

September 21, 2022

TO: Mr. Jaime Chamberlain, Chairman

FROM: Luis E. Ramirez Thomas, President, Ramirez Advisors Inter-National

SUBJECT: Monthly Report of Activities – August 2022

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

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

- 1. Mariposa Cold Rooms Project Update;
- 2. ADOT meets with Sinaloa officials to discuss Arizona-Mexico Corridor Initiatives;
- 3. GSA hosts kick off meeting for DeConcini Feasibility Study;
- 4. ADOT hosts Nogales Stakeholder meeting for AZ-SON BIMP Update;
- 5. AMC leads delegation to Hermosillo;
- ADOT and SIDUR sign Memorandum of Understanding for Border Infrastructure Master Plan:
- 7. Port Authority hosts delegation from Lebanon;
- 8. IBWC briefs PA on Nogales IOI Rehabilitation Project;
- 9. Port Authority writes letter of support for Nogales Wastewater Improvement Act; and
- 10. Upcoming BBBXG regional meeting to be hosted in Arizona.

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 ongoing dialogue with the leadership and the Board of Directors.

1. MARIPOSA COLD ROOMS PROJECT UPDATE

- The technical team continues to hold monthly calls to define next steps as the construction phase of the project begins.
- A pre-construction meeting was held on August 8, 2022 at the Mariposa port of entry to conduct a walk-through of the project site and to define protocols and coordination with CBP and GSA moving forward.
- General Contractor has begun staging at the project site and parts and materials are already being stored on-site.
- Architects and the General Contractor are working on providing the 100% design that incorporates all feedback from federal partners in the project.

2. ADOT MEETS WITH STATE OF SINALOA OFFICIALS TO DISCUSS ARIZONA-MEXICO CORRIDOR INITIATIVES



- On August 8, the Arizona Department of Transportation met with Felipe Ibarra, Undersecretary of Promotion and Economic Competitiveness, and Carolina Sanchez, Foreign Trade Director, of the Ministry of Economy of the State of Sinaloa.
- Representatives from the State of Sonora and Department of

Infrastructure and Urban Development (SIDUR), ADOT partners in these initiatives, were also present.

- This discussion was a follow-up to a briefing given by Mark Sanders, Director of International Affairs at ADOT, to the Secretary of Economy of the State of Sinaloa, Javier Gaxiola Coppel, during a meeting at the Greater Phoenix Economic Council earlier this year.
- Among the issues that were discussed:
 - o Partnership with the State of Sonora on the Safety Logistical Corridor
 - Short wait times at Arizona's ports of entry for commercial crossings
 - o IBIQ training and workshops offered by the Border Liaison Unit
- Agreement to schedule a virtual meeting with key representatives from the trucking and agricultural sectors in Sinaloa to present on the Border Liaison Unit training programs.

3. GSA HOSTS KICK-OFF MEETING FOR DECONCINI FEASIBILITY STUDY

On August 10, The General Services Administration hosted a meeting of the Nogales Community Resource Committee (CRC) at the Santa Cruz County Complex to formally kick off the Feasibility Study process for the modernization of the DeConcini port of entry in downtown Nogales. \$500,000 was allocated by Congress in the FY2022 Federal Budget to pay for the study.







- Once completed, the study would provide a conceptual design, possible expansion of the port's footprint, and a project cost estimate.
- Feasibility Study expected to be a 12month process and conclude by December 2023, according to GSA.
- A broad range of issues were raised during the discussion, which include:
- Potential relocation of the port and its impact on property owners along Grand Avenue and surrounding area
- Urban design study and multimodal transportation plan to improve the crossing experience for travelers
- Coordination with the Municipality of Nogales, State of Sonora, and Government of Mexico to ensure improvements on the Mexican side
- Attending the meeting were several Board Members and representatives from key industry and government entities in the Greater Nogales region, including:
- o Jaime Chamberlain, Chairman
- o Greg Lucero, South32
- o Josh Rubin, INDEX Nogales
- Guillermo Valencia, Nogales U.S.
 Customs Brokers Association
- Supervisors Bruce Bracker, Rudy Molera, and Manny Ruiz on behalf of Santa Cruz County
- Councilman Hector Bojorquez and Councilwoman Liza Montiel along with Edward Dickie, John Kissinger of the City

of Nogales

- Dr. Marcelino Varona, Santa Cruz County Community College Provisional District
- o Laura Biedebach, U.S. Consul General in Nogales, Sonora
- o Offices of Senator Kyrsten Sinema and Senator Mark Kelly
- o Mark Jankowski and Ricardo Robles, Customs and Border Protection
- Among various others
- The Sonoran Institute for Mobility also gave a presentation during this meeting.

