

Dallas NAFTA Trade Corridor

Intermodal ~ Interconnected ~ International

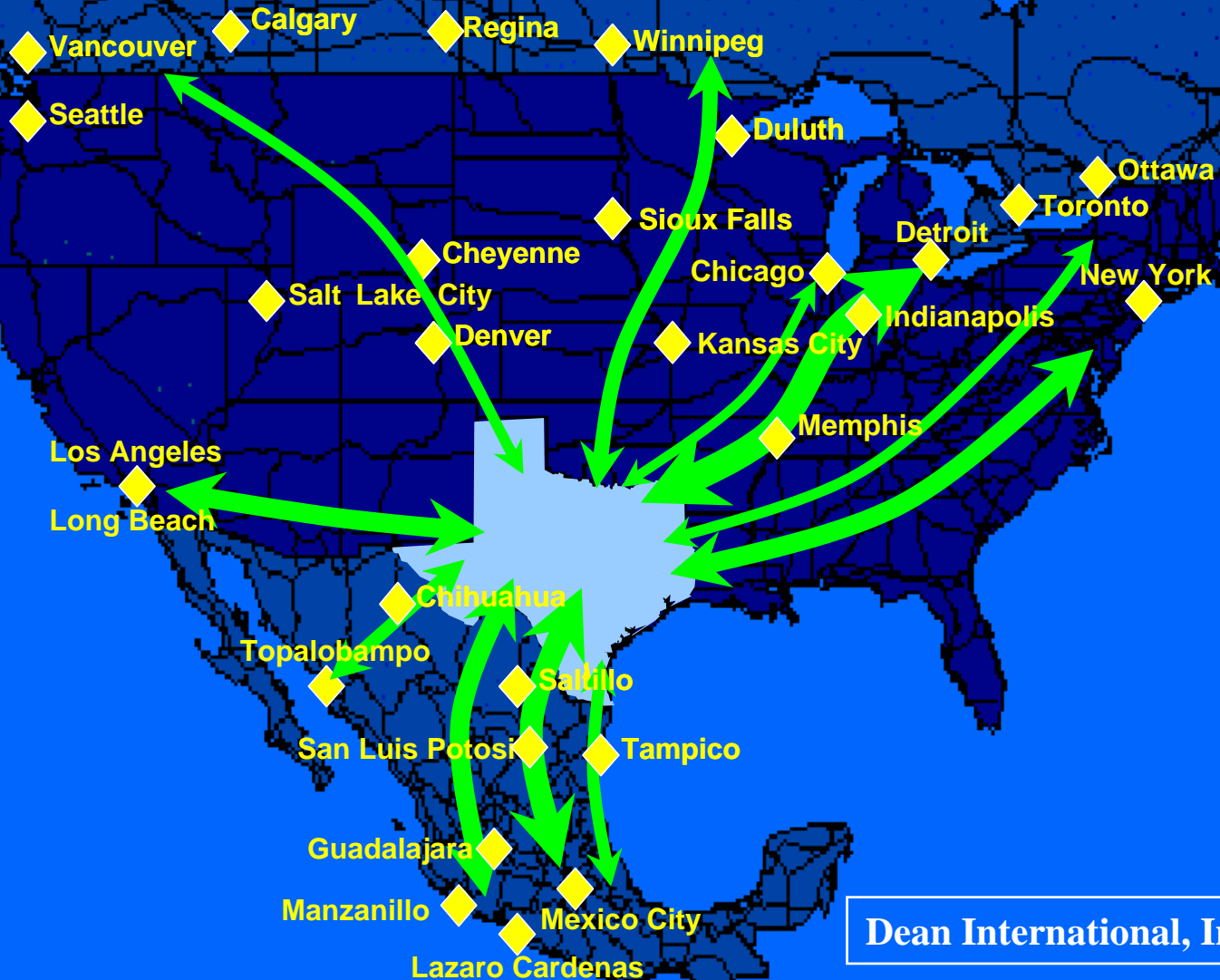
Bill Blaydes
Project Chairman
Dallas Councilmember

