INTRODUCTION

One hundred and sixty-three years ago following the Mexican-American War, as part of the Guadalupe Hidalgo Treaty, President James K. Polk directed U.S. Commissioner John B. Weller to establish the southern border of the United States. Commissioner Weller and his successors worked to survey and demarcate the border with their Mexican counterparts, setting the stage for U.S.-Mexico cooperation along our shared border into the 21st century.

In January of 2010, President Barack Obama appointed me to be the Commissioner of the United States Section of the International Boundary and Water Commission. I dedicated myself in 2010 to learn not only the history but all aspects of the inner workings of the Commission as it exists today. Within the first months, I visited all 10 offices and met all of the Commission’s staff along the 1,954-mile border. I found a determined yet unfocused group that certainly had the talent but lacked the cohesiveness of a team. I asked the entire staff to work together and to seek excellence as a team in order to address the challenges that we were facing.

The men and women of the Commission responded in a magnificent manner.

Let me now share with you some of the highlights of achievements by our USIBWC offices in 2010.

2010 FIELD OFFICE ACCOMPLISHMENTS

SAN DIEGO, CA FIELD OFFICE

Starting out west, 2010 was a busy year for the USIBWC in San Diego where Steve Smullen heads our operation. We made incredible progress in the construction of the $92 million secondary treatment upgrade to the South Bay International Wastewater Treatment Plant. Construction began in 2009 but a number of unforeseen complications arose that year related to soils compaction and design of electronic control systems. By early 2010, we were behind schedule and faced the possibility of missing a court deadline for providing secondary treatment.

Our staff worked closely with our contractor to develop a solution that would ensure compliance with the deadline. We added personnel, equipment, and work hours to accelerate the schedule. We achieved the objective and instead of being 85 days late we were over 35 days early, showing that we can achieve “Excellence Through Teamwork.”

YUMA, AZ FIELD OFFICE

2010 was also a very busy year for the Colorado River, where Anna Morales manages our Yuma field office. In April, the Commission signed Minute 316, which provides for conveyance of water to a Mexican wetland during a Pilot Run of the long-dormant Yuma Desalting Plant. Our field office provided technical expertise for development of the Minute and hands-on action to implement it. Through this Minute, the United States is able to evaluate the feasibility of operating the Yuma Desalting Plant as a water conservation tool while addressing concerns about the plant’s potential impact to the wetland.

Then on Easter Sunday, a 7.2 earthquake hit the Mexicali Valley, causing serious damage to hundreds of miles of Mexico’s canal system. The Mexican Section informed us that Mexico might not be able to utilize its full water allotment from the Colorado River due to the extent of damage. This tragedy led the Commission to redouble our efforts to improve U.S.-Mexico cooperation in the Colorado River basin.
Over the summer, we concluded Minute 317, which establishes a framework for U.S.-Mexico cooperation on Colorado River issues such as drought management, salinity, new water sources, and the environment. At the end of the year, after eight months of negotiations involving the Bureau of Reclamation, the seven Colorado River Basin States, and impacted environmental organizations, we signed Minute 318. This agreement allows for delayed delivery of a portion of Mexico’s Colorado River allotment until Mexico completes repairs to its earthquake-damaged conveyance system. Minute 318 showed once again how “Excellence Through Teamwork” can help us achieve success.

NOGALES, AZ FIELD OFFICE

2010 was a year of success and challenges for the Nogales International Wastewater Treatment Plant. The plant, which was upgraded in 2009 and is run by John Light’s capable staff, is making a significant improvement in the Santa Cruz River, where the plant’s effluent is discharged. The 2010 annual fish count conducted by the Friends of the Santa Cruz River recorded over 1,000 healthy fish in an area where only two were found before the plant upgrade. We can all be very proud that our work is contributing directly to improving environmental conditions in Southeastern Arizona.