- We have a requested a copy of the GSA presentation and will share it with the Board once it is made available.
- A copy of the GSA press release on the meeting can be found in Attachment #1.

4. ADOT HOSTS NOGALES STAKEHOLDER MEETING FOR AZ-SON BIMP UPDATE



- On August 15, as part of the stakeholder outreach for the update to the Arizona-Sonora Border Infrastructure Master Plan (BIMP), ADOT and the consultant team conducted a site visit to Nogales.
- The visit included a private meeting with the leadership of the City of Nogales and Santa Cruz County, a public stakeholder meeting, and a tour of the Mariposa and DeConcini ports of entry.
- Among the topics that were discussed included the need to modernize DeConcini Port of Entry while also addressing the stormwater issues that affect the binational region.
- Additionally, the need to modernize the interchanges on I-19 at Ruby Road and Rio Rico Drive, as well as the need to modernize the bridges over the wash and the railroad in Nogales.
- There was also considerable discussion on the need to plan for the growing use of electric and driverless vehicles on both sides of the border.
- An additional topic of significant discussion was the need to develop a
 multimodal facility to support the anticipated flow of mining materials and to
 see what other industries may benefit from this facility.
- First round of meetings of the Policy Advisory Committee (PAC) and the Technical Working Group (TWG) are scheduled to occur in October.
 - Santa Cruz County, the City of Nogales, and the Port Authority have been invited to participate in both groups.
- Stakeholders are encouraged to submit comments via an online survey available on the project website: https://azdot.gov/arizona-sonoran-border-infrastructure-master-plan (Cutoff date for submissions is September 15, 2022)
- A copy of the presentation can be found in Attachment #2.

5. AMC LEADS DELEGATION TO HERMOSILLO

 On August 23, the Arizona-Mexico Commission led a delegation of state officials to Hermosillo, Sonora to meet with their counterparts for a high-level dialogue to further advance the relationship between the State of Arizona and the State of Sonora through the 16 binational committees.







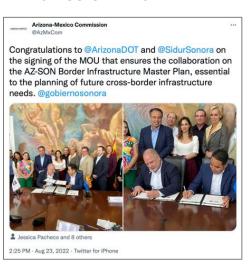
- The daylong agenda comprised of a private briefing with the U.S. Consul General of Hermosillo Ken Roy, a roundtable discussion between the Arizona and Sonora delegations, and a lunch.
- Several topics of discussions were raised during the roundtable discussion, principal among them:
- Arizona-Sonora Border Infrastructure
 Master Plan
- Port of Entry Projects
- Logistical Safety Corridor
- Supply Chains Development and

Nearshoring

- ATV Accident Prevention in Recreational Use
- Restrictions in Mexico for the importation of weapons and ammunitions
 Real Estate Summits in Arizona and Sonora
- As a result of the extensive discussion on these issues, a series of action items were agreed upon for follow-up through the respective committees.
- ■The Arizona delegation was comprised of:
- Jessica Pacheco, President, AMC Board of Directors
- Director John Halikowski, Arizona Department of Transportation
- o Commissioner Louis Dettorre, Arizona Department of Real Estate
- Keith Watkins, Arizona Commerce Authority
- Alix Skelpsa Ridgway, Office of Tourism
- Katy Proctor, Arizona Department of Transportation
- Mark Sanders, Arizona Department of Transportation
- o Luis Ramirez, RAI-N
- Martin Rodriguez, RAI-N
- Participants on behalf of the State of Sonora included:
 - o Rodolfo Castro, Chief of Staff, Office of the Governor
 - Secretary Heriberto Aguilar, Department of Infrastructure and Urban Development
 - Secretary Armando Villa, Department of Economy
 - Secretary Celida Lopez, Department of Tourism
 - Gerardo Vazquez Falcon, Title Registry Institute of Sonora

- Diego Ledgard, Sonora Department of Infrastructure and Urban Development
- Lirio del Castillo, Sonoran Institute of Mobility and Transportation
- o David Figueroa, Sonora State Government Representative in Arizona

6. ADOT AND SIDUR SIGN MEMORANDUM OF UNDERSTANDING FOR BORDER INFRASTRUCTURE MASTER PLAN



- On August 23, as part of the AMC delegation trip to Hermosillo, the Director of the Arizona Department of Transportation (ADOT), John Halikowski, and the Secretary of the Department of Infrastructure and Urban Development (SIDUR) signed a Memorandum of Understanding (MOU).
- The MOU outlines the shared commitment between both state agencies to communicate and coordinate at a binational level on the Border Infrastructure Master Plan Update, port of entry projects, and other related initiatives through the Transportation, Infrastructure and Ports Committee.

7. PORT AUTHORITY HOSTS DELEGATION FROM LEBANON



- On August 23, the Port Authority hosted a delegation of government and business leaders from Lebanon.
- The visit was organized at the request of Global Ties Arizona, a Phoenix-based nonprofit that implements the U.S. Department of State's International Visitor Leadership Program, a professional exchange program which aids U.S. public
- diplomacy efforts with nations around the world.
- The agenda for the visit consisted of a tour of Chamberlain Distributing Inc. and St. James' Cooler, lunch with Board Members, and a driving tour of Nogales.
- A special thanks to Chairman Jaime Chamberlain, Supervisor Bruce Bracker, Josh Rubin, Guillermo Valencia, and Allison Moore for hosting the Lebanese delegation.

8. IBWC BRIEFS PA ON NOGALES IOI REHABILITATION PROJECT



- On August 24, project managers from the International Boundary and Water Commission (IBWC) provided a briefing on the Nogales IOI Rehabilitation Project during the August Board of Directors Meeting.
- IBWC reports that the project is moving on time and on budget.
- IBWC reports that the assistance

from ADEQ in connecting with Union Pacific Railroad was very helpful in getting the necessary approvals for the project to move forward. Recall that the Port Authority facilitated the dialogue between ADEQ and Union Pacific Railroad.

- Special thanks to Edna Mendoza from ADEQ for assisting the PA in securing the participation of the IBWC in this meeting.
- A copy of the presentation is provided in Attachment #3.

9. PA LETTER OF SUPPORT FOR NOGALES WASTEWATER IMPROVEMENT ACT

- On August 25, the Port Authority sent a letter to the leadership of the U.S.
 Senate Foreign Relations Committee expressing support for the Nogales
 Wastewater Improvement Act.
- In the letter, Chairman Chamberlain stated that "I write to express our support for the Nogales Wastewater Improvement Act, a bill that seeks to transfer ownership, operations, and maintenance of the International Outfall Interceptor (IOI) from the City of Nogales to the International Boundary and Water Commission."
- Furthermore, Chairman Chamberlain also stated that "Nogales is also the largest single port of entry for Mexican fresh produce, with more than 6.5 billion pounds crossing through Nogales each year. This flow of fresh produce is essential to the nation's food supply and the integrity of the IOI and the wastewater system are an integral component for the safe handling of the food that ends up on grocery shelves and the safe flow of trade and tourists."
- We will continue to monitor progress of this bill.
- A copy of the letter is provided in Attachment #4.

10. UPCOMING BBBXG-WEST REGIONAL MEETING TO BE HOSTED IN ARIZONA

- The US Department of State has confirmed that the next US-Mexico Binational Bridges and Border Crossings Meeting West, will take place on October 26-27, 2022, in San Luis, Arizona.
- It is imperative that the Port Authority, along with as many of its integrating agencies, attend the meeting to participate in the social functions as well present during the Public Portions of the plenary.

- We strongly advise that those that plan to attend book rooms in Yuma as soon as possible due to very high occupancy rates.
- The Arizona Department of Transportation, along with the Arizona-Mexico Commission and various local stakeholder entities have agreed to co-host this event that will bring together all the US and Mexican federal agencies to discuss port of entry projects on the Western region of the border.
 - There may be an opportunity for the Port Authority to sponsor some of the functions.

GSA Press Release regarding DeConcini Feasibility Study

GSA, Nogales Stakeholders Discuss DeConcini Port of Entry Feasibility Study

August 11, 2022

Study to examine community impacts of port expansion and modernization project

NOGALES, Ariz. — The U.S. General Services Administration (GSA) met with community stakeholders in Nogales, Arizona, on Wednesday, August 10, 2022 to discuss a planned feasibility study for the Dennis DeConcini Land Port of Entry (LPOE). The study is a technical analysis of the proposed modernization and expansion project for the port to determine its feasibility and make a formal recommendation of whether to proceed. The study would also provide insight into how the proposed project would increase port security and improve the efficiency of travel and trade.

"The DeConcini LPOE struggles to accommodate current and projected traffic volumes," said Anthony Kleppe, LPOE Program Manager for GSA's Pacific Rim Region. "This study is one of the first steps in GSA's planning process because it helps identify the project's goals and priorities by incorporating community feedback. This helps ensure that GSA is able to deliver a port project that aligns with customer and local development goals. It's just one of the ways our agency strives to be a good neighbor in the communities where we operate."

Elected official representatives, federal, state and local government officials, business groups, regional stakeholders, and community leaders participated in the discussion that was held at the Santa Cruz County Government Complex. GSA presented the findings of a recently completed technical assistance study and how a similar study for Nogales might help incorporate regional planning goals into GSA's DeConcini LPOE project. GSA also discussed the City of Nogales' Community Plan and the State of Sonora's Infrastructure and Mobility studies.

In March 2022, Congress appropriated \$500,000 for the DeConcini LPOE modernization and expansion feasibility study that is expected to start December 2022 and conclude in December 2023.

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About GSA: GSA provides centralized procurement and shared services for the federal government, managing a nationwide real estate portfolio of nearly 370 million rentable square feet, overseeing approximately \$75 billion in annual contracts, and delivering technology services that serve millions of people across dozens of federal agencies. GSA's mission is to deliver the best customer experience and value in real estate, acquisition, and technology services to the government and the American people. For more information, visit GSA.gov and follow us at @USGSA

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Copy of BIMP Presentation





ARIZONA SMORA

Agenda

- Overview and Timeframe (Gail Lewis) Review of 2013 Plan (Bill Ferris)
- - Process Priority Projects
- Process for 2022-23 (Gail Lewis)
- Policy Advisory Committee and Technical Working Group (Bill Ferris)
- Project Prioritization Process (Bill Ferris)
- Stakeholder Input (Gail Lewis)
- Questions and Answers (Luis Ramirez) Concluding Remarks



Schedule - Key Dates

- **Project Completion: Expected Spring 2023**
 - Finalize Work Plan: Q3 2022
 - Draft Stakeholder Outreach Plan: Q3 2022
 - Public Kickoff Meeting: 4/26/2022
 - Stakeholder Outreach Meeting (Nogales): 8/15/2022
 - PAC/TWG Kickoff Meeting: Q3 2022
 - Obtain, Compile and Interpret New Data: Q2-Q4 2022
 - Inventory Relevant Projects: Q2-Q4 2022
 - Initiate Project Prioritization Process: Q4 2022







Project Objectives



- Update the existing plan to identify, and prioritize border infrastructure projects, including ports of entry, their connectivity to the federal highway system, and other infrastructure projects that facilitate the flow of goods and people on both sides of the border in the short-, mid- and long-term.
- Design a process to ensure that relevant stakeholder agencies participate in the planning of LPOE projects and related transportation infrastructure improvements.

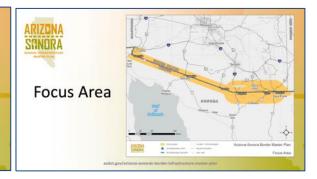


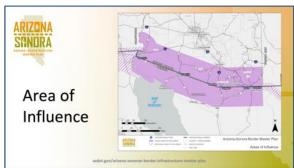
Policy Advisory Committee

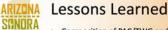


- Binational Executive-level agency managers
 - Help guide and direct the plan
 - Confirm parameters and criteria for project rankings
 - Approve the plan







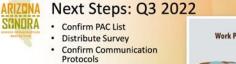


- Composition of PAC/TWG and the ability to schedule joint meetings.
- More meetings than anticipated.
- Logistics of bilingual and hybrid meetings.
- The project was initiated within a calendar year of presidential elections in both Mexico and the United States.
- Two-way communication between all working groups and elected officials was key.
- Challenges after plan development related to lack of available travel demand forecasts throughout the border region.

audot.gov/arizona-sonoras-border-infrastructure-master-plan



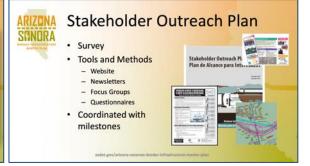




- Confirm Area of Influence Map Limits
- Confirm Focus Area Map Limits
- Distribute Work Plan
- Distribute Stakeholder Outreach Plan

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New Considerations

- Health and Safety
- Weather Impacts
- Supply Chain Disruptions
- Pandemic Effects
- Innovation (Technology, Process Improvements)
- Continuity of Operations

azdot.gov/arizona-sonoran-border-infrastructure-master-pla

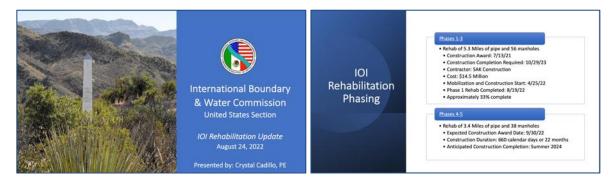


Questions and Answers

Luis Ramirez, Ramirez Advisors

adot gov/erizone-sonoran-border-infrastructure-master-plan

Copy of IBWC Presentation



Phase 1 **Progress**

- Built and installed 10,400' overall bypass piping for Phase 1 27,500' of total fused HDPE pipe 5 Primary 12" pumps and 3 Standby 12" pumps
- 1 pipe crossing under UPRR tracks Phase 1 bypass operation started 6/6/22
- Temporary bypass shutdown 8/13/22-8/16/22 due to increased flows from storms
- Shutdown 8/19/22
- Tear down and removal bypass started 8/22/22 IOI cleaning completed 7/15/22



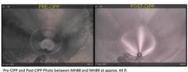


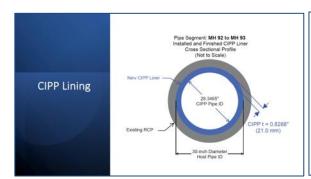




- CIPP completed 7/27/22
 Total 8,556 LF pipe 30", 36" & 42" diameter
 7 shots/installations
- 7 shots/installations
 Longest installation = 1,910LF over 3 sections
 Final internal diameters range from 28.3" to 40.3"

 Manhole rehabilitation completed 8/19/22
 16 Manholes 4', 5' & 6' diameter

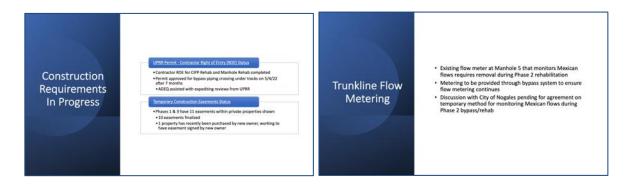












Copy of letter in support of Nogales Wastewater Improvement Act



August 25, 2022

Chairman Robert Menendez Senate Foreign Relations Committee US Senate 423 Dirksen Senate Office Building Washington, D.C. 20510 Ranking Member James Risch

RE: Support for the Nogales Wastewater Improvement Act

Dear Chairman Menendez and Raking Member Risch,

On behalf of the Greater Nogales Santa Cruz County Port Authority, I write to express our support for the Nogales Wastewater Improvement Act, a bill that seeks to transfer ownership, operations, and maintenance of the International Outfall Interceptor (IOI) from the City of Nogales to the International Boundary and Water Commission.

When the original ownership structure was defined decades ago, no one expected to see the Ambos Nogales binational community grow from a few thousand people to a combined population exceeding 400,000 people. With a population of just over 20,000, the City of Nogales, Arizona is simply not equipped to own, operate, and maintain a sewage pipeline system that provides service to a community that is more than 20 times its size. It is an unfair and unjust burden and because of the binational nature of the system, it is only a federal government agency that is equipped to handle the cross-border implications of the IOI.

Nogales is a vibrant and dynamic community that has tremendous potential. We are the gateway for close to \$30 billion in trade with Mexico and, just for the first 6 months of 2022, more than 219,000 trucks, 1.8 million cars and 4.8 million people crossed into the US through Nogales. Nogales is also the largest single port of entry for Mexican fresh produce, with more than 6.5 billion pounds crossing through Nogales each year. This flow of fresh produce is essential to the nation's food supply and the integrity of the IOI and the wastewater system are an integral component for the safe handling of the food that ends up on grocery shelves and the safe flow of trade and tourists.

P.O. Box 4518 Rio Rico, AZ 85648

www.nogalesport.org

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The Honorable Robert Menendez The Honorable James Risch Senate Foreign Relations Committee August 25, 2022

We hope that you and your colleagues in the Committee will approve this bill and help Nogales reach its full potential.

Respectfully,

Jaime Chamberlain Chairman

CC: The Honorable Kyrsten Sinema, Senator
The Honorable Mark Kelly, Senator

Misael Cabrera, Arizona Department of Environmental Quality