Leslie Jutzi
Project Manager
Dallas Intergovernmental Services

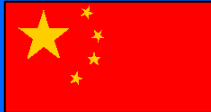
Utilizing the Assets of Today to Secure Tomorrow's Future

Dean International, Inc.
Public Policy Consultants
8080 Park Lane, Suite 600, Dallas, Texas 75231
Phone: 214.750.0123 Fax: 214.750.0124

International Trade Patterns

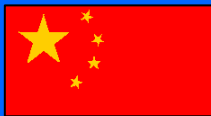


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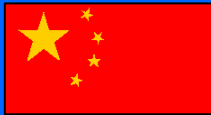
Dallas NAFTA Trade Corridor Components

- **Congressional High Priority Corridor Designation/ROTCC**
- **Agile Port System**
- **Linear / Foreign / Freeport Trade Zone**
- **Inland Port of Pre-Clearance**
- **Cargo Airport**
- **Safety and Security**



Dallas NAFTA Trade Corridor Achievements

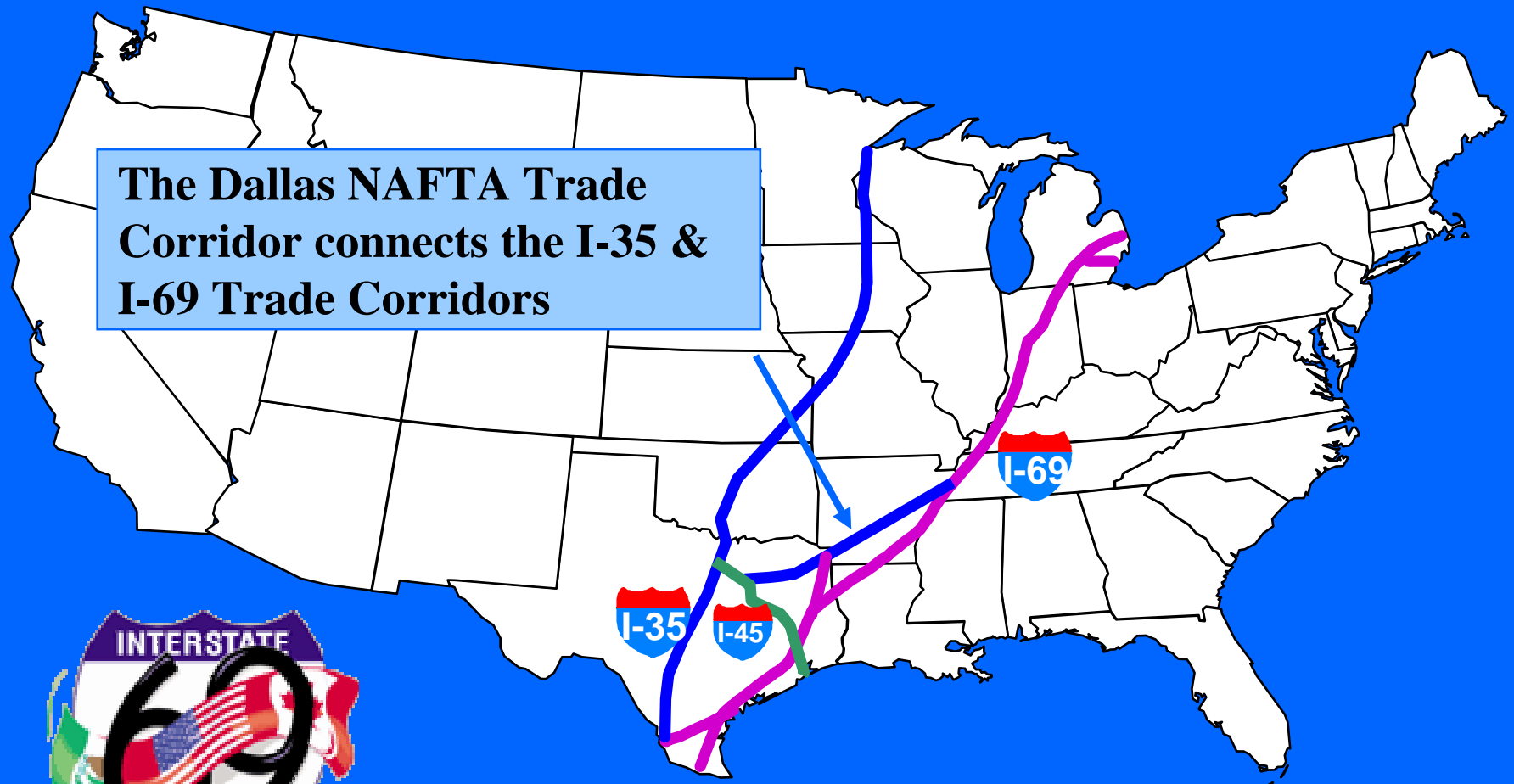
- **Contract signed by the City of Dallas on September 9, 2004**
- **The City of Dallas and Dallas County are official and active members of the Dallas NAFTA Trade Corridor Coalition**
- **Presentation of Dallas NAFTA Action Plan and Strategy in January 2005**
- **Numerous achievements specific to each Dallas NAFTA Trade Corridor component follow**