One serious problem that developed over the year was Mexico’s contamination of their waste stream with heavy metals – metals that were subsequently detected in biosolids processed at our plant. We have been working with our partners in Arizona and Mexico to address this problem. While the contamination has been stopped, a long-term fix must include pretreatment for this waste stream.

RIO GRANDE FLOOD CONTROL PROJECTS, NM AND TX

Moving east to the Rio Grande, work continued on rehabilitation of flood control levees in the Upper Rio Grande, Presidio, and Lower Rio Grande Flood Control Projects, with funding from the American Recovery and Reinvestment Act of 2009. While the design and construction work was overseen by the Engineering Department, our field office staff in the Operations Department, under the leadership of Area Operations Managers Tony Solo in the Upper Rio Grande, Hector Hernandez in Presidio, and Rodolfo Montero in Mercedes continued to conduct routine maintenance of the levees and floodplain.

The staff in the Upper Rio Grande Project was also active in marking the international boundary at international bridges and ports of entry in the El Paso area, Yuma, and the Lower Rio Grande Valley. They also maintained the boundary monuments at the ports and replaced pavement demarcations.

AMISTAD AND FALCON DAMS, TX

At Amistad and Falcon Dams, our staff, under the leadership of Sheryl Franklin, experienced one of the most challenging years ever. On June 30, Hurricane Alex came ashore and pounded the Rio Grande basin in Mexico with heavy rainfall followed a week later by Tropical Depression #2, which took a similar course. As levels at Amistad and Falcon Lakes began to rise quickly, the Commission began making flood releases from both dams in July. Flood releases continued off and on for four months. During the flood, Amistad Dam experienced its highest releases since 1974 while Falcon Lake experienced its highest elevation ever, exceeding the record set in 1958.

Proper operation of the dams during this extraordinary event saved thousands of downstream residents from devastating flooding.

Flood operations came during a year when staff was focused on dam safety issues. We are working to address inspectors’ concerns about seepage at Falcon Dam and the potential impact of naturally-occurring sinkholes on the long-term stability of Amistad Dam. The USIBWC’s expert consultants worked on dam safety risk reports for both dams.

Security was another focus during 2010 following a spike in cartel-related violence on the Mexican side. We have hired additional professional security guards and increased communication with Customs and Border Protection and state law enforcement. Security remains a serious concern to me and I am seeking further assistance from the administration to protect our personnel and our infrastructure.

LOWER RIO GRANDE FLOOD CONTROL PROJECT, TX

Perhaps the USIBWC office that best epitomized the motto “Excellence Through Teamwork” in 2010 is our Lower Rio Grande Flood Control Project office in Mercedes, headed by Rodolfo Montero.
Our personnel worked round-the-clock to protect Valley communities from the largest flood in decades. This marked the first diversions into the U.S. interior floodway since 1988, with flow volumes nearly four times greater than had ever been experienced since the floodway system was reconfigured in the 1970s.

Throughout the flood, our staff worked closely with the Rio Grande Watermaster for the State of Texas, local emergency management officials, the Mexican Section, irrigation and drainage districts, and local residents to address numerous issues that arose. They demonstrated their commitment to their job and to their community, working long hours under trying conditions and showing that USIBWC has the expertise to respond appropriately to flood conditions.

HEADQUARTERS 2010 – OPERATIONS DEPARTMENT

We can see how our field offices exemplified “Excellence Through Teamwork” throughout the year. These frontline staff had capable partners at Headquarters, whose contributions to USIBWC’s success in 2010 were equally important. The Operations Department, headed by Carlos Peña, encompasses the projects I’ve just discussed as well as several divisions based at Headquarters.

OPERATIONS AND MAINTENANCE DIVISION

The Operations and Maintenance Division oversees our field offices. As with all O & M offices, it is the routine maintenance that consumes the most time and effort. It may not be sexy to discuss maintenance activities, but they are the glue that literally holds our billions of dollars in infrastructure together. It is our employees’ attention to levee mowing, to maintenance of dam gates, and to treating wastewater that provides the benefits that directly affect U.S. and Mexican residents throughout the border region.

