

# BUSINESS REPORT

## MEETINGS RECAP, BOARD IMPACT

### Meetings

The local campus of a state university, an historic downtown hotel, and a mayor's council chambers temporarily became meeting sites for the Board during 2002, as members gathered in Calexico, California; El Paso, Texas; and Nogales, Arizona, for the Board's three meetings it holds each year in border communities.

The first meeting of the year, in **Calexico, California**, took place February 20-21 at the San Diego State University-Imperial Valley Campus. Calexico Mayor Victor Carillo gave opening remarks, followed by presentations from guest speakers on two topics: energy and water issues. Public attendees and speakers represented the following groups: Imperial County Agriculture Department; California Regional Water Control Board; two energy companies, InterGen and Sempra Energy Resources; Imperial Valley Irrigation District; Region 9 Office of the Environmental Protection Agency (EPA); California Center for Border-Region Economic Studies at San Diego State University; Institute of the Americas; United States-Mexico Chamber of Commerce; Tones Martinez Desert Cahuilla Indians; non-governmental organizations called Alianza Indigena and Centro Regional Estudios Ambientales y Socioeconómico (CREAS); the International Boundary and Water Commission (IBWC); state government of Mexicali, Baja California; the U.S. Congress; U.S. Department of Agriculture (USDA)/Forest Service; the Center for U.S.-Mexican Studies at the University of California-San Diego; and others. Media coverage included spots on the evening news of local stations Channel 11 KYMA and Channel 13 KSWT, as well as a newspaper article in the Imperial Valley Press.

The second meeting, whose theme was innovative partnerships, took place June 5-6 in **El Paso, Texas**, at the Hilton Camino Real Hotel. It began with an official welcome from Joyce Fineburg from the Mayor of El Paso's office, followed by speakers showcasing successful partnerships. Speakers and public attendees were from the following institutions: Center for Environmental Resource Management at the University of Texas-El Paso; New Mexico/Texas Water Commission; Joint Advisory Committee for the Improvement of Air Quality in the El Paso del Norte Air Basin; USDA Bureau of Reclamation; Mexico's Secretariat of Environmental and Natural Resources (SEMARNAT); a non-governmental organization called the Alliance for the Rio Grande Heritage; the Colonias Development Council; the City of El Paso; the Texas Commission on Environmental Quality; the Border Environment Cooperation

Commission (BECC); North American Development Bank (NADBank); the Southwest Center for Environmental Research and Policy (SCERP); U.S. EPA's border program; and others. Local officials, including Congressman Silvestre Reyes, sent representatives. One of the outcomes of the meeting was a Board Comment Letter to the U.S. President and Congress requesting that the Board be involved in discussions about potential changes to BECC and NADBank (see Comment Letter). The *Los Angeles Times* published an article on the meeting and the Letter. In addition, ABC News local affiliate, KVIA Channel 7, and Univision affiliate, KTSM Channel 26, also covered the meeting.

The third and last border-community Board meeting during 2002 took place in **Nogales, Arizona**, October 9-10. This meeting had two themes: conservation, and health. The first day began with greetings from Marco A. Lopez, Mayor of Nogales. Next, the conservation theme was discussed by speakers from the following institutions: the Malpai Borderlands Group, Arizona Cattlegrowers Association, the Nature Conservancy, Arizona Department of Game and Fish, Pima County Administrators Office, and the Natural Resource Department of the Tohono O'odham Nation. The health theme was elaborated by representatives from the Office of Border Health in the Arizona Department of Health Services; the Mariposa Community Health Center; Cochise County Health Department; Arizona Department of Environmental Quality; and a representative from Water for People, a non-governmental organization. During the afternoon, the Board received a status update on developments within Consejo organizations, Mexican counterparts to the Good Neighbor Environmental Board. On the second day, the Board discussed three topics of special importance: the Border 2012 Plan, the U.S.-Mexico water debt, and BECC-NADBank reform. The meeting received news coverage from two local television stations, a local affiliate of Univision and a local affiliate of NBC News.

Besides these three border-community meetings, the Board also met early in the year in **Washington, D.C.**, for a Strategic Planning Session. Following the session, it sponsored an expert panel discussion called Border Forecast 2002 to gain input from senior officials on the top environmental infrastructure issues it should closely track during the year ahead.

## Membership, Staff Changes

The year saw numerous membership changes, including that of the Chair. In January, highly respected Chair **Judith Espinosa** resigned. Another long-serving member, **Jennifer Kraus**, agreed to serve as Acting Chair for the Board's meeting in Calexico in February, then resigned later in the year. In March, EPA representation on the Board rotated from the Region 6 Office to the Region 9 Office; **Gregg Cooke**, Regional Administrator for Region 6, stepped down, and **Laura Yoshii**, Deputy Regional Administrator for Region 9, took his place at the table.