High Priority Corridor Designation and ROTCC Achievements

- **A Congressional High Priority Corridor designation for the Dallas NAFTA Trade Corridor was achieved in the surface transportation reauthorization bill signed by the President in July 2005 and will increase the amount of federal funding for this significant trade corridor**
- **In less than a year, the River of Trade Corridor Coalition was created by Dallas and has grown to include over 40 members along the NAFTA trade route, including members in Arkansas and Tennessee**
- **The ROTCC Congressional Caucus was also created and now includes 10 members of Congress whose districts encompass the NAFTA Trade route and who were effective in achieving the Congressional High Priority Corridor designation**
- **The ROTCC Legislative Caucus includes Texas State Senators and Representatives who provide valuable support and assistance, especially regarding the Trans-Texas Corridor**

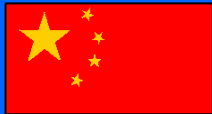
I-30 & I-40: High Priority Corridor to I-69



The Dallas NAFTA Trade Corridor connects the I-35 & I-69 Trade Corridors



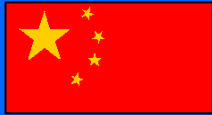
April 2005 -- "I am pleased to extend support of the Alliance for I-69 Texas for your efforts to designate as a Congressional High Priority Corridor: ...[I-30 and I-40]...and the proposed intersection with the I-69 corridor." Harris County Judge Robert Eckels, Chair, Alliance for I-69 Texas



Agile Port System Achievements

- This item was not one of the original project components, however, relationships with Harris County and the Port of Houston led to the creation of the Agile Port System Task Force
- A Memorandum of Understanding was signed by the U.S. Maritime Administration, the City of Dallas, and the Port of Houston committing to the development of the Agile Port System