WATER ACCOUNTING DIVISION

Hurricane Alex and Tropical Depression #2 and their aftermath kept Billy Finn and his Water Accounting Division busy last summer and fall.

During the flood, the Water Accounting Division spearheaded data exchange with the Mexican Section and National Weather Service. This ensured that information about Mexican reservoirs, stream flow, and rainfall amounts was in the hands of those managing flood response. Water Accounting also coordinated extensively regarding international reservoir operations and criteria.

“Excellence Through Teamwork” was a hallmark of our Water Accounting Division’s actions in 2010.

HEADQUARTERS 2010 – ENGINEERING DEPARTMENT

The Engineering Department, headed by John Merino, had a heavy focus on Recovery Act work that touched on the Engineering Services Division, Planning Section, and Environmental Management Division.

ENGINEERING SERVICES DIVISION

The Engineering Services Division produced $220 million in Recovery Act contracts for Rio Grande flood control levee design and construction in 2009 and 2010. In the Lower Rio Grande, the Division’s Construction Branch managed eight construction contracts covering over 100 miles of levee improvements along the Rio Grande, Main Floodway, North Floodway, and Arroyo Colorado.

In the Upper Rio Grande, including Presidio, there were eight Recovery Act construction contracts, covering 130 miles of levee improvements in southern New Mexico and West Texas. As construction is completed on various segments, the Engineering Services Division is compiling and submitting documents to FEMA to accredit the levees.

PLANNING SECTION

In addition to its Recovery Act work, the Planning Section responded to two emergencies in Nogales, Arizona. Early last summer, storms damaged part of the concrete lining of the Nogales Wash drainage channel and washed out soil around the International Outfall Interceptor or IOI – the pipe that
conveys sewage from the border to the Nogales International Wastewater Treatment Plant. The Planning Section recommended and oversaw emergency repairs.

In the fall, a new challenge emerged after a leak was discovered in the IOI at the international border. Headquarters staff deployed to Nogales provided direction on how to repair the problem and overseen the complex pumping system around the damaged portion of the IOI. To complete the repair, USIBWC coordinated with local, state, and federal officials – again showing how difficult problems can be solved by “Excellence Through Teamwork.”

TEXAS CLEAN RIVERS PROGRAM

Our hidden treasure in West Texas is the Rio Grande. The Texas Clean Rivers Program for the Rio Grande had a busy year addressing water quality issues. Through the Adopt-a-River program, numerous river cleanup events were conducted in 2010. In addition, the Clean Rivers Program and its partners performed routine water quality sampling and conducted a special study of bacteria in the Brownsville area.

GEOGRAPHIC INFORMATION SYSTEMS PROGRAM

The GIS Program has been working to complete inundation maps along the Middle Rio Grande in Texas. The GIS Program also worked with the Mexican Section to prepare boundary maps for the Colorado River and the land boundary. The Transboundary Aquifer projects were also very active in 2010. The IBWC is working with our partners to promote a better understanding of our region’s groundwater resources.

GIS is a critical component for the future of the USIBWC and, as such, it will receive the attention necessary to become a bigger and more relied upon part of the IBWC’s overall operation.

HEADQUARTERS 2010 - ADMINISTRATION DEPARTMENT

The Administration Department, headed by Diana Forti, also devoted significant energy in 2010 to the Recovery Act. By establishing aggressive procurement milestones, the USIBWC beat the September 30, 2010 deadline, completing award of contracts accounting for 100% of the $220 million in Recovery Act appropriations to the USIBWC. The purpose of the Recovery Act is to create and save jobs, promote economic recovery, and invest in infrastructure that will provide long-term economic benefits. USIBWC Recovery Act expenditures have already preserved or created 1,285 jobs.

Another key component has been to make Recovery Act contracting opportunities accessible to a wide variety of potential contractors through competitive procedures consistent with federal guidelines. We conducted multiple outreach efforts at meetings hosted by groups such as the Small Business Administration and Chamber of Commerce. We actively partnered with the Small Business Administration, ensuring maximum participation and opportunities to small businesses. As a result, $58.4 million in our Recovery Act contracts went to small businesses.

HEADQUARTERS 2010 – OFFICE OF THE COMMISSIONER

HUMAN RESOURCES

In 2010, our Human Resources Office, headed by Kevin Petz, successfully implemented a number of new initiatives to improve morale and performance management. These initiatives came in response to a federal survey of USIBWC employees that indicated a need to address employee concerns.

The HR Office developed an Action Plan to improve IBWC working conditions. This involved selecting individuals to be facilitators for the Employee View Survey Action Team. These facilitators held focus group meetings at which employees discussed concerns identified in the employee survey and suggested solutions. The resulting Action Plan was implemented and shared with all employees.

Another new initiative was a Mentor Program to help new employees feel a part of the organization and to help retain them longer.

FOREIGN AFFAIRS OFFICE

Mr. Adolfo Mata, who runs the Foreign Affairs Office, had a busy year leading the U.S. Section’s diplomatic and translation programs. Most significantly, FAO spearheaded the diplomatic effort that
resulted in the conclusion of three Minutes in 2010 related to the Colorado River discussed earlier in my remarks. The exchange of approval letters for Minute 318 was undertaken at a December 20 meeting in Mexico City attended by Mexican Commissioner Roberto Salmon, Secretary Mata, and myself along with U.S. Interior Secretary Ken Salazar and Mexico’s environmental secretary, Juan Elvira Quesada.

WASHINGTON, DC
At our Washington, DC office, which serves primarily as our liaison with the Department of State, we welcomed Russell Frisbie to the USIBWC family. He jumped in quickly and took a lead role in gaining approval for the Commission’s three Colorado River Minutes. He has also enhanced our coordination with the Department of State, Congressional offices, and other federal agencies based in the Washington area.

PUBLIC AFFAIRS OFFICE
Public Affairs, headed by Sally Spener, played a key support role for two major activities this year – Recovery Act levee construction and the Rio Grande flood – taking a lead role in communicating with the media and our stakeholders about our accomplishments. Aside from Ms. Spener’s duties under Public Affairs, she was a very key member of the team that developed Minutes 317 and 318.

LEGAL AFFAIRS
Our Legal Affairs Office, led by Steven Fitten, often stays in the background but plays a vital support role for many of the Commission’s activities and projects, clearing legal hurdles that might otherwise make it difficult to fulfill our mission.

Significantly, the Legal Affairs Office worked to obtain a $22 million legal settlement for cleanup costs associated with contamination from the now-defunct ASARCO smelter near American Dam and the American Canal in El Paso. These funds will enable us to address contaminated soil and groundwater impacting USIBWC facilities and the planned reconstruction of the American Canal.

COMPLIANCE PROGRAMS OFFICE
The Compliance Programs Office, headed by Fred Graf, encompasses a number of functions that serve employees and managers. Recovery Act was a major focus of the Strategic Planning Program, which worked on a detailed execution and spending plan. The Internal Audit Program focused on compliance oversight for Recovery Act execution. In December, the U.S. Department of State recognized USIBWC for its management and execution of Recovery Act funds. Also of note, Compliance developed a Dispute Resolution directive and manual to provide non-bargaining unit employees with an efficient and effective process for resolving work-related disputes.

2010 WRAP-UP AND INTRODUCTION TO 2011
We handled the record-setting challenges of 2010 and we are prepared for the challenges that face us in 2011 and beyond. We will not only meet the directives that the President has set before us but we will exceed them. We will continue to build “Excellence Through Teamwork” on all assignments.

We are already working on many of this year’s challenges. Others we don’t even know about due to the unpredictability of such things as drought, flood, earthquake, or broken sewer pipes, but we will nonetheless be prepared to act. I wanted to briefly share with you a few of the critical projects that the U.S. Section will undertake in 2011.

2011 FIELD OFFICE INITIATIVES

SAN DIEGO, CA FIELD OFFICE
In San Diego, we will complete all construction of the South Bay International Wastewater Treatment Plant upgrade this spring. We have already achieved one milestone for that project when we met the January 2011 court-ordered deadline for providing secondary treatment.

We are also partnering with the City of San Diego and the Corps of Engineers to address stormwater, trash, and solid waste impacts in the Tijuana River Valley. We will also continue to work
with the Tijuana River Recovery Team in conjunction with concerned local and state agencies, to investigate a broad range of alternatives to restore the Tijuana River.

**YUMA, AZ FIELD OFFICE**

At the Yuma office, water quality monitoring will continue to be extremely important in this heavily-agricultural area with known salinity issues. Water quantity issues will also be important as we further develop the water accounting procedures related to Minute 318 -- the agreement that allows Mexico to defer delivery of a portion of its Colorado River allotment until it completes repairs to earthquake-damaged canals.

**NOGALES, AZ FIELD OFFICE**

At the Nogales International Wastewater Treatment Plant, we will look at the costs for the combined treatment of Mexican and U.S. sewage and we will assess those costs fairly and in accordance with our Minutes. We will look for ways to protect the valuable infrastructure that conveys flows, thus protecting the health of the community. Our Operations, Engineering and Legal staff will also partner to resolve discharge violation issues in order to have 100% permit compliance at the plant.

**RIO GRANDE FLOOD CONTROL PROJECTS, NM AND TX**

In the Rio Grande, levee maintenance will continue to be a priority for the Upper Rio Grande, Presidio, and Lower Rio Grande Flood Control Projects. With most Recovery Act levee construction scheduled for completion this year, we must ensure that the levees are maintained appropriately so they can provide flood protection for generations to come. Our Operations Department will be working with the Engineering Department to provide documentation to FEMA in order to get their accreditation for our levees. We are performing a multi-million dollar LIDAR study of all U.S. and Mexican floodways in order to assess their current status and to determine what, if anything, we need to do to have them continue to perform as they did this past summer. All of the work is driving toward accreditation so that property owners won’t be required to purchase flood insurance due to flows in the Rio Grande.

**AMISTAD AND FALCON DAMS, TX**

For Amistad and Falcon Dams, we are planning to hire a Power Production Manager who will oversee implementation of power plant improvement projects.

Another major focus will be our ongoing work to address dam safety issues. We will continue with the Risk Analysis Study for Falcon Dam and we will begin the Dam Safety Modification Study at Amistad, which will identify and provide conceptual designs for recommended solutions.

**HEADQUARTERS 2011 – OPERATIONS DEPARTMENT**

**OPERATIONS AND MAINTENANCE DIVISION**

At Headquarters, the Operations and Maintenance Division is developing a comprehensive program for Rio Grande sediment removal, which affects the functionality of our water conveyance and flood control projects.

Morillo Drain continues to be a great concern to water users in the Lower Rio Grande Valley. The operation of this system in Mexico is critical to controlling salinity in the river. Unfortunately, ongoing problems with operation of the Morillo Drain pump station caused Texas to halt scheduled water deliveries due to poor water quality. We have raised this issue to the Mexican government through diplomatic channels and we will continue to closely monitor this matter.

**SPECIAL OPERATIONS DIVISION – OFFICE OF SECURITY**

I remain concerned about the security of our staff all along the border so security will continue to be a focus in 2011. Michael Armistead is leading the Technical Physical Security Assessments for Falcon and Amistad Dams which will be expanded this year to other reaches along the border where our employees work. These assessments will be used to identify required security enhancements.
ENGINEERING SERVICES DIVISION

During 2011, the Engineering Services Division will continue its focus on Recovery Act levee projects, working towards completion of fourteen construction contracts and eight design contracts. New ideas that can result in energy savings will be explored, and more efficient operations and ways to improve our staff’s working environment will be pursued.

MASTER PLANNING SECTION (FORMERLY PLANNING SECTION)

A change in 2011 is the Planning Section, under the Engineering Department, will become the Master Planning Section. This group will take on new responsibilities including Strategic Planning, Boundary and Realty, Geographic Information Systems, and Capital Project Planning.

Master Planning has a number of initiatives this year in Nogales, where increased density of development has translated into higher stormwater flows. So we are teaming with the U.S. Geological Survey, Army Corps of Engineers, the City and County to help define the extent of the problem and ways we can work together to find a solution. We are also investigating and planning for emergencies that may occur with the Nogales International Outfall Interceptor – the aging sewage pipe – an effort that will surely demand “Excellence Through Teamwork.” Planning is also underway this year for development of inundation maps for the Rio Grande below Falcon Dam and for new buildings at the Mercedes, Amistad, Falcon, and San Diego Field Offices.

TEXAS CLEAN RIVERS PROGRAM

Our Clean Rivers Program will complete its Laredo bacteria report this year and will work on Aquatic Life Monitoring in the Pecos River. Of course, systematic monitoring of water quality in the basin will continue by Clean Rivers Program staff and partners.

HEADQUARTERS 2011 - ADMINISTRATION DEPARTMENT

In the Administration Department, I want us to be better prepared to execute projects in a shorter period of time. Therefore, we will develop and add a Design-Build contract delivery component to our arsenal of contract delivery methods. Another major initiative will be to give local companies more opportunities to participate in USIBWC capital improvements. This will result in shorter performance periods, better-informed firms doing work in the border region, and will help us keep in touch with the general public in those areas.

HEADQUARTERS 2011 – OFFICE OF THE COMMISSIONER

FORMER COMPLIANCE PROGRAMS OFFICE

As a means of streamlining the Commission, I will be restructuring functions that had been assigned to the Compliance Programs Office. I already mentioned that Strategic Planning will be incorporated into the new Master Planning Section in the Engineering Department. Additionally, the Commission’s Equal Employment Opportunity Program will become a direct report to the Commissioner as will the Internal Audit Program, which will continue to provide oversight of Recovery Act spending and reporting, among other activities.

The Legal Affairs Office will absorb our excellent Ethics Program, which will continue to provide reports on all inquiries and conduct comprehensive staff training and education. The Dispute Resolution and Directives Management Programs will also become part of the Legal Affairs Office. And, finally, Worker’s Compensation responsibilities and assets will be moved from Compliance to Human Resources.

HUMAN RESOURCES

Human Resources has an ambitious program for the current year, including implementation of a 360-degree feedback system, which will be used to solicit feedback about employees from our customers, stakeholders, and coworkers during the mid-year performance review. HR will also work this year on the
Employee View Survey Action Plan and an Onboarding Program for new employee orientation. These Human Resources initiatives are designed to promote “Excellence Through Teamwork” agency-wide.

FOREIGN AFFAIRS OFFICE

The Foreign Affairs Office is our lead for the Binational Border Sanitation and Water Quality summit sponsored by the IBWC in San Antonio March 16-18. This Summit is bringing in experts from across the United States and Mexico to share their expertise as the IBWC works to improve sanitation and water quality conditions along the border.

Another focus of the year will be work on the Colorado River drought and the system-wide impacts which will certainly require one or more Commission Minutes.

CONCLUSION

So, what is the State of the Commission? I can tell you today that the State of our Commission is strong and the actions we are taking will make it even stronger. Although our staff is very small compared to other federal agencies, our impact is large. I can state without reservation that we have truly contributed to improving quality of life for residents on both sides of the U.S.-Mexico border. We have achieved “Excellence Through Teamwork.”

Borrowing from President Obama’s recent State of the Union address, I want to tell you that today, more than a century and a half since the first boundary Commissioner took office, it’s because of our people that our future is hopeful, our journey goes forward and the state of our Commission is strong. God bless you, God bless the Commission, and may God bless the United States of America.