As the process for appointing a new Chair continued during the spring and early summer, member **Diana Borja** stepped in to be Acting Chair for the Board's meeting in El Paso in June. In July, **Placido dos Santos** of the Arizona Department of Environmental Quality was appointed as the Board's new Chair to serve a one-year term.

In September, two federal agencies appointed representatives to the Board: **Steve Nesmith** from the Department of Commerce, and **Shannon Sorzano** from the Department of Housing and Urban Development. Also during that month, **Karen Chapman**, **Ed Ranger** and **Nancy Sutley** were re-appointed for a second term, and **Valecia Gavin** was appointed as a new member. In November, long-serving IBWC Alternate **Bob Ybarra** retired and resigned from the Board.

Board management saw several changes, as Daiva Balkus became the Director of the EPA Headquarters Office of Cooperative Environmental Management, which manages the Board on behalf of the EPA Administrator. In addition, Oscar Carrillo was hired to serve as Associate Designated Federal Officer. Elaine Koerner remained in her position of Designated Federal Officer, relocating to the EPA Region 9 Office in San Francisco at the end of the year.

## Publications

The Board held a press event January 24 in Washington, D.C., to launch its **Fifth Report to the President and Congress**. The Fifth Report advises the President and Congress to take action in three areas of border-region policy: water resources, air quality and hazardous materials. For water resources, the Board's advice is to step up binational cooperation on water problems, including more sharing of data on trans-boundary surface and groundwater supplies. To help improve border-region air quality, the Board recommends greater cooperative planning to minimize adverse air-quality impacts from power plants. And to reduce risks from hazardous materials crossing the border and moving through border communities, the Board points to capacity-building at a local level as a key ingredient for preparedness and prevention. Throughout the year, Board members continued to distribute copies of its Fifth Report at border-region events and throughout their organizations. In total, more than 4,500 copies were distributed to local, regional and national policymakers on both sides of the border. And for the first time in the history of

the Board, it received an official response to its Fifth Report. The response was issued by EPA Administrator Christine Todd Whitman on behalf of the Office of the President.

To supplement its recommendations, the Board issued several **Comment Letters** (see full text). For the first one, the topic was the reforms taking place within two key border-region institutions, BECC and NADBank. Among its recommendations are improved access to project funding. In addition, it requests to be involved in discussions about the proposed business plan for the two institutions. The second Comment Letter, drafted in December, concerned the framework of the new Border 2012 Program.

And on a monthly basis, the Board continued to publish a monthly e-mail newsletter called the **Round Up**. Each issue contained an update on Board activities; local, regional and national news affecting the border-region environment; and a calendar of relevant upcoming events.

## Impact

If indicators of effectiveness such as visibility among border-region policymakers and across border communities are any measure, it can be said with certainty that the Board's impact grew during 2002. Its work was cited in research publications and newspaper articles, public attendance at its three border-community meetings was up, and subscriptions-by-request to its Round Up newsletter increased. That being said, the extent to which the Board's advice was heeded remained difficult to measure. Much of what it called for, such as adoption of a watershed approach border-wide, will require many incremental steps over what is likely to be a long period of time. The Board expressed interest in continuing to measure its impact in the year ahead.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20450

September 17, 2002

Good Neighbor Environmental Board  
c/o Placido DosSantos, Chair  
Border Environmental Manager  
Arizona Department of Environmental Quality  
400 W. Congress Street, Suite 521  
Tucson, AZ 85701

To the Members of the Good Neighbor Environmental Board (GNEB):

On behalf of the Executive Office of the President, I submit the following remarks in response to the *Fifth Report of the Good Neighbor Environmental Board to the President and Congress of the United States*.

The Bush Administration appreciates your sage and timely advice concerning environmental infrastructure along the U.S.-Mexico border and values your discussion of the potential impact of water, air, and hazardous material issues on the health of border-region residents. We applaud your recognition of the need for partnerships, information sharing, and input from border communities and the reflection of those needs in the recommendations you make in the report.

During the meeting between President Bush and Mexican President Vicente Fox in Monterrey, Mexico, in March 2002, they reaffirmed their shared commitment to cooperating on environmental infrastructure issues. Upon his return, President Bush issued a statement defining the United States' relationship with Mexico as our nation's most important international relationship.

A prime example of this shared commitment is the agreement to reform the North American Development Bank (NADBank) and Border Environment Cooperation Commission (BECC) – reforms that will help those institutions enhance environmental infrastructure along the border. The Administration commends GNEB for its continued focus on the operations of the NADBank and BECC and appreciates the Comment Letters submitted by GNEB last year on the need for public input – including that of communities along the U.S.-Mexico border – as part of the reform process. We hope that in the coming year you, as a highly respected, non-partisan advisory group, will offer advice on both the implementation of this reform agreement and the new U.S.-Mexico Border Environmental Program.

On behalf of President Bush and the millions of people living along the U.S.-Mexico border, I thank you for a job well done and offer best wishes for continued success as you prepare the *Sixth Report of the Good Neighbor Environmental Board to the President and Congress*.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Christine Todd Whitman".

Christine Todd Whitman



Designated Federal Officer  
Elaine Koerner  
Telephone: (202) 564-1484  
Koerner.elaine@epa.gov

May 14, 2002

The President  
The White House  
Washington, DC 20500

RE: Comments on Implementing Reforms to the Border Environment Cooperation Commission (BECC) and the North American Development Bank (NADBank)

Dear Mr. President:

As your advisory board on environmental infrastructure projects along the U.S. border with Mexico, we request that the Good Neighbor Environmental Board (GNEB) continue to be consulted during implementation of BECC and NADBank reforms. Specifically, we request the opportunity to contribute input during implementation of the recommendations for reform that were agreed upon on March 22, 2002, in Monterrey, Mexico, during your bilateral discussions with President Fox.

Our initial input on the Monterrey agreements is as follows:

Geographic Scope: We would propose that all U.S. *grant* contributions to BECC and NADBank continue to remain within the 100-km original mandate. We also understand that Border Environmental Infrastructure Fund (BEIF) funds will remain within this scope. On the other hand, the use of low-interest BECC and NADBank *loans* in Mexico up to 300-km is acceptable, provided that both grants and loans are concentrated in the poorest communities and those with the most critical needs.

In addition, while BECC-NADBank financial resources will be disbursed only within these geographic areas — and justifiably so — the Board urges border-region policy makers to extend their strategic thinking beyond these confines to incorporate a broad, long-term watershed approach to all environmental infrastructure planning. GNEB called for this approach in its Fourth Report to the President and Congress and stands by this earlier advice.

Financial Instruments: GNEB has consistently recommended improving access to project funding rates and terms, and this proposal by the President is supported within the limits noted above.

Organizational Structure and Process: The development and application of the comprehensive business process review is an area in which GNEB takes special interest, and we propose that we be involved in its design and execution. From the perspective of the Board, consideration of potential impacts such as effects on watersheds must be included in any business process review.

The Good Neighbor Environmental Board advises the President and Congress of the United States. Administrative support is provided by the U.S. Environmental Protection Agency, Office of Cooperative Environmental Management, Mailcode 1601A, 1200 Pennsylvania Avenue, N.W., Washington, DC 20004 \* 202-564-9741 \*(FAX) 202-501-066

GNEB reiterates its earlier position expressing concern about merging the two Boards; given that this process will go forward, we encourage those responsible for the merger to remain aware of any negative effects, including perspectives and voices that may become sidelined in the process.

Private Sector: Private sector participation in environmental projects along the border is encouraged, so long as there are application preferences for the original mandated projects of water, wastewater, and solid waste. Private sector projects should not be financed using grant funding, except in the case of private/non-profit organizations that re-invest all excess revenue back into the project for improved sustainability.

We look forward to opportunities to continue to be part of the dialogue, and appreciate the efforts made by the binational working group to obtain extensive public input before submitting their recommendations. We encourage similar robust public involvement during the implementation process.

Sincerely,



Jennifer Kraus  
Acting Chair

cc Vice President  
Speaker of the House  
Fernando Macias, Director, BECC  
Raul Rodriguez, Managing Director, NADBank



Designated Federal Officer  
Elaine Koerner  
Telephone: (202) 564-1484  
Koerner.elaine@epa.gov

January 22, 2003

Jerry Clifford, Deputy Administrator  
EPA Office of International Affairs  
Ronald Reagan Building  
1200 Pennsylvania Ave. N.W.  
Washington, D.C. 20460

Dear Mr. Clifford,

As Chair of the Good Neighbor Environmental Board, I am writing to thank you for your attentiveness to the Good Neighbor Environmental Board's review of Border XXI in our 2000 annual report, particularly our recommendations on how the next border program should be designed. After reviewing the framework document for Border 2012, we wish especially to commend the following components:

- a more focused goal;
- increased public and tribal participation;
- increased regional participation;
- extensive public input, witnessed through the large and diverse public meetings recently held to get feedback on the framework;
- a longer strategic planning horizon of ten years, as well as the program implementation plans;
- development of environmental indicators; and
- development of operational guidance.

We note that the success of this new approach will depend upon local capacity-building. In the Board's view, this effort must be carried out soon if the program is to ultimately be successful. EPA and SEMARNAT are in the position to implement this capacity-building in order to ensure that local, tribal, and state representatives are enabled to fully carry out their responsibilities.

The Board looks forward to playing an active consultative role as the Border 2012 Program continues to unfold.

Sincerely,

Placido dos Santos  
Chair

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