobs in I.E.**

Thomas Galvin. [Inland Valley Daily Bulletin](#). Ontario, Calif.: [Jan 4, 2009](#).

2008 marked a change in the business climate for Inland Empire. Most job losses were in the construction and transportation industries. The collapse of the housing market ended the building boom in the Inland Empire and took 17,000 construction jobs with it. Declining consumer demand has led to a drop in imports and a decreased need for warehouse, distribution and transportation workers. Around 1-in-4 jobs in the Inland Empire is associated with the goods-movement industry, and the lingering national recession has forced 9,000 layoffs in this sector, thereby idling 4 million square feet of industrial space.

In the meantime, the Inland Empire will continue to suffer the effects of a real estate market correction, further job losses and home price depreciation. Conditions in 2009 will be painful for the Inland Empire, but they will lack the surprises and severity witnessed in 2008.

### **The downside- bajainsider**

The down-side is the obvious environmental impact. The LA Times described the intended area as 'deserted farmland' This is far from fact. Punta Colonet south San Quintin is one of the most productive agricultural areas in Baja. It's proximity to Hwy 1 and the US have spurred the growth of large commercial farming in the area. Having anchored in Punta Colonet, it is a beautiful, unspoiled area where orchards and farms run right to the oceans edge. There has been tremendous growth in the region over the last 5 years.

Chinese and Korean firms have not been known for their environmental planning or concerns. One US environmentalist is quoted as saying, "This is just another case of exporting California's dirty environmental problems to the pristine coastline of Baja California. This is one of the last places we can preserve the beauty that once was the entire west coast"

Additionally, there is the concern for jobs and wages in the US. Longshoreman's wages in the US are significantly higher than wages in Mexico would be. With such a gap in labor costs, the Colonet port could be quickly overwhelmed and in need of immediate expansion.

If corners are cut to meet a budget, improvements to highways could be limited. Additional truck traffic on a road already in need on improvements beyond those ongoing would be disastrous. The road south of Ensenada is not safe or expedient in handling the truck traffic it now carries, as it winds into the mountains of Baja. Major improvements would have to be made north all the way to the US border to handle the additional traffic generated not only by the port, but by the needs of the people who would work there.

The rail line that would be needed to cut road traffic and link the port to the US is another problem. It would have to be constructed and paid for by Mexican concerns. Mexican law prohibits the foreign ownership of such rail links.

There would also be costs incurred by the US taxpayers to process and inspect the cargo before it entered the US, further taxing the busiest border crossing in the world, into San Diego. These same interests have expressed displeasure with increase scrutiny of inbound cargo. Delays in delivery cost money.

As a note, French, English and Russian interests have all attempted to build port facilities in the area over the last 100+ years. All of these attempts were later abandon. Mitsubishi attempted to expand port facilities for salt exports in Baja Sur and was thwarted by international environmental interests just a few years ago. The Mexican government was forced to withdraw approval of the project in a case where concern for the planet overpowered the vast quantity of money the Japanese firm threw at the project.

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### California rules will slash highway truck emissions

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### California passes strictest rules for truck emissions

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Official website Port of Long Beach

[http://www.polb.com/economics/stats/latest\\_teus.asp](http://www.polb.com/economics/stats/latest_teus.asp)

Official website Port of Los Angeles

<http://www.portoflosangeles.org/>

Southern California Association of Governments

<http://www.scag.ca.gov/>

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