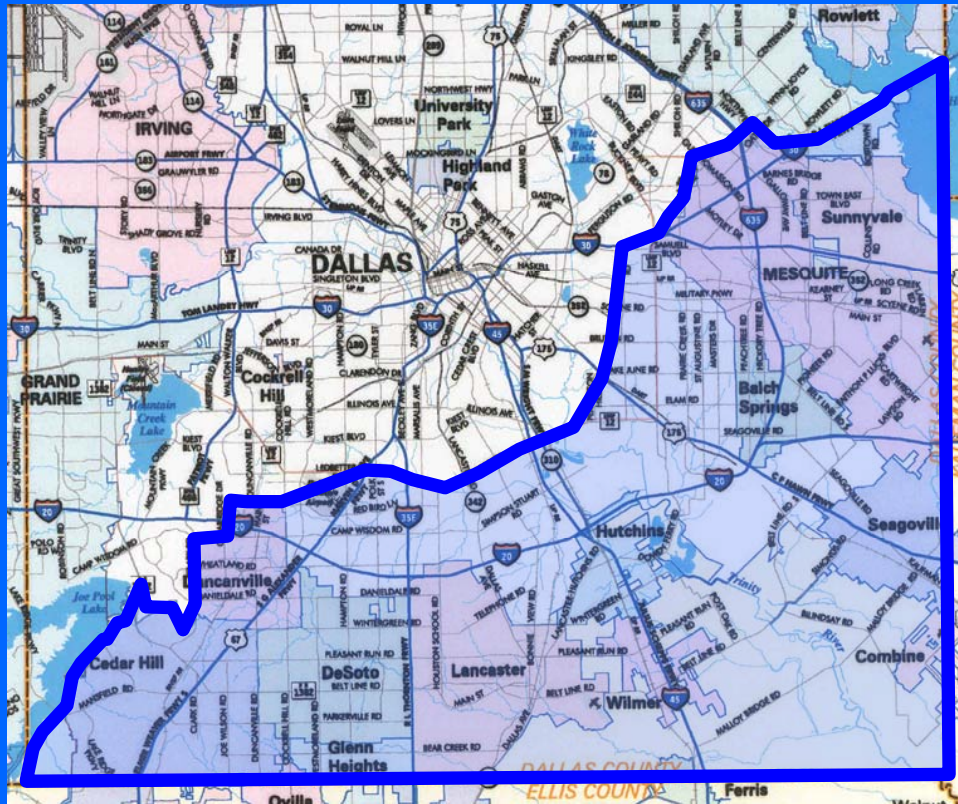
Agile Port System Achievements

- **An Agile Port System Task force was established and a Memorandum was signed by the Port of Houston Authority, the U.S. Maritime Administration and the City of Dallas in April 2005 to establish Dallas as an inland port for Houston**
- **The Port of Manzanillo also sought an agreement with the City of Dallas to establish Dallas as Manzanillo's preferred inland port, and a Friendship and Cooperation Protocol was signed between the parties in August 2005 to begin the process of developing a container trade route from the Port of Manzanillo to the Port of Dallas**

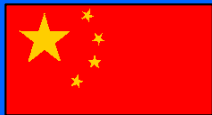




Linear/Foreign Trade Zone Achievements

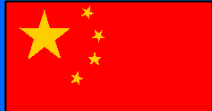


- **Creation of a Linear/Foreign/Freeport Trade Zone Task Force**
- **Numerous meetings regarding the creation of a linear/foreign/freeport trade zone have been held to facilitate the development of various tax incentives to encourage businesses to locate in the Dallas NAFTA Impact Zone**



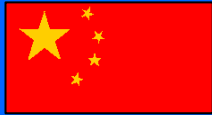
Communications and Public Awareness Strategy Achievements

- **Over the past year, hundreds of meetings have been held with local, regional, state, national, and international entities to discuss the Dallas NAFTA Trade Corridor, and these meetings have been documented in monthly reports to the appropriate city council committees**
- **Significant national and international Dallas NAFTA and ROTCC missions, include**
 - **May 2005: Washington, DC**
 - National Transportation Safety Board, U.S. Department of State, Mexican Ambassador, Federal Railroad Administration, U.S. Department of Commerce, U.S. Maritime Administration, Members of Congress
 - **July 2005: Minneapolis, MN**
 - Representatives from Target Corporation
 - **July 2005: Little Rock and North Little Rock, AR**
 - Mayor, City Manager, Board of Directors, representatives from the MPO
 - **July 2005: Memphis, TN**
 - Mayor, Congressional Staff, representatives from the MPO
 - **August 2005: Manzanillo, Mexico**
 - Representatives from the Port of Manzanillo



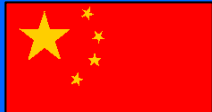
Future expansion of the Dallas NAFTA Trade Corridor Coalition and ROTCC

- **Current members during the first year of the Project:**
 - **The City of Dallas and Dallas County are official and active members with both having passed resolutions supporting their membership**
- **Potential Members for FYE 2006 include:**
 - **Cedar Hill, DeSoto, Duncanville, Lancaster, and Mesquite**
- **ROTCC has grown during the past year to include over 40 members along the NAFTA trade route, including members in Arkansas and Tennessee**
- **In FYE 2006, ROTCC will expand north into Detroit and enlist international members from Canada and Mexico**
- **In FYE 2006, the ROTCC will be institutionalized as a dues-paying membership organization**
- **The first Action Plan and Strategy was delivered in January 2005 and provided a comprehensive description of the Dallas NAFTA Trade Corridor and the ROTCC project**
- **The Updated Action Plan and Strategy will include a comprehensive strategy for the Agile Port System and the ROTCC, and provide updates and strategy for each original Dallas NAFTA project component**



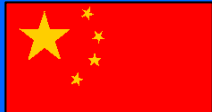
Expansion of the ROTCC Caucuses

- The ROTCC Congressional Caucus currently includes 10 members of Congress from Texas and Arkansas
- In FYE 2006, the ROTCC Congressional Caucus will be expanded to potentially include:
 - Senators Kay Bailey Hutchison and John Cornyn, Congressional Members Joe Barton, Eddie Bernice Johnson, and Sam Johnson, as well as other congressional members along the NAFTA trade route up to Michigan
 - The caucus will be instrumental in supporting language recognizing the ROTCC as an international corridor of significance
- The ROTCC Legislative Caucus includes several Texas State Senators and Representatives who provide valuable support and assistance with Dallas NAFTA and ROTCC initiatives
- In FYE 2006, the ROTCC Legislative Caucus will be expanded to further develop a forum for state legislators to identify and associate with the goals of the ROTCC



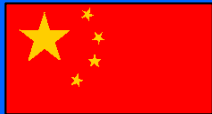
Development of the Agile Port System

- **A Memorandum of Understanding was signed by the U.S. Maritime Administration, the City of Dallas, and the Port of Houston in April 2005 committing the parties to the development of the Agile Port System in Dallas**
- **In FYE 2006, the Agile/Inland Port Authority will be created to implement and oversee the development and operation of the Port of Dallas**
- **In FYE 2006, the Rail District Authority will be created to facilitate rail connections between the Port of Dallas , the Port of Houston, and the surrounding areas in Dallas County**
- **A Friendship and Cooperation Protocol was signed by the Port of Manzanillo and the City of Dallas in August 2005 to begin the process of developing a container trade route from the Port of Manzanillo to the Port of Dallas**
- **In FYE 2006, the relationship between the Dallas NAFTA Trade Corridor Coalition and the Port of Manzanillo will be expanded and relationships will be developed with additional domestic and international ports**



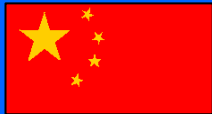
Linear/Foreign/Freeport Trade Zone, Cargo Airport, Inland Port of Pre-Clearance, and Safety/Security

- **Creation of Linear/Foreign/Freeport Trade Zone Task Force**
- **In FYE 2006, the task force will continue to implement policies regarding tax initiatives and incentives for business development along the NAFTA trade route in Dallas County**
- **In FYE 2006, a Cargo Airport Task Force will be created including public and private sector interests to facilitate the development of a cargo airport in the Dallas NAFTA Trade Corridor**
- **In FYE 2006, a Cargo Airport Authority will be established to promote air cargo service in the Dallas NAFTA Impact Zone**
- **In FYE 2006, an Inland Port of Pre-Clearance Task Force will be created to develop and operate a truck compliance facility**
- **In FYE 2006, Safety and Security will continue to be a primary focus of the entire project, and close coordination will be maintained with appropriate local, state and federal entities to ensure the safety and security of the Port**



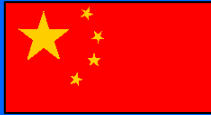
Expansion of Communications and Public Awareness Strategy

- **Over the past year, hundreds of meetings have been held with local, regional, state, national, and international entities to discuss and promote the Dallas NAFTA Trade Corridor**
- **In FYE 2006, meetings will continue to be held with local, regional, state, national, and international stakeholders to promote the DNTC**
- **Several missions have been conducted both nationally and internationally**
 - **Washington, DC, Minneapolis, MN, Little Rock and North Little Rock, AR, Memphis, TN, and Manzanillo, Mexico**
- **In FYE 2006, national and international strategic trade missions will be planned to institutionalize the Port of Dallas and the Dallas NAFTA Trade Corridor as a strategic international intermodal transportation hub**
- **In FYE 2006, editorial board meetings and relevant speaking engagements will be scheduled to inform and educate public and private sector entities about the Dallas NAFTA Trade Corridor**



Contract Amounts

- **Current contract amount is \$250,000 plus an amount not to exceed \$18,000 in actual, billed expenses for a total of \$268,000**
- **Project components under original contract:**
 - **High Priority Corridor Designation**
 - **Inland Port of Pre-Clearance**
 - **Linear/Foreign Trade Zone**
 - **Cargo Airport**
- **In FYE 2006, proposed contract amount is \$300,000 plus an amount not to exceed \$40,000 in actual, billed expenses for a total of \$340,000**
- **Project components under FYE 2006 include:**
 - **ROTCC**
 - **Agile Port System**
 - **Inland Port of Pre-Clearance**
 - **Linear/Foreign/Freeport Trade Zone**
 - **Cargo Airport**
 - **Security/Safety**
- **Additional provisions of the contract:**
 - **Consultant may expand the current membership of the Dallas NAFTA Trade Corridor Coalition and may receive compensation from new members as they deem appropriate**
 - **Consultant will serve as secretariat for and may receive compensation from the following additional entities as they deem appropriate:**
 - **ROTCC**
 - **Agile/Inland Port System Authority**
 - **Rail Authority**
 - **Cargo Airport Authority**



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For More Information:

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THE EISENHOWER PROTOCOL

A VISION FOR THE UNITED STATES IN MULTIMODAL TRANSPORTATION AND ECONOMIC DEVELOPMENT

Celebrating the ‘Interstate Highway System’

Less than a half century ago, the United States sat nervously on the brink of a potential thermonuclear war for which it was wholly unprepared. Recognizing the need for improved national defense, then President Dwight D. Eisenhower, the military establishment, Congress, and the federal government invested heavily into building a more effective transportation infrastructure that would create coast-to-coast highway connections and allow for rapid troop, munitions and equipment deployment. Fresh from their return from Europe and Germany after WWII, American troops had seen first hand the benefits of the European autobahn for troop, equipment and munitions movements. On June 29, 1956, Eisenhower signed the National Interstate and Defense Highways Act into law, dramatically changing the course of American transportation history.

The development of the Interstate Highway System was successful as a tool for national defense. However, not even President Eisenhower himself could have imagined the additional rewards Americans would ultimately reap for decades to follow as a result of his monumental decision. Cities and towns literally formed in areas along the Interstate highways. Domestic travel and tourism flourished. The American automobile and trucking industries were refined and prospered. Ideas and innovations flowed through the new passageways that were created, the roads that built the America we know and reside in today. Americans were literally connected in a manner that was once inconceivable.

The Interstate Highway System linked Americans in the 20th Century, making all sections of our country more accessible, bringing us closer together geographically and as a people and promoted economic and social opportunities never before imagined. This was especially important as our population grew from 140 million in 1950 to 290 million in 2000. Citizens in the industrial United States now had a means of accessing improved education, health care and employment. Once a budding new nation, the United States had developed into a world renowned leader in innovation and industry, and a renewed sense of national pride was born all on the heels of a single historic piece of transportation legislation.

Through this great enterprise, not only was our homeland better protected, but our economy was strengthened, diversified and energized, and educational opportunities were created for the American people. Also through this great enterprise we learned the value and the necessity of transportation infrastructure investment. As we look to the past and celebrate the gifts and talents and visions of our predecessors we are inextricably drawn to look to the future to determine the mobility needs of the citizens of this great nation for the next 50 years. Not only highways, but seaports, airports, freight and passenger rail lines, transit, high speed passenger rail and other modes of transportation as well as the industries that use and support them are essential if the progress we have made as a nation is to be extended into the future.

Shaping the Next Half Century

Americans in the 21st Century face a brave, new world. We continue to encounter new and unique challenges, though we remain steadfast in our desire to sustain our position as a world leader economically and to provide the safest and most efficient transportation opportunities possible. Fortunately, we now also have the advantage of knowing what is possible through sufficient investment in transportation. It is our obligation and legacy that we will use the past as a model for the future and that the next fifty years will be a renaissance for multimodal transportation investment.

Once again while taking care of the basics, we must pursue novel transportation solutions to ensure domestic defense, to combat a steadily increasing population and to protect the safety of our mobile citizens. Luckily, we now have unlimited research pointing us toward transportation investment as a solution, and technology has afforded us with significantly more flexibility than that of fifty years ago. Where President Eisenhower once sought to connect the country with coast-to-coast highways, we now look to multimodal transportation networks, where all facets and modes of transportation intermingle to provide the most efficient infrastructure imaginable.

However, with this knowledge comes great responsibility. It is up to us as local, regional, state and national advocates of improved transportation to share our message with the public and with policymakers at all levels. To this end, we will aim to implement an aggressive communications strategy, which will entail recognition of the Interstate Highway System as a model for transportation investment in our country, as well as the promotion of other issues that might lead to increased funding for America's strained infrastructure.

As intended at the original signing of this document on August 12, 2005 at the 8th Annual Texas Transportation Summit by the City of Irving, Texas, we, the undersigned, will work to rally transportation advocates and others, alike, to initiate several significant meetings and events aimed to move us closer to our goals. At present, scheduled events include an 8th Annual Texas Transportation Summit Co-host Organizations follow-up meeting in October; a celebratory signing ceremony hosted by the American Road and Transportation Builders Association (ARTBA) on June 29, 2006, the actual 50th anniversary of President Eisenhower's signing of the Interstate Highway legislation; and finally, at the 9th Annual Transportation Summit in Irving, Texas, the culminating commemoration of the anniversary and the kickoff to the pursuit of our collective multimodal transportation vision for the next half century.

Collective Statement of Purpose and Declaration of Commitment

We, the undersigned, hereby confirm our dedication to promoting public multimodal transportation investment that will ensure the safety, efficiency and economic welfare of all Americans for the next half century. We pledge to promote improved public multimodal transportation and to seek out creative and innovative solutions that will carry the United States during the 21st century. We will follow the example of the leaders who came before us by pursuing a multimodal transportation network that will promote the social and economic development of our country. Together, we will shape the future.

Signature

Name of Organization

Contact Information

Please return executed copies to: Dean International, Inc., Attn: Laura Fox,
8080 Park Lane Suite 600, Dallas, Texas 75231, lfox@dean.net, 214.750.0123, fax 214.750.0124



Dallas NAFTA Trade Corridor

Friendship and Cooperation Protocol

- WHEREAS** Since the implementation of the North American Free Trade Agreement on January 1, 1994, U.S. trade with Mexico and Canada has increased and become more efficient; and
- WHEREAS** Mexico is a trusted and committed trading partner to the U.S.; and
- WHEREAS** The primary foreign trade partners of the U.S. include Canada, Mexico, China and Japan and the U.S. has an increasing appetite for high-quality, low-cost goods produced by these principal trade partners; and
- WHEREAS** U.S. trade with foreign countries is projected to significantly increase over the next decade; and
- WHEREAS** U.S. ports are struggling with geographic expansion and congestion issues and the growth of foreign trade over the next decade will intensify those issues; and
- WHEREAS** The City of Dallas is committed to developing the Dallas NAFTA Trade Corridor as a primary means of economic development by achieving a Congressional High Priority Corridor designation and implementing an Agile Port System, a Linear/Foreign/Free Trade Zone, an Inland Port of Pre-Clearance, and a Cargo Airport ; and
- WHEREAS** The Agile Port System is strongly supported by the U.S. Maritime Administration as a means of quickly and efficiently moving trade cargo from a seaport to an inland port; and
- WHEREAS** The City of Dallas supports the North American Free Trade Agreement and the opportunity to expand trade relations with Mexico and Canada; and
- WHEREAS** The City of Dallas wants to preserve and enhance the existing Dallas County infrastructure that serves as a crossroads for trade, including the traditional NAFTA trade route as well as routes that facilitate the flow of goods from Asia; and
- WHEREAS** The City of Dallas is prepared to pursue innovative ideas and partnerships to encourage economic growth in Dallas County via the Dallas NAFTA Trade Corridor, which will benefit the Metroplex as well as the entire State of Texas; and

- WHEREAS** The Agile Port System concept is one that the City of Dallas is assertively exploring with international seaports, including the Port Authority of Manzanillo; and
- WHEREAS** The Port Authority of Manzanillo has a key, geographic location on the Pacific Coast of Mexico in the State of Colima; and
- WHEREAS** The Port Authority of Manzanillo is positioning itself as Mexico's gateway to the Pacific and handles more containers than any other port in Mexico; and
- WHEREAS** The Port Authority of Manzanillo is a multi-purpose port that handles all types of cargo and includes a specialized container terminal equipped with post-panamax cranes; and
- WHEREAS** The Port Authority of Manzanillo has approached the City of Dallas regarding the potential opportunities available to each if a trade relationship is pursued; and
- WHEREAS** The Port Authority of Manzanillo supports an innovative partnership that will expand trade opportunities with the State of Texas and the City of Dallas; and
- WHEREAS** The City of Dallas and Port Authority of Manzanillo have assembled to develop a strategy to implement an innovative trade partnership.

NOW, THEREFORE, BE IT RESOLVED THIS 26th DAY OF AUGUST, 2005 BY THE UNDERSIGNED PARTIES:

- THAT** The City of Dallas and the Port Authority of Manzanillo are committed to exploring and developing an innovative trade relationship centered around the movement of containers from the Port of Manzanillo to destinations throughout the U.S., using the City of Dallas and the Dallas NAFTA Trade Corridor as a primary point of entry into the United States.
- THAT** This trade agreement shall not be limited to the undersigned parties, and each party is encouraged to expand this agreement to include other interested and supportive entities.
- THAT** No monetary contribution is required from the undersigned parties.
- THAT** There should be regular contact among the undersigned parties, either through meetings or telephone conference calls.
- THAT** The City of Dallas and the Port Authority of Manzanillo have officially expressed their intent to create a valuable trade relationship, and that actions pursuant to this agreement shall commence immediately.

SIGNATURE PAGE

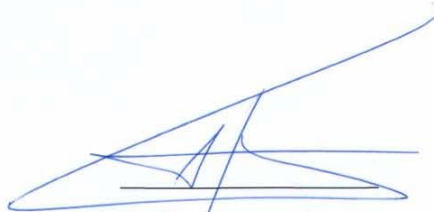
THIS FRIENDSHIP AND COOPERATION PROTOCOL IS AGREED TO BY THE FOLLOWING
INVESTED PARTIES ON THIS, THE 20th DAY OF AUGUST, 2005.



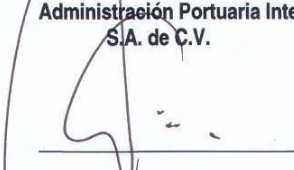
Bill Blaydes
Chairman, Dallas NAFTA Trade Corridor
Dallas Councilmember
City of Dallas, Texas



Steve Salazar
Dallas Councilmember
City of Dallas, Texas



Captain Héctor Mora Gómez
CEO
Port of Manzanillo
Administración Portuaria Integral de Manzanillo
S.A. de C.V.



Captain Enrique Casarrubias García
Harbor Master
Port of Manzanillo
Administración Portuaria Integral de Manzanillo
S.A. de C.V.