

April 25, 2022

TO: Mr. Jaime Chamberlain, Chairman

FROM: Luis Ramirez, President, Ramirez Advisors Inter-National

SUBJECT: Monthly Report of Activities – March 2022

On behalf of Ramirez Advisors Inter-National, LLC (“RAI-N”) allow me to present our activity report to you and the Board of Directors of the Greater Nogales Santa Cruz County Port Authority. As always, we request and welcome your continued comments and suggestions as to how we can improve on our services, our communications and on our activities on your behalf. With your feedback, we will make every effort to improve our response to your directives and ensure an effective implantation of the initiatives at hand.

Our recent activities on behalf of the GNSCCPA have focused on the following key areas:

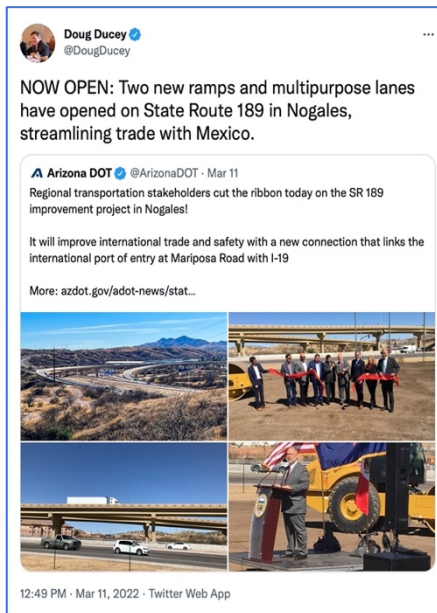
1. Mariposa Cold Room Project Update;
2. Ribbon Cutting Ceremony for SR-189 Modernization Project;
3. Letter supporting Santa Cruz County RAISE Grant Application;
4. Port Authority joins CBP Staffing Coalition Letter;
5. Port Authority hosts Canadian Consul during visit to Nogales;
6. US Consulate General launches Binational Water Working Group;
7. Binational Meeting on proposal by Sonora to relocate Rail Crossing at Nogales;
8. Transportation Initiatives in State legislature; and
9. ADOT and SIDUR leadership meet to ensure alignment on border infrastructure initiatives.

This report is not intended to be a full description of all activities but rather, provides highlights and information on the direction of our activities to keep the Board of Directors informed and to ensure adherence to the vision and guidance imparted to RAI-N by the GNSCCPA and its leadership. Throughout this period, RAI-N has maintained active and frequent communications with Ms. Allison Moore, Mr. Bruce Bracker and various other members of the Board of Directors in order to ensure that we have a fully coordinated approach to our efforts. RAI-N stands ready to address any issue, concern or suggestion that may arise from this report and from our on-going dialogue with the leadership and the Board of Directors.

1. *MARIPOSA COLD ROOM PROJECT UPDATE*

- Work with the General Services Administration (GSA) continues on the project.
- GSA has provided initial response to changes suggested by Technical Team on the Revocable License Agreement.
- Technical discussions continue between PA and GSA on architectural requirements, including the easements for the electric energy service.
- Port Authority is working with the architects to complete 90% design for submission.

2. *RIBBON CUTTING CEREMONY FOR SR-189 MODERNIZATION PROJECT*



- On March 11, 2022, the Arizona Department of Transportation, along with the Arizona-Mexico Commission and the Port Authority, hosted a Ribbon Cutting Ceremony marking the completion of the \$134 million SR-189 modernization project.
- This is a project that ranks among the most significant achievements by the Port Authority in working with a broad spectrum of local, state and federal stakeholders to help create the structure that would ultimately pay for the project.
- The City of Nogales' and Santa Cruz County's commitment of 50% of their allocation of Overweight Permit Fees helped to ensure the success of the project.
- Joining John Halikowski, Director of the Arizona Department of Transportation (ADOT) as

presenters during the event were:

- The Honorable Arturo Garino, Mayor
 - The Honorable Manuel "Manny" Ruiz, Chairman, Board of Supervisors
 - Karla Petty, Division Administrator, Federal Highways Administration
 - Jesse Thompson, Chairman, Arizona Transportation Board
 - Juan Ciscomani, Senior Advisor, Office of the Governor
- Congratulations to the Port Authority for advocating for such an impactful project.



- A special Moment of Silence was held for fallen Nogales Police Officer, Jeremy Brinton, who lost his life while helping to ensure the safety of the traveling public.



Officer Brinton's wife and family were present during the ceremony.

3. LETTER SUPPORTING SANTA CRUZ COUNTY RAISE GRANT APPLICATION

- On March 21, 2022, the Port Authority sent a letter to US Secretary of Transportation, Peter Buttigieg, in support of the application by Santa Cruz County for a \$1 million RAISE Grant to pay for the planning necessary for a multimodal facility at Rio Rico.
- "In order to ensure the sustainable growth and development of our binational community, it is imperative that we offer a multimodal alternative to support the global logistics needs of industry," stated the letter to the Secretary.
- Having a multimodal facility at Rio Rico will greatly benefit the mining sector but will also offer alternative modes of transportation to support both the manufacturing sector and the movement of agricultural commodities.
- Uncertainty about future fuel prices and truck-shipping costs means that having a rail alternative for long-haul shipments could contribute to the competitiveness of the Arizona-Mexico Corridor.
- A copy of the letter is provided in Attachment #1.

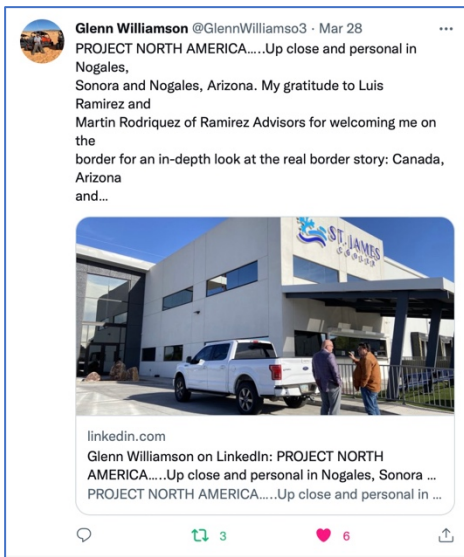
4. PORT AUTHORITY JOINS CBP STAFFING COALITION LETTER

- On March 21, 2022, a letter was sent to Senators Gary Peters and John Cornyn thanking them for introducing S.3850, the Securing America's Ports of Entry Act, that would increase the authorized number of Customs and Border Protection officers by 600 annually.
- This bill would also "provide better information about CBP's infrastructure needs at its ports of entry, as well as the agency's increasing reliance on reimbursable services and temporary duty assignments to cover system-wide staffing shortfalls."
- The Port Authority is on record as advocating for a revision of the staffing model that is utilized to determine the staffing requirements at ports of entry. In response

and in anticipation of conditions and activities at the ports of entry, it is imperative that such issues as continuity of operations, response to asylum applicants, and other growing responsibilities be considered in determining adequate staffing for each port.

- A copy of the letter is provided in Attachment #2.

5. PORT AUTHORITY HOSTS CANADIAN CONSUL DURING VISIT TO NOGALES



- On March 22, 2022, Honorary Consul of Canada to Arizona, Glenn Williamson, visited Nogales for meeting with local officials and industry leaders, and for a hands-on tour of the community, inspection facilities and warehousing/distribution centers.
- Consul Williamson is an active promoter of Arizona for Canadian companies and individuals that are considering investments in the United States.
- The Port Authority maintains an open dialogue with the Consul.
- Special thanks to the following for taking the time to meet with Consul Williamson”
 - The Honorable Arturo Garino, Mayor

- The Honorable Bruce Bracker, Supervisor, Santa Cruz County
- Josh Rubin, Javid
- Joe DoPadre, Arizona Department of Transportation
- Olivia Ainza Kramer, Nogales Chamber of Commerce
- Greg Lucero, South32
- Scott Vandervoet, Fresh Produce Association of the Americas
- Guillermo Valencia, Nogales US Customs House Brokers Association





6. **US CONSULATE GENERAL LAUNCHES BINATIONAL WATER WORKING GROUP**

U.S. ConGen Nogales
@USCGNogales

En el #DiaMundialdelAgua, CG Biedebach lanzo en conjunto con @USCGNogales y @ConsulMexNog iniciativa para formar un grupo técnico binacional con expertos de CILA, IBWC, y autoridades de Arizona y Sonora para abordar los desafíos de la gestión del agua en #AmbosNogales.

#DiaInternacionalDelAgua #AmbosNogales

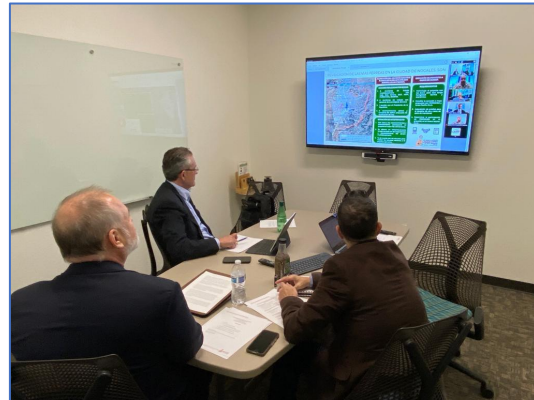
CILA MEXICO and 6 others

8:10 PM · Mar 22, 2022 · Twitter Web App

- In response to the ongoing stormwater issues that continue to impact the Ambos Nogales region, on Mar h 22, 2022, the US Consulate General, under the leadership of Consul General Laura Biedebach, created a Binational Working Group to look into these issues.
- The working group is comprised of various committees that will look at:
 - Studies
 - Infrastructure
 - Regulations
- A copy of the description of the Working Group can be found in Attachment #3.

7. *BINATIONAL MEETING ON SONORA PROPOSAL FOR THE RELOCATION OF THE RAILROAD AT NOGALES*

- On March 24, 2022, the US Consulate General in Nogales, Sonora, in coordination with the Ministry of Foreign Affairs of Mexico hosted a binational meeting to discuss the proposal by the State of Sonora to relocate the railroad crossing at Nogales.
- The meeting included federal agencies from both sides of the border. Presentations were made by the Sonora Department of Infrastructure and Urban Development (SIDUR) and the Mexican Ministry of Defense.
- SIDUR's presentation focused on the need to provide more green spaces for the Nogales, Sonora community and to address some of the safety issues surrounding the rail crossing. SEDENA's presentation provided some preliminary alternative routes to the east, including some tunneling that would be required for the proposed route.
- The US Department of State provided some general guidance on the Presidential Permit process that would be required for such a proposal.
- Among the participants were representatives of Ferromex and Union Pacific, both of which offered to provide any additional information that authorities may require.
- The presentations did not include any information on alternative routes on the US side.
- Representing Arizona were:
 - John Halikowski, Director, Arizona Department of Transportation
 - Mark Sanders, International Affairs, ADOT
 - Jaime Chamberlain, on behalf of the Port Authority
- We continue to monitor progress on this proposal.



8. *TRANSPORTATION INITIATIVES IN STATE LEGISLATURE*

- During the current session of the Arizona State Legislature, HB2396 was a proposal to allocate \$50 million towards a series of transportation projects in rural parts of Arizona.
- Because the bill included a number of projects that were not part of the state transportation system. The Chair of the House Transportation Committee requested a revision of the bill to only include projects that were part of the state system.
- Later versions of the bill included the I-19 Interchanges at Ruby Road and Rio Rico Drive.
- Special thanks to Kevin Adam of the Rural Transportation Advocacy Council for the providing updates on the progress of these bills.

9. *ADOT AND SIDUR LEADERSHIP MEET TO ENSURE ALIGNMENT ON TRANSPORTATION INITIATIVES*

- On March 28, 2022, Director Halikowski of ADOT hosted his counterpart from Sonora, Heriberto Aguilar of SIDUR for an extensive discussion on a variety of cross-border transportation initiatives, which included:
 - Arizona-Sonora Border Master Plan
 - The Modernization of the DeConcini port of entry
 - Relocation of the railroad crossing at Nogales.
- ADOT presented the new logo to for the Border Master Plan.
- Joining Secretary Aguilar was David Figueroa, Sonora State Representative in Arizona.





Attachment #1

Copy of letter in support of RAISE Grant Application



March 21, 2022

Secretary Pete Buttigieg
US Department of Transportation
1200 New Jersey Avenue SE
Washington DC, 20590

Re: Support for Santa Cruz County 2022 RAISE Planning Grant Application

Dear Secretary Buttigieg,

On behalf of the Greater Nogales Santa Cruz County Port Authority, I write to express our support for the Santa Cruz County's application for a \$1 million 2022 RAISE planning grant. In order to ensure the sustainable growth and development of our binational community, it is imperative that we offer a multimodal alternative to support the global logistics needs of industry. The grant would help pay for a development plan for a state of the art, efficient and scalable multimodal yard at Rio Rico, Arizona.

The development plan includes a market demand study, cost-benefit analysis and conceptual plans for a multi-modal facility that would offer a truck-to-rail/rail-to-truck back-to-back operation.

Our traditional sectors of industry (mining and fresh produce) have relied heavily on truck traffic for several decades but supply chains and global competitive cost structures demand that industry be able to choose what is the best mode of transportation for their products or commodities. There are also several environmental advantages that could be afforded by choosing rail over truck for long-haul shipments, an option that does not exist locally at this time.

Since our founding in 2004, the Greater Nogales Santa Cruz County Port Authority has organized critical public-private initiatives to improve our ports of entry and enhance the quality of life for our residents.

We are committed to supporting this project in all phases of its development and operation, as it will help us protect and create local jobs in logistics, produce and mining while enhancing our competitiveness vis a vis other trade corridors and other regions of the world.

Mr. Jaime Chamberlain
Greater Nogales Santa Cruz County Port Authority
April 25, 2022

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Secretary Pete Buttigieg
US Department of Transportation
March 21, 2022

The Port Authority is comprised of the City of Nogales, Santa Cruz County, the Fresh Produce Association of the Americas, Nogales Customs House Brokers Association, Nogales-Santa Cruz County Economic Development Foundation, INDEX – the Maquila Association of Sonora, Nogales Community Development Corporation, the Santa Cruz County Mining Cluster and the Greater Nogales Chamber of Commerce.

I thank you for the consideration you give to this request and know that we stand ready to respond to any questions that you may have on this critical project.

Respectfully,



Jaime Chamberlain
Chairman

Attachment #2
CBP Staffing Coalition Letter

March 21, 2022

The Honorable Gary Peters
United States Senate
Washington, DC 20510

The Honorable John Cornyn
United States Senate
Washington, DC 20510

Dear Senators Peters and Cornyn:

As stakeholders interested in the facilitation activities of Customs and Border Protection (CBP) at land, sea, and air ports-of-entry around the globe, we thank you for introducing S. 3850, the *Securing America's Ports of Entry Act*, which would increase the authorized number of CBP officers by 600 annually to help the agency meet its current and future staffing needs. The bill also would provide better information about CBP's infrastructure needs at its ports-of-entry, as well as much needed transparency and accountability regarding the agency's increasing reliance on reimbursable services agreements and temporary duty assignments to cover its system-wide staffing shortfalls.

We share your commitment to ensuring that America's borders remain safe, secure, and efficient for all users, while enhancing our global competitiveness through the facilitation of legitimate travel and trade. CBP's most recent workload staffing model, which used data from the height of the COVID-19 pandemic, still showed a shortage of nearly 1,000 CBP officers across the system. Since the model was most recently run, the pandemic has subsided and international trade and travel volumes are expected to surpass pre-pandemic levels in many locations. Current staffing levels already fail to address the growing demand of travel and trade at our ports-of-entry today, and we anticipate the workload staffing model will indicate drastically higher CBP staffing shortages at the ports-of-entry in subsequent runs. Providing additional CBP officers at this time of growing volumes of international passengers and cargo in the wake of the COVID-19 pandemic will both reduce lengthy wait times and facilitate new economic opportunities in communities throughout the United States.

Increasing CBP officer staffing is an economic driver for the U.S. economy. According to the Joint Economic Committee (JEC), "every day 1.1 million people and \$5.9 billion in goods legally enter and exit through the ports of entry." CBP estimates that the annual hiring of an additional 600 CBP officers at the ports-of-entry could increase yearly economic activity by over \$1 billion and result in the addition of over 17,000 new jobs.

While the volume of commerce and passengers crossing our borders is on the rise once again, CBP staffing has not kept pace with demand. Long wait times at our ports-of-entry lead to delays and uncertainty, which can increase supply-chain costs and cause travelers to miss their connections. According to the U.S. Department of Commerce, border delays result in losses to output, wages, jobs, and tax revenue due to decreases in spending by companies, suppliers, and consumers. The travel industry estimates long CBP wait times discourage international visitors, who spend an average of \$4,200 per visit, from traveling to the United States. JEC research also finds border delays cost the U.S. economy upwards of \$5 billion each year.

Thank you for your leadership on these important matters. Please let us know if we can be of any assistance to your efforts.

Sincerely,

Airports Council International – North America
American Association of Port Authorities
National Treasury Employees Union
American Association of Airport Executives
Airforwarders Association
American Society of Travel Advisors
Borderplex Alliance
Border Trade Alliance
Cargo Airline Association
City of San Luis, AZ
Douglas International Port Authority
Douglas Regional Economic Development Corporation
Fresh Produce Association of the Americas
Global Business Travel Association
Greater Nogales Santa Cruz County Port Authority
Greater Yuma Port Authority
Motor & Equipment Manufacturers Association
National Association of Waterfront Employers
National Maritime Safety Association
San Diego – Tijuana Smart Border Coalition
U.S. Chamber of Commerce
U.S. Travel Association
West Gulf Maritime Association

Attachment #3
Binational Water Working Group



GRUPO DE TRABAJO BINACIONAL
 SOBRE AGUA EN AMBOS NOGALES

1

OBJETIVOS

Establecer un grupo de trabajo binacional para facilitar la cooperación y colaboración para abordar los problemas del agua que afectan a Ambos Nogales. El grupo de trabajo se centrará en los esfuerzos para abordar áreas clave como el tratamiento de aguas residuales, infraestructura hidráulica (verde y gris), inundaciones, sequías, sistemas de alerta de emergencia, equipos y regulaciones.

2

AGENCIAS

- U.S. Consulate General in Nogales, Son.
- Mexican General Consulate in Nogales, Az.
- International Boundaries and Water Commission
- Comisión Internacional de Límites y Aguas
- Gobierno Municipal de Nogales Sonora
- City of Nogales, AZ
- Environmental Protection Agency
- North American Development Bank
- U.S. Northern Command
- Arizona Department of Environmental Quality
- Arizona Department of Water Resources
- Secretaria de Infraestructura y Desarrollo Urbano
- Comisión Nacional del Agua
- Comisión Estatal del Agua
- Oficina del Representante de Sonora en Arizona
- U.S. Army Corps of Engineers
- U.S. Geological Survey
- University of Arizona
- Arizona State University
- Instituto Municipal de Investigación y Planeación

3

GRUPOS DE TRABAJO

- **Comité de Estudios, Planes y Programas**
 1. Estudio Especial sobre Alerta de Inundaciones en Ambos Nogales
 2. Proyecto de alerta temprana por daño de inundación
 3. Programa de comunicación
 4. Modelo hidrológico
 5. Plan de Operación y Mantenimiento
 6. Infraestructura verde en Ambos Nogales
- **Comité de Infraestructura**
 1. Infraestructura gris
 2. Infraestructura verde
- **Comité de reglamentación**
 1. Atlas de riesgo
 2. Control de sedimentos y desarrollo urbano
 3. Impacto ambiental transfronterizo

4

EVENTOS

- Sesión de apertura (Tercera semana de marzo)
- Formación de comites
- Reunión virtual de comites técnicos (Abril 2022)
- Reporte general de los comités
- Reunión presencial de los comités (Junio 2022)