

February 21, 2024

TO: Mr. Joshua Rubin, Chairman

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

SUBJECT: Monthly Report of Activities – January 2024

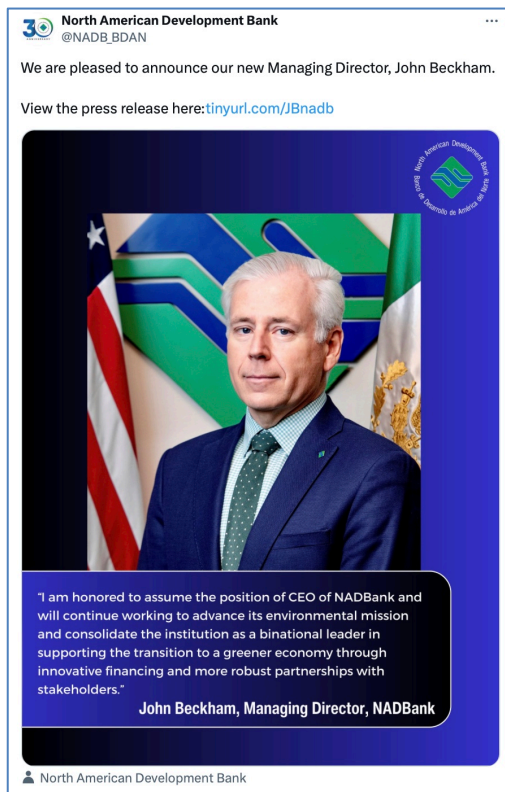
On behalf of Ramirez Advisors Inter-National, LLC (“RAI-N”) we are pleased to present our monthly activity report to you and the Board of Directors of the Greater Nogales Santa Cruz County Port Authority (“GNSCCPA”). As always, we request and welcome your continued comments and suggestions as to how 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. NADBank Announces new Managing Director
2. Nogales Electric Truck Pilot Program Update
3. Morley Gate Reopens
4. Arizona Trade Data through November 2023
5. Governor proposes FY2025 Executive Budget
6. PA provides update to Board of Supervisors
7. Tucson Daily Star interviews border leaders on CBP Staffing
8. PA Leadership Transition
9. “Friend of the Border” Award presented to DFO Ramirez
10. Governor Hobbs and AZDA Director Brierley visit Nogales

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 Mr. Guillermo Valencia, Mr. Bruce Bracker, Mr. Jaime Chamberlain and other members of the Board of Directors and stakeholders 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. NADBANK ANNOUNCES NEW MANAGING DIRECTOR



- Effective January 1, 2024, John Beckham assumed the position of Managing Director of the North American Development Bank.
 - “As of January 1st, John Beckham began his four-year term as Managing Director of the North American Development Bank (NADBank). NADBank extends its appreciation to Calixto Mateos Hanel, the former managing director, for his years of service to the institution and wishes him success in his future endeavors. Mr. Beckham, who has served as the Bank’s Deputy Managing Director since January 2021, has a professional career spanning more than 20 years in management positions with vast experience in finance, developing and executing strategic business plans, promoting economic and social development by deploying capital through financial institutions, structuring financing for

renewable energy projects, restructuring distressed investments and executing equity investments in growing mid-sized companies across emerging markets.”

- The Port Authority and the Nogales community has enjoyed a close working relationship with the Bank since its inception.
- RAI-N joins the Port Authority in congratulating Mr. Beckham as he assumes this new position.

2. NOGALES ELECTRIC TRUCK PILOT PROGRAM UPDATE

- On January 4, the Port Authority hosted an update meeting for the technical team working on the electric truck pilot program.
- While the principal grant from the US Department of Transportation has not been announced, the team has learned a lot of lessons regarding the deployment of electric trucks for cross-border operations.
- Here are the notes that were provided to the team after the meeting:

NOTESTechnical Team Meeting - Nogales Electric Truck Pilot ProgramProject Update

Jan. 4, 2024

- The Port Authority has not received any communication from USDOT on the status of the grant application.
 - The awards were originally to be announced in November 2023.
 - Mark Sanders reached out to FMCSA and verified that there has been no progress on the grants as USDOT is focused on major grant programs nationally.
 - Port Authority will be reaching out to the congressional offices to encourage USDOT to give consideration for the grant application.
 - Mark Sanders will reach out to Office of the Governor and encourage that they do the same.
- Mark Sanders, Diego Ledgard and Jaime Chamberlain recently met with Bali Express, a Rancho Dominguez, California-based trucking company with a fleet of over 300 trucks, that is purchasing 14 electric trucks.
 - Bali Express is a participant in the BLU program so they are a well-known and reputable transportation company (<http://www.baliexpressusa.com/>)
 - Because of the incentive programs offered by the state of California of approximately \$300,000 per truck, plus an additional \$75,000/truck that can be applied towards charging stations, the company can purchase the trucks at a discounted rate leading to a final cost of less than \$200,000 per unit and the charging stations are essentially free (charging stations for two trucks cost approximately \$150,000). (NOTE: The exact numbers will have to be verified with Bali Express)
 - Arizona does not have incentive programs of the magnitude offered by California.
 - San Diego Gas and Electric (SDGE) has offered to forego the electricity costs of the charging-units for Bali Express.
- The meeting participants indicated that Bali Express confirmed that their units are not reaching the purported 300-mile range per charge promoted by truck manufacturers, but are closer to 180-miles per charge.
 - Bali Express is offering service from the Port of Ensenada to the Port of Long Beach, a distance of approximately 197 miles each way.
 - It is not clear if Bali Express will use the electric trucks all the way from Ensenada to Long Beach, or perform some form of transference at or near the border.
 - Bali Express also expressed that if the California incentives were not available, they would have opted to secure hydrogen fuel-cell trucks over electric.

- Bali Express also indicated that they prefer to deal with Volvo (<https://www.volvotrucks.us/trucks/vnr-electric/>) or Peterbilt (<https://www.peterbilt.com/trucks/electric/>).
 - According to Mark Sanders, Nikola had at one time considered providing trucks to Bali Express at no cost, but that deal fell through.
 - Bali Express confirmed that they have hired two towing companies (one in Mexico and one in the US), and have them both on stand-by in the event that an electric truck runs out of charge in transit.
- Bali Express indicated that they are open to a dialogue for the possible leasing/rental of electric trucks for the pilot program at Nogales.
 - As confirmed by Jesse Hereford, the incentive programs offered by California have a number of restrictions/requirements that include that a least 50% of the truck usage must take place in California, among others.
 - Should the discussions continue with Bali Express, Mark Sanders indicated that he agreed to work with them on a business plan that would define costs.
 - Bali Express indicated that they would be interested in seeing the data gathered from the pilot program at Nogales.
- Diego Ledgard confirmed that Sonora is expanding a carbon-reduction program with electric buses in Guaymas.
 - That SIDUR is prepared to share the data from the project in Guaymas to help out in the assessment of the pilot program.
- Jesse Hereford confirmed that NADBank has moved the grant award from 2023 to the 2024 cycle so that the grant is still being held to help pay for the pilot program.
 - THANK YOU NADBank!
- Joaquin Marruffo indicated that he has been in contact with EPA regarding the other grant and that the grant is available through June of this year.

Participants:

- Jaime Chamberlain
- Josh Rubin
- Jesse Hereford
- Mark Sanders
- Joaquin Marruffo
- Diego Ledgard
- Luis Ramirez
- Martin Rodriguez

3. MORLEY GATE REOPENS

- On January 4th, the Mexican government reopened the modernized Morley Gate.
- While it appears that more work is still needed to the facilities, the Mexican government, along with the US government confirmed the reopening of the pedestrian facility.
- The reopening of the Morley Gate is critical to downtown merchants and the retail sector in downtown Nogales.
- Below is a press release issued by Customs and Border Protection on the reopening of multiple ports on the US-Mexico border.
- The Honorable Jorge Maldonado participated in the festivities.



Statement from CBP on Resumption of Field Operations in Arizona, California, and Texas

Release Date: Tue, 01/02/2024

WASHINGTON – “Beginning Jan. 4, 2024, U.S. Customs and Border Protection’s (CBP) Office of Field Operations will resume operations at the following locations:

- In **Eagle Pass, Texas**, vehicular processing will resume at Eagle Pass International Bridge 1 at 7 a.m. local time.
- In **San Diego, California**, San Ysidro’s Pedestrian West operations will resume at 6 a.m. local time.
- In **Lukeville, Arizona**, the Lukeville Port of Entry operations will resume at 6 a.m. local time.
- In **Nogales, Arizona**, the Morely Gate border crossing operations will resume at 10 a.m. local time.

“CBP will continue to prioritize our border security mission as necessary in response to this evolving situation. We continue to assess security situations, adjust our operational plans, and deploy resources to maximize enforcement efforts against those noncitizens who do not use lawful pathways or processes – such as scheduling an appointment via CBP One™ – and those without a legal basis to remain in the United States.

“Members of the traveling public can check operational status, including [Port of Entry wait times](#).”

4. NOVEMBER 2023 TRADE DATA RELEASED

- On January 9th the US Census Bureau released the trade data through November 2023.
- Trade between Arizona and its USMCA partners, Mexico and Canada, continues to show growth.
- As reported to the leadership of the Port Authority:

During the period from January to November 2023:

- Arizona's two-way **trade with Mexico and Canada reached \$23.1 billion**, an increase of 2.2% compared to the same period in 2022.
- Arizona's two-way **trade with Mexico reached \$18.2 billion**, an increase of 2.1% compared to the period in 2022.
- Arizona's two-way **trade with Canada reached \$4.9 billion**, an increase of 2.5% compared to the same period in 2022.

Ramirez Advisors Inter-National

Arizona Trade with Mexico and Canada
 January-November 2022 vs January-November 2023

Arizona Trade with Mexico

	Jan-Nov 2022	Jan-Nov 2023	Difference	% Change
Exports to Mexico	\$ 7,962,471,458	\$ 7,405,548,341	↓ \$ (556,923,117)	↓ -7.0%
Imports from Mexico	\$ 9,911,707,633	\$ 10,836,857,734	↑ \$ 925,150,101	↑ 9.3%
Total Trade with Mexico	\$ 17,874,179,091	\$ 18,242,406,075	↑ \$ 368,226,984	↑ 2.1%

Arizona Trade with Canada

	Jan-Oct 2022	Jan-Oct 2023	Difference	% Change
Exports to Canada	\$ 2,348,167,358	\$ 2,519,220,091	↑ \$ 171,052,733	↑ 7.3%
Imports from Canada	\$ 2,419,032,408	\$ 2,368,844,231	↓ \$ (50,188,177)	↓ -2.1%
Total Trade with Canada	\$ 4,767,199,766	\$ 4,888,064,322	↑ \$ 120,864,556	↑ 2.5%

Arizona Trade with Mexico and Canada

	Jan-Nov 2022	Jan-Nov 2023	Difference	% Change
Exports to Mex. & Can.	\$ 10,310,638,816	\$ 9,924,768,432	↓ \$ (385,870,384)	↓ -3.7%
Imports from Mex. & Can.	\$ 12,330,740,041	\$ 13,205,701,965	↑ \$ 874,961,924	↑ 7.1%
Total Trade with Mex. & Can.	\$ 22,641,378,857	\$ 23,130,470,397	↑ \$ 489,091,540	↑ 2.2%

Source: US Census Bureau. Values presented in \$USD.
 Data subject to change without notice.
 Updated 1/09/2024

5. GOVERNOR PROPOSES FY'25 EXECUTIVE BUDGET

- On January 12 Governor Hobbs released her FY 2025 Executive Budget.
- A budget summary was provided to the leadership of the Port Authority:

The Governor's Office released the Fiscal Year 2025 Executive Budget this past Friday. Below please find a summary with observations and highlights based on the official Budget Summary and news reports.

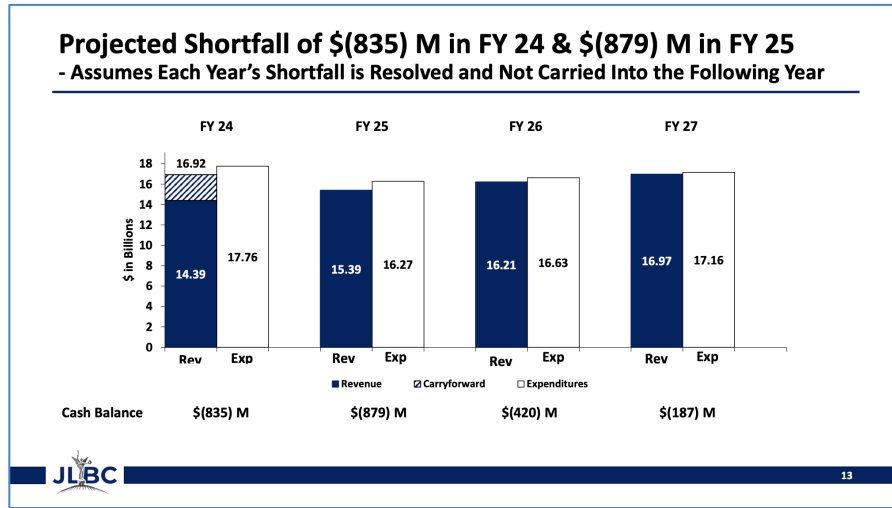
The Executive Budget serves as a starting point for the budget negotiation process between the Governor and the Arizona Legislature. Given that Republicans control both the House of Representatives and Senate, we expect the final version of the state budget to look substantially different from what is proposed here.

- As has been reported in the days leading up to last week's budget release, the state's \$2 billion budget surplus that was initially projected early last year is gone.
 - According to the latest update by the Joint Legislative Budget Committee (JLBC), the estimated budget deficit for FY 2024 and FY 2025 combined is \$1.7 billion. ([JLBC](#))
 - The debate on how this happened comes down to competing interpretations of the budgetary impacts from the flat income tax and/or the expansion of the ESA voucher program. ([The Arizona Republic](#))
- Among the several proposals offered to reduce the budget deficit, the Executive Budget includes the delaying and/or the pulling back of funds for non-critical projects, including several transportation projects.
 - Per the document: "The Executive budget recovers \$418.6 million one-time from 24 transportation projects appropriated between fiscal years 2021 and 2024." (pg. 8)
 - An analysis by [The Arizona Republic](#) identifies the projects that could be delayed by cuts, including Tier 2 Study for Sonoran Corridor in Pima County (\$2.4 million). A copy of the complete table is provided in the attachments. **Projects in Nogales/Santa Cruz County are not included in the list.**
 - Does not change funding to the I-10 and I-17 expansion projects, the statewide rehabilitation and preservation program, and the SMART Grant Fund. (pg. 30)
- Proposes the establishment of the Border Coordination Office within the AZ Department of Homeland Security. According to the document, the office would:
 - "serve as the central point of coordination for State activities related to border security and safety;

- monitor border operations;
- coordinate the State's response to situations along the southern border;
- mitigate the impacts of mass migration in the State's border communities;
- improve support for local emergency management and law enforcement;
- address humanitarian issues;
- increase collaboration between among state and local leaders;
- build and maintain relationships with local governments, law enforcement, agencies and emergency management; and
- make recommendations to improve border policy and operations" (pg. 10-11)
- The Long-Term Water Augmentation Fund, housed under the Water Infrastructure Finance Authority (WIFA), remains in the state budget. The Executive Budget proposes depositing only \$33 million.
 - This is a significantly smaller amount than what was originally proposed - \$333 million annually for three years - when the Fund was created by the previous administration.
 - Further context is provided by [Arizona Daily Star](#).

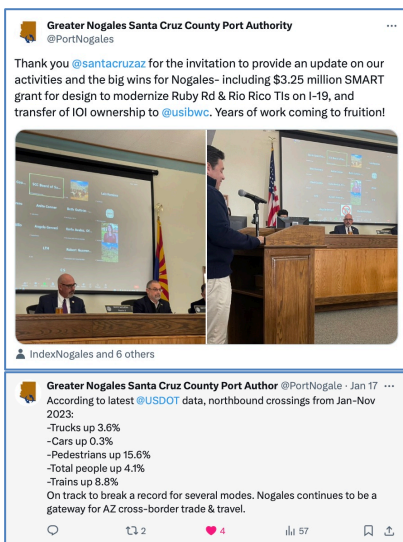
Attachments and for further reading:

- FY 2025 Executive Budget Summary
- Chart provided by the JLBC showing the budget balance estimates for FY24 through FY 27
- Table provided by *The Arizona Republic* that outlines the proposed cuts in one-time funding for transportation projects.
- The Arizona Republic: [Arizona's deficit forecast grows to \\$1.7 billion as Gov. Katie Hobbs proposes new budget](#)
- Arizona Daily Star: [Hobbs' \\$16 billion budget plan depends on cutting school vouchers](#)



Recovery Type	Agency	BFY	Appropriation	Amount Available for Recovery
Transportation	ADOT	2021	Construct An Overpass At Riggs Road & SR 347 (5)	\$25,000,000
Transportation	ADOT	2021	Improve SR 90 Near Fort Huachuca	\$1,705,797
Transportation	ADOT	2023	Construct roundabout at intersection of State Route 69 and State Route 169	\$244,500
Transportation	ADOT	2023	Design and construct a screen wall along Loop 101 between 51st Avenue and 59th Avenue	\$9,314,000
Transportation	ADOT	2023	Design work for State Route 303 improvements from Interstate 17 to Lake Pleasant Parkway	\$178,000
Transportation	ADOT	2023	Design work for the interchange at State Route 303 and Interstate 17	\$5,043,000
Transportation	ADOT	2023	Conduct a tier 2 study for Sonoran Corridor in Pima county	\$2,400,000
Transportation	ADOT	2023	Construct an overpass at Riggs Road and State Route 347	\$24,000,000
Transportation	ADOT	2023	Engineering And Design Costs Associated With Improvements Along State Route 87 Near The City Of Coolidge	\$269,000
Transportation	ADOT	2023	Design and construct additional vehicle lanes, separated by a lighted median, on Interstate 10 between State Route 85 and Citrus Road	\$60,910,000
Transportation	ADOT	2023	Additional I-10 Lanes (SR-85 To Citrus Road) - Design & Construct Additional Vehicle Lanes, Separated By A Light Median, On I-10 Between SR85 And Citrus Road	\$52,090,000
Transportation	ADOT	2023	Study and design traffic interchange on State Route 74 at Lake Pleasant Parkway	\$4,650,000
Transportation	ADOT	2023	Conduct a tier 2 study for Interstate 11 in Maricopa county	\$24,999,366
Transportation	ADOT	2023	Conduct a tier 2 study for the North-South Corridor in Pinal county	\$12,279,000
Transportation	ADOT	2023	Rehabilitate pavement along United States Route 60 between Loop 101 and Loop 202 Route 191 between Mile Post 163 and Mile Post 173	\$21,252,000
Transportation	ADOT	2023	Rehabilitate pavement along United States Route 191 between Armory Road and East Safford	\$18,457,000
Transportation	ADOT	2023	Rehabilitate pavement along State Route 90 between Campus Drive and the U.S. Border Patrol Station in Huachuca City	\$7,662,506
Transportation	ADOT	2023	Improve State Route 90 from Mason Road to Campus Drive (Inflation)	\$3,300,000
Transportation	ADOT	2024	Distribute To The Town Of Queen Creek To Extend State Route 24 Including A Traffic Interchange At State Route 24 And Ironwood Road	\$87,500,000
Transportation	ADOT	2024	Design A Freeway Interchange On Interstate 10 At Jackrabbit Trail	\$5,000,000
Transportation	ADOT	2023	Improve U.S. Route 60 Between Morrislow And Wickenburg	\$10,460,000
Transportation	ADOT	2024	Improve State Route 260 Within Navajo County	\$4,210,000
Transportation	ADOT	2024	Improve Intersection On State Route 347 At Casa Blanca Road And Cement Plant Access	\$19,000,000
Transportation	ADOT	2024	Improve U.S. Route 95 Between Wellton Mohawk Canal Road And Aberdeen Road	\$19,825,000
			SUBTOTAL	\$419,649,169

6. PA PROVIDES UPDATE TO BOARD OF SUPERVISORS



On January 16, the Port Authority provided a quarterly update to the Board of Supervisors of Santa Cruz County.

- This is part of the ongoing efforts to keep the Board of Supervisors apprised of the port authority's activities.
- The quarterly updates are provided in addition to the monthly reports that are prepared by the Port Authority.
- A copy of the testimony is provided in Attachment #1.

7. TUCSON DAILY STAR INTERVIEWS BORDER LEADERS ON CBP STAFFING

- On January 18 the Arizona Daily Star interviewed a number of port authority leaders from all three border communities and published an extensive article on the current situation at the border and the need for additional staffing and resources. Among those from Nogales that were included in the article were:
 - Jaime Chamberlain, then Chairman of the Port Authority
 - The Honorable Jorge Maldonado, Mayor
 - Lance Jungmeyer of the Fresh Produce Association of the Americas
 - Pedro Velasco, Kino Border Initiative

- Here are a couple of key quotes from the article:
 - “Nogales, Arizona’s ports of entry process more than \$30 billion worth of imports and exports between Arizona and Mexico each year, said Jaime Chamberlain, president and CEO of Nogales-based Chamberlain Distributing. The family-run business has imported fruits and vegetables from northern Mexico for more than 50 years. “My business runs on the effectiveness and efficiency of the ports of entry,” said Chamberlain, who is also board chairman for the Greater Nogales and Santa Cruz County Port Authority.

 - In September, CBP began shifting some officers temporarily away from the ports of entry to help with processing large numbers of migrant arrivals between ports, extending wait times for travelers crossing into Nogales, Arizona, said the city’s mayor, Jorge Maldonado. But the need for more resources at the Nogales ports pre-dates those staff reassignments, Maldonado said. “We’ve been asking for more (CBP officers) for the last 10 years,” he said. “Our port at Mariposa has got 12 gates and at the most, they open eight. DeConcini has six gates, but most of the time only four are open.”

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

8. PA LEADERSHIP TRANSITION



- On January 24, Joshua Rubin assumed the Chairmanship of the port authority.
- Ramirez Advisors looks forward to working with Chairman Rubin in continuing the efforts of the port authority and continuing the advocacy efforts that have produced tremendous results for the community.
- This also marked the end of the 4-year term for Jaime Chamberlain.
- Ramirez Advisors congratulates Mr. Chamberlain on the completion of his term and for maintaining the high standards of leadership that have now become the norm for the organization after 19 years.
- A copy of the press release is provided in Attachment #3.

9. “FRIEND OF THE BORDER” AWARD PRESENTED TO DFO RAMIREZ

- During the January 24th meeting of the port authority, the Board of Directors presented the Friend of the Border Award to Guadalupe Ramirez, Director of Field Operations – Tucson for US Customs and Border Protection.
- The Board of Directors indicated that among the many actions and ways in which Director Ramirez has earned the recognition, one of the principal



reasons were the commitment by Customs and Border Protection to keep the ports open during the pandemic while protecting the health of the officers under his command.

- Mr. Ramirez is the latest recipient of this award. He joins:
 - William Brooks (deceased), Customs and Border Protection
 - John Halikoswki, Arizona Department of Transportation
 - Virginia Staab, US Consul General - Nogales
 - Misael Cabrera, Arizona

Department of Environmental Quality

10. GOVERNOR HOBBS AND AZDA DIRECTOR BRIERLEY VISIT NOGALES



On January 25th, Governor Hobbs, along with Arizona Department of Agriculture Director Paul Brierley, and various members of the governor’s advisory team, visited Nogales.

- In a joint planning effort with Director Brierley, the Governor met with:
 - The leadership of the Fresh Produce Association of the Americas to discuss the Tomato Suspension

Agreement (TSA) and the threats from Florida and Georgia for the possible termination of the TSA.

- She visited Divine Produce to see the Ag inspection process firsthand.
- Toured the DeConcini port of entry.
- Met with the Board of Directors, including Ex-Officio members, of the Port Authority.
 - During the meeting, the Governor heard from board members on issues impacting the manufacturing sector, the need to shore up CBP staffing, the need to modernize the DeConcini port of entry, the need to fund the construction phase of the Ruby Road

interchanges, competition with New Mexico, California and Texas for new investment and trade, and the need to fund Nogales Community Development, among various others.



Attachment #1

Port Authority update to Board of Supervisors

Quarterly Update before Santa Cruz County

By: Jaime Chamberlain, Chairman

Greater Nogales Santa Cruz County Port Authority

January 16, 2024

Nogales, Arizona

- Good morning, Chairman Ruiz, Vice-Chairman Bracker, and Supervisor Molera.
- For the record, my name is Jaime Chamberlain, and I stand before you as the Chairman of the Greater Nogales Santa Cruz County Port Authority.
- As requested, I am here today to provide the third quarterly update on our activities and our ongoing efforts on behalf of Nogales and Santa Cruz County.
- I want to remind you that while I am here to report before you, our monthly reports are emailed to you and are also made available to anyone through our website.
- On behalf of the Board of Directors, which consist of the City of Nogales, the Fresh Produce Association of the Americas, Index Nogales, Nogales Community Development, Nogales Economic Development Foundation, Nogales Customs Brokers Association, the Nogales Mining Cluster and, of course, Santa Cruz County, I want to thank you for your contribution and continued support.
- I plan on hitting on just some key highlights to keep my presentation brief but know that much more detail is available in the monthly reports.
- Since I last appeared we had some significant wins that I want to start with.
- First, thanks to the leadership of Senator Sinema in the Senate and Congressman Grijalva in the House, the National Defense Authorization Act included the provisions that transferred the ownership of the IOI to the federal government. It is now the International Boundary and Water Commission that is responsible for the maintenance and operation of the IOI.
- As you know, this has been a battle we have fought as a community for more than 2 decades. This helps protect our water and our environment.
- The Act also included the language that will enable the IBWC to deploy the screen that will prevent drug bundles from flowing into the US through the pipeline.

- Second, and thanks in great part to Vice Chairman Bracker and County Administrator Jesus Valdes, the State Transportation Board awarded a \$3.25 million State match Advantage for Rural Transportation (or SMART) grant to help pay for the design phase for the modernization of the I-19 interchanges at Ruby Road and Rio Rico Drive.
- Along with the County's \$500,000 match, the grant will pay for the design phase, needed to advance the project. The match is coming from the \$8.6 million that the county received last year from the legislature.
- This was a great example of our collaboration with the County and ADOT to come up with the cost estimates that were used for the grant application. I know that the County is now coordinating with ADOT on receiving the grant and then working together on the design.
- We continue to work with Senator Sinema as she has a Congressionally Directed Spending Request for \$50 million that would pay for the construction phase.
- I know that you will be in DC in a few days and thank you in advance for expressing your support for this request with the Senator.
- Let me touch on a few other key activities.
- Border Congressional Briefing
 - In early December we participated in a border briefing for our congressional offices.
 - Thank you, Vice Chairman Bracker and Administrator Valdez for joining us in Tucson for this session. Let me tell you that the 90-minute session turned into a 4-hour marathon of dialogue with the representatives of 9 of the 11 congressional offices.
 - The timing could not have been more significant as the meeting took place a day after the closure of the Lukeville port of entry.
 - A major issue affecting our community and the entire border is the taking of customs officers out of the ports of entry to support Border Patrol activities.
 - Clearly the mission of the Border Patrol is critical but so is the mission of Customs at the ports.
 - A major outcome of that meeting was the signing of a joint resolution signed by 10 entities, including the County, that outline 6 different recommendations.
 - FIRST: Update the workforce model that determines the appropriate staffing levels to reflect the changes to mission requirements and conditions at each port of entry.

- SECOND: Implement a pilot program that allows the Field Offices and Port Directors to recruit local talent to fill support and clerical positions without having to rely on the USAJOBS.gov national system.
 - THIRD: Conduct an analysis and implement recommendations to streamline the recruitment and hiring process for CBP personnel.
 - FOURTH: Eliminate the deployment of CBP personnel to support Border Patrol operations unless the federal government declares a national emergency.
 - FIFTH: Renew the incentive program that provides financial and educational incentives for officers that select to be assigned to Arizona's ports of entry.
 - SIXTH: Support for the Border Enforcement, Security and Trade Facilitation (BEST) Act that seeks to provide the necessary resources for US Customs and Border Protection to properly monitor technology deployed at the ports of entry.
- I hope you will agree that each one of these recommendations can have significant impacts to current and future port operations.
 - As we welcome 2024, we have updated the Port Authorities Key Issues document. This version includes the Potrero Creek Bridge project as one of our priorities. We are grateful to Supervisor Bracker for making the trip last Friday to the City of Maricopa to testify before the Transportation Board in support of the County's application for another SMART grant to help pay for this critical project.
 - We have provided this updated document to Administrator Valdes so that you can use this during your upcoming trip to DC to advocate for the County's priorities. Stay warm in DC!
 - Finally, let me give you an update on the latest border crossing numbers, as they are very clear indicators of the activity in our community:
 - From January through November of this year, compared with last year:
 - Trucks are up by 3.6% from 338,600 to 350,667, that is about 12,000 trucks more than last year!
 - Cars are up by 0.9%, to more than 3.3 million cars in 11 months. We had hoped for more growth, but our border

crossing times have increased significantly in the last half of 2023!

- Trains are up by 8.8%, to 806 trains. Does not sound like many but remember that these trains are over a mile to a mile and a half long each.
 - Supervisor Bracker, I think you will like this following number. Pedestrians are up by 15.6% to more than 2.66 million.
 - And perhaps more importantly, total people are up by 4.1%, to more than 9.33 million.
 - We were anticipating record number across the board but with the growing wait times and the migrant crisis, border crossing numbers have been a bit unpredictable.
-
- There are a lot more activities that we can discuss but I want to be respectful of your time. Please know that we are always available to answer any questions you may have on any of our activities.
 - When I appeared before you in October, I stated that it was to be the last time that I would present you as Chairman, but we ended up moving the transition date from December to January, thus I am here once again. BUT, this is my final presentation as Chairman!
 - During our upcoming meeting on January 24th, Josh Rubin, who is here with me today, will assume the chairmanship of the port authority.
 - I want to express my personal appreciation for your support during my term as chairman and hope you will continue that level of support with Josh.
 - Again, thank you for your support.
 - Josh and I are here and are available to answer any questions you might have.

Attachment #2

Arizona Daily Star long form report

“Busy ports of entry deserve more resources, Arizona stakeholders say”
Grace Trejo, Arizona Daily Star
January 18, 2024

As national media has focused on the U.S. border agents confronting a high volume of migrant arrivals between ports of entry, Arizona stakeholders are calling for more resources for officers working within the nation’s busy and understaffed ports.

Immigrant-rights advocates also say building greater capacity to receive asylum seekers at the ports of entry — instead of inadvertently channeling them to remote locations in between — would reduce the burden facing border agents in the field.

Nogales, Arizona’s ports of entry process more than \$30 billion worth of imports and exports between Arizona and Mexico each year, said Jaime Chamberlain, president and CEO of Nogales-based Chamberlain Distributing. The family-run business has imported fruits and vegetables from northern Mexico for more than 50 years.

“My business runs on the effectiveness and efficiency of the ports of entry,” said Chamberlain, who is also board chairman for the Greater Nogales and Santa Cruz County Port Authority.

Yet the highly trained port officers have been shuttled away from their areas of expertise, to assist border agents in the field with tasks like driving asylum seekers to processing stations, he said. In addition to undermining efficiency at the ports, that affects morale and officer retention rates, he said.

We are going to not only lose people now, but we’re going to lose people in the future and have a very difficult time in hiring,” he said.

U.S. Customs and Border Protection’s latest staffing models say 4,000 more CBP officers are needed to meet today’s workforce needs, said Anand Muni, national executive vice president for the National Treasury Employees Union, which represents CBP officers as well as employees of 34 other federal agencies.

The U.S. Department of Homeland Security appropriations for fiscal year 2024 include funding for 1,795 more Border Patrol agents, but only 150 additional CBP officers at the ports of entry, according to the union.

Officers have been stretched thin, strained physically and emotionally, and some have been demoralized by getting transferred away from their families and their area of expertise in order to help at the southern border, the union says.

Since 2022, CBP officers across the country have dealt with 11 instances of temporary deployments to help at the southwest border, Muni said.

"They're taking 300 to 400 officers at a time and moving them around to the southern border," he said. "You're disrupting that many lives constantly, every 60 days."

As the national budget debates play out, immigrant rights activists worry that conservative legislators' focus on more restrictions to the U.S. asylum system will only exacerbate chaos between ports of entry.

When asylum seekers can't access the ports of entry, they're more likely to arrive in hard-to-reach places, far from processing infrastructure, said Pedro De Velasco, director of education and advocacy for Kino Border Initiative. The binational nonprofit offers food, shelter, legal assistance, psychological support and other services to migrants at its resource center in Nogales, Sonora.

For migrants, crossing the border between ports of entry now means paying criminal groups who control the smuggling routes south of the border, and who often drop migrants in remote areas along the Arizona-Mexico border, he said. That results in massive logistical challenges for border agents who'd rather be focusing on finding migrants seeking to evade detection.

"Nobody wants people crossing through remote areas: the U.S. government doesn't want it, the NGOs (non-governmental organizations) don't want it," he said. "It's only a benefit to organized crime (groups), who are exploiting people's desperation."

De Velasco recounted that, during a meeting last summer, border agents called it "'an operational nightmare' to move people from the middle of

nowhere, to a place where they can process them,” he said. “So it’s like, okay, if you want people to enter at the ports of entry, you have to increase capacity there.”

Blue shirts vs. green shirts

U.S. Customs and Border Protection is the umbrella agency over both Border Patrol and the Office of Field Operations. The latter oversees the CBP officers that man the ports of entry.

In contrast to the green-shirted border agents who work between ports of entry, the typically blue-shirted CBP officers work at land, air and sea ports across the country. Their duties include drug and weapons interdiction, inspection of agricultural imports, anti-terrorism work and regular immigration processing.

And now, southern land port officers face a new task of handling appointments made through the CBP One application, which the Biden administration touts as the only legitimate way for most migrants to enter the U.S. to apply for asylum. But advocates say the app has far too few appointments available to meet the high demand, leaving asylum seekers waiting six months or more for an appointment, often in [dangerous conditions in Mexico](#).

Increased staffing at the ports will be necessary to meet the higher workload imposed by CBP One appointments and to hopefully pave the way for a significant increase in the number of appointments offered, according to a January report from the Washington, D.C.-based Migration Policy Institute. The report’s authors interviewed port officers and border agents along the U.S.-Mexico border as they developed [eight recommendations](#) for how to meet today’s migration challenges on the border, said report co-author Colleen Putzel-Kavanaugh.

In speaking with CBP officers, she said she was “in awe” of the sheer amount of responsibilities handled at the ports.

“It’s really a remarkable feat,” she said. Scaling up the CBP One application’s accessibility will require investments, she said.

"They've tried to adapt the CBP One appointments into the infrastructure that already exists," she said. "But some of that means that they are taking areas they may have used for something else and repurposing it to process CBP One applications. That begs the question, could this be increased and what would it take to do that in terms of infrastructure and in terms of workforce?"

Arizona delegation on board

Port officers are frustrated by the looming possibility of a government shutdown, which would likely necessitate work without pay, said union rep Muni, who was a CBP officer at the port of San Francisco from 2008 until last year.

A 35-day government shutdown that ended in January 2019 meant officers going without paychecks for weeks, he said.

"If they (legislators) care about the border so much, if they care about the officers so much, give us the resources we need and stop using us as political pawns," he said.

Arizona's governors and congressional delegations, past and present, understand the importance of Arizona's ports of entry to the state and national economy, said Lance Jungmeyer, president of the Nogales-based industry group Fresh Produce Association of the Americas.

"In Arizona, the border is viewed as a resource and an asset, something to be pragmatic about," he said. "In other states, particularly in Texas, you have a governor there who tries to use the problems that are happening to bring even more negative attention or disruption to the border. That results in businesses wondering whether that can be a reliable place to do business." Arizona Sen. Kyrsten Sinema led negotiations that resulted in the bipartisan infrastructure law, passed in 2021, which provided \$500 million to modernize ports of entry in Arizona, including at San Luis.

She's now helping lead the ongoing Senate negotiations for a "comprehensive border security package," which is currently tied to the national budget negotiations.

Sinema said she couldn't give specifics, but on Thursday she told the Arizona Daily Star that legislators are "very close" to a deal.

"Work I'm doing on the border package will allow us to prioritize the flow of individuals into the country seeking asylum, so that folks who are coming (with legitimate claims) are more likely to get asylum and those who are economic migrants will not have incentive to apply," she said.

Immigration and border law is "Byzantine and complex," she said. "Negotiations have been painstakingly cautious and careful, because we want to get it right."

Otherwise, she said, "we'll have decades of litigation, without actually solving the problem."

In mid-January Arizona Sen. Mark Kelly co-sponsored legislation to fund more CBP officers and border agents, as well as the purchase of "non-intrusive inspection systems," which give detailed scanned images of the interior of vehicles and cargo containers at the border, his office said. The bill would also create a program to focus on seizing U.S. firearms smuggled into Mexico for use by criminal gangs there.

"Border Patrol and Port Officers have been stretched far too thin as they do the difficult job of keeping our country safe every single day," Kelly said in a press release. "This bill would give federal law enforcement the additional personnel and technology needed to keep our ports of entry fully staffed, stem the flow of illegal drugs, and secure the border."

Drug seizures are far more likely to occur at ports of entry than out in the field: About 90% of drugs seized nationally by CBP are discovered at the ports of entry — often in cargo containers or passenger vehicles — rather than by border agents between ports of entry, according to CBP.

Earlier this month a 19-year-old U.S. citizen was arrested at the Douglas, Arizona port of entry for attempting to smuggle 123 pounds of fentanyl — about 492,000 pills — into the U.S., concealed in a compartment in the bed of his pickup truck.

Still, CBP is only able to scan 3.7% of the 11 million cargo containers that enter the U.S. annually, according to a 2021 report in the American Journal of Transportation.

Taking resources from ports

In September, CBP began shifting some officers temporarily away from the ports of entry to help with processing large numbers of migrant arrivals between ports, extending wait times for travelers crossing into Nogales, Arizona, said the city's mayor, Jorge Maldonado.

But the need for more resources at the Nogales ports pre-dates those staff reassignments, Maldonado said.

"We've been asking for more (CBP officers) for the last 10 years," he said. "Our port at Mariposa has got 12 gates and at the most, they open eight. DeConcini has six gates, but most of the time only four are open."

Then in early December, CBP closed the Lukeville-Sonoyta port of entry for four weeks, with devastating impacts on local economies on either side of the border, and a [steep drop in tourism](#) for businesses in Rocky Point, Sonora, which Arizona tourists typically access through the Lukeville port.

The closure at Lukeville, and other ports in Texas and California, prompted an outcry from border community members.

After the Lukeville closure, a group of stakeholders in Arizona, including Maldonado and Chamberlain, developed a list of six recommendations for port of entry operations, which they submitted to Arizona's local, state and national elected officials.

Their recommendations include: only deploying CBP personnel to support Border Patrol operations if the federal government declares a national emergency; renewing a program that gives financial and educational incentives for officers who choose to work at Arizona's ports of entry; and providing needed resources for CBP to properly monitor technology used at the ports of entry.

Local recruiting, and quicker hiring practices, were also among the recommendations, said Matias Rosales, chairman of the Greater Yuma Port Authority board, who also signed on to the recommendations.

Rosales said when he first moved to Yuma County from California, he applied to be a CBP officer but the background check took two years. By the time he was offered the job, Rosales' wife was pregnant and he had moved on professionally, and so had to turn down the position.

"There has to be a way to safely vet the person, but to do this in a timely fashion," he said.

Yuma County has two ports of entry: a pedestrian port, "San Luis 1," which is currently open while undergoing a complete modernization project, and the commercial port known as "San Luis 2."

The latter is one of the major commercial ports in Arizona for agriculture, and the port is now capturing more trade business coming from Baja California, where the Mexican port city of Ensenada is seeing a high increase in manufacturing imports, he said. Proper staffing is crucial to the port's ability to remain competitive with California's ports, he said.

Even shifting a small number of port officers to the field has a dramatic impact on wait times for commercial and pedestrian traffic, he said.

"If our port director asked to move six officers to help (border agents) in processing centers in Yuma, that right there shuts down two lanes of entry," he said. "That makes a big difference in waiting 1.5 hour to cross, to making that a four-hour wait."

Particularly for produce distributors, time is of the essence when it comes to international shipping, said Jungmeyer, who's also board chairman for the Border Trade Alliance.

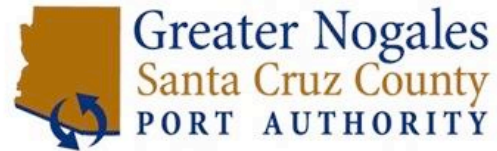
Predictability in shipment timing is crucial, and a half-day delay at the port of entry can cause a chain reaction of missed shipments, lost income or lost work-hours for warehouse employees, who might get sent home if trucks aren't there to unload, he said.

Loss of that predictability “creates a burden on the company responsible for delivering this on time and really steps into their profit margins, and harms their ability to be in business,” he said.

With the election coming up, and political pressure to take some action on the border, Jungmeyer said he’s worried poorly considered legislation could be the result.

“Sometimes when there’s pressure for quick action, the wrong choice is made that has negative unforetold consequences,” he said. “That’s why we want to work closely with the federal government now, to make sure all the resources are there to conduct legitimate trade and travel, while humanely and effectively working with the migrant crisis going on.”

Attachment #3
Change in Leadership Press Release



FOR IMMEDIATE RELEASE
January 24, 2024

Contact:
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**PORT AUTHORITY ANNOUNCES JOSH RUBIN AS NEXT
CHAIRMAN, RENEWS SLATE OF OFFICERS**

Nogales, Ariz. – The Board of Directors of the Greater Nogales Santa Cruz County Port Authority, Inc. (“Port Authority”) today elected Josh Rubin to serve as the organization’s next Chairman through 2028. Josh succeeds Jaime Chamberlain, who led the organization since 2019. The board also elected Guillermo Valencia to serve as Vice Chair and re-elected Supervisor Bruce Bracker as Treasurer.

Josh Rubin is Vice President of Business Development for Javid LLC, a shelter operations company based in Nogales, Sonora that helps manufacturing companies diversify their global supply chains. Josh represents INDEX, the maquila association of Nogales, on the board of directors.

“I’m incredibly humbled by the opportunity to lead the Port Authority. We must remain laser-focused on the key aspects of our mission, attracting critical infrastructure investments and advocating cross-border policies that benefit Ambos Nogales. While we have a lot on our plate, some of our key areas of focus include modernizing the DeConicni port of entry, ensuring appropriate customs staffing, and the modernization of our transportation infrastructure. I want to thank Jaime Chamberlain who once again raised the bar for the leadership of the organization,” stated Rubin.

“From the \$134 million modernization of State Route 189 to the passage of the Nogales Wastewater Improvement Act, and dealing with the repercussions of a global pandemic, the Port Authority has played a critical role in advancing key initiatives. The ability for public and private entities to come together and build consensus has been the key to our success. I’m incredibly grateful for the opportunity to have led this organization and I wish Josh all the success,” stated Chamberlain.

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About GNSSCPA: Established in 2005, the Greater Nogales Santa Cruz County Port Authority is a non-profit organization dedicated to the promoting the development of the port of entry system at Nogales and to fostering the economic development and the quality of life for the residents of the region. For more information, please visit www.nogalesport.org.