

## Baja megaport picks up momentum

by Diane Lindquist

TIJUANA - Baja California officials are drawing up a master plan for the development of the city that will surround the planned Punta Colonet megaport 150 miles south of the border, Gov. Eugenio Elorduy Walther said in an interview with The San Diego Union-Tribune.

The port-rail Colonet complex "will be the most important project that has been constructed in the history of Mexico," the governor said.

Momentum on the project is now picking up, he said.

A few weeks ago, Mexican President Felipe Calderon took charge of a group overseeing the port-rail development, Elorduy said.

And federal officials struck an agreement last week with Colonet collective farm groups that own property at the port site, assuring them they will be included in every step of the project.

"The people who have to be involved are being involved in a timely manner," Elorduy said in an interview here Friday.

Jesus Lara, the organizer of a coalition of Colonet farm groups, confirmed that the ejido leaders met in Mexico City with Manuel Rodriguez Arregui, the federal government's point man on the project, and agreed to work together.

The ejido farmers were flown to the capital at the state of Baja California's expense, he said, and stayed and dined in first-class establishments.

"We are happy that finally after two years it looks like things are working," Lara said. "But we are going to keep a very good eye on the agreement."

Officials in the federal and state governments have been widely criticized for failing to divulge information about plans for the project. Recently, a state legislative panel announced it could not condone the development because Elorduy has failed to live up to promises to provide full details.

Plans so far call for the port to be as large as the ports of Los Angeles and Long Beach combined, occupying nearly 7,000 acres at Punta Colonet. About 97 percent of the area will be water and 3 percent tidelands.

The port is expected to handle 8 million 20-foot equivalent units or TEUs - the standard measure of container cargo - a year. The containers, mostly from Asia, would move into the U.S. interior on a 180-mile rail line that will be developed with the port. The line is expected to connect with existing rail systems at Yuma, Ariz.

Both the port and rail line are to be developed and operated by private investors through a bidding process conducted by the federal government. The bidding plans have been stalled by a dispute with a group of investors that hold a concession for exploring for minerals in the ocean bottom where the port is to be located.

In an interview with The Union-Tribune last week, Rodriguez, Mexico's subsecretary of transportation, said the group's claims of mineral deposits are not valid. He predicted the matter will be resolved soon and the bidding begin.

The state government is developing the master plan for an urban center that could be home to as many as 250,000 residents. It is due to be completed before the federal bidding process begins.

The master plan is similar to a U.S. zoning document, identifying areas that will be restricted to residential, commercial and industrial uses as well as sites for schools and parks.

Elorduy also has begun reaching out to those seeking more information about the project. He met early last week with a group of Ensenada's leading businessmen, telling them the port and rail line are critical to the development of the region and of Mexico.

Elorduy denied in the interview that he is withholding information from the Baja California legislature.

"They have had the information that is publicly known," he said.

Because of the project's importance, Elorduy said, it must be handled very carefully.

"The need of keeping it proper institutionally means that not anybody can be speaking about the project," he said.

"Right now we are finalizing the stage in which invited interested parties ... will be able to ask questions and provide valuable information," Elorduy said. "Nothing is written in stone."

He said information has mainly been provided to companies that are interested in bidding on the project. A feasibility study was conducted last year by Hutchison Port Holdings, the operator of the Ensenada port, and the Union Pacific railroad.

Hutchison has since bought property at Punta Colonet, and Union Pacific is seeking options on a railroad right-of-way in Yuma.

Elorduy denied that the companies have an upper hand in the bidding because they did the feasibility study for Baja California and allegedly have close relationships with the governor.

"Absolutely untrue," he said. "There is nothing that can sustain such an accusation."

Elorduy said the study, which wasn't made publicly available, is being used as a reference point for discussion on how the project should be structured.

"When the decision is made, because of the previous work, all the information will be available to everybody," he said. "It will be so open that anybody can feel that if they are not satisfied, they have the legal right to make their opinions known."

Elorduy, a former Mexicali mayor and Ford car dealer in the desert city, is to be replaced in an election in August.

He said his leaving won't affect the Punta Colonet project.

"It will go on because of its importance," Elorduy said.

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