

June 22, 2021

### TO: Jaime Chamberlain, Chairman

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

SUBJECT: Monthly Report of Activities – May 2021

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. Extension of Border Crossing Restrictions;
- 3. Port Authority and border communities send letters to President Biden asking for the lifting of Border Crossing Restrictions;
- 4. "Arizona-Sonora: Transcendent Leadership" event with Governors of Arizona and Sonora;
- 5. Coalition letter in support of additional funding for CBP staffing;
- 6. Port Authority supports Santa Fe Ranch in applying for grant from EPA;
- 7. City of Nogales sends letter urging modernization of DeConcini port of entry;
- 8. ADOT announces opening of roundabout at Target Range Road;
- PA Testifies before Arizona Transportation Board on 5-Year Plan;
- 10. DHS Intelligence Division visits 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 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.
- Port Authority is awaiting final version of the Licensing Agreement in order to bring it to the Board for approval.

#### 2. EXTENSION OF BORDER CROSSING RESTRICTIONS



- The governments of the United States, Mexico and Canada have once again agreed to extend the border crossing restrictions for another 30 days, as of this report, it has been extended through June 21, 2021.
- The Biden Administration has indicated that they are now looking at the vaccination rates in all three countries as a

key benchmark in determining when border crossing restrictions for nonessential travel will be lifted.

- Who is considered an "essential" traveler?
  - Citizens and lawful permanent residents returning to the United States.
  - Individuals traveling for medical purposes (e.g., to receive medical treatment in the United States).
  - o Individuals traveling to attend educational institutions.
  - Individuals traveling to work in the United States (e.g., individuals working in the agriculture industry who must travel between the United States and Canada or Mexico in furtherance of such work).
  - Individuals traveling for emergency response and public health purposes (e.g., government officials or emergency responders entering the United States to support federal, state, local, tribal, or territorial government efforts to respond to COVID-19 or other emergencies).
  - Individuals engaged in lawful cross-border trade (e.g., truck drivers supporting the movement of cargo between the United States and Canada and Mexico).
  - Individuals engaged in official government travel or diplomatic travel.
  - Individuals engaged in military-related travel or operations.

# 3. PORT AUTHORITY AND BORDER COMMUNITIES SEND LETTERS TO PRESIDENT BIDEN ASKING FOR THE LIFTING OF BORDER CROSSING RESTRICTIONS

- On May 12, 2021, the Port Authority sent a letter to the White House asking for the lifting of the border crossing restrictions on non-essential travel.
- "While at one time these measures may have serve d a valuable purpose, their continued application is unfairly punishing border communities, aggravating the economic hardship resulting from the COVID-129 pandemic," stated the letter to the White House.
- A copy of the letter is provided in Attachment #1.
- Joining the Port Authority in this effort are the Cities of San Luis and Douglas, Santa Cruz County, the Arizona Border Counties Coalition, and other Arizona based organizations.
- Additionally, communities from all over the border have also been sending similar messages to the White House, including the Texas Border Coalition, the Otay Chamber of Commerce and many more.
- While the actual meeting took place on February 24, 2021, the official Minutes from the meeting were not provided until March, 2021.
- Copies of the additional letters are provided in Attachment #2 and #3.

# 4. "ARIZONA-SONORA: TRANSCENDENT LEADERSHIP" EVENT WITH GOVERNORS OF ARIZONA AND SONORA

- On May 20, 2021, Governors Doug Ducey of Arizona, and Claudia Pavlovich of Sonora, jointly hosted a webinar with over 1,000 participants.
- During the meeting they highlighted the achievements during the 6 years that both Governors served together.
- Among the key highlights were the achievements in transportation, economic development, and security, including:
  - Unified Cargo Processing
  - Border Liaison Unit
  - Safety Corridor
  - Lucid Motors investment;
  - Others
- A recording of the webinar can be found at:
  - o <a href="https://www.youtube.com/watch?v=U\_Q8bTsbJXA">https://www.youtube.com/watch?v=U\_Q8bTsbJXA</a>

#### 5. COALITION LETTER IN SUPPORT OF ADDITIONAL FUNDING FOR CBP STAFFING

- On May 4, 2021, the Port Authority joined a coalition supporting a request for a funding to pay for additional staffing for Customs and Border Protection.
- "With CBP experiencing a precipitous drop in user fees during the COVID-19 pandemic, we greatly appreciate Congress providing supplemental resources last year to help the agency maintain its staffing levels and continue to onboard new offices... We also urge the subcommittee to provide funding for new officers so the agency will be prepared for an influx of passengers and cargo at the ports-of-entry once the current international travel restrictions are relaxed and eventually lifted."
- The Port Authority joined more than 30 other regional and national organizations in making this request.
- A copy of the letter is provided in Attachment #4.

#### 6. PA SUPPORTS SANTA FE RANCH IN APPLICATION FOR EPA GRANT

- On My 6, 2021, the Port Authority sent a letter in support of an application by the Santa Fe Ranch Foundation for an Aire Sano Grant front he US environmental Protection Agency.
- The application was for a one-year environmental justice grant program that has a special Port Initiative Category for communities that are impacted by truck and rail traffic emissions.
- The initiative "is to educate the Nogales, Arizona community about the potential of train and vehicle emissions at het international port of entry and engage stakeholders to mitigate the potential health effects."
- A copy of the letter is provided in Attachment #5.

#### 7. CITY OF NOGALES SENDS LETTER IN SUPPORT OF MODERNIZATION OF DECONCINI PORT OF ENTRY

- On May 12, 2021, the City of Nogales sent a letter to Congressman Raul Grijalva stressing the urgent need to modernize the DeConcini port of entry.
- "According to both GSA and CBP, the port is in desperate need of repairs, and it has exceeded its useful life... Even though the facilities were last renovated in the 1990s, the facility is outdated, overburdened, and heavily congested. It no longer offers a safe working environment for the officers that staff the facilities or the traveling public," wrote The Honorable Arturo Garino, Mayor.
- A copy of the letter is provided in Attachment #6.

#### 8. ADOT ANNOUNCES OPENING OF ROUNDABOUT AT TARGET RANGE ROAD

- On May 19, 2021, the Arizona Department of Transportation announced the opening of the Roundabout at Target Range Road on Mariposa Road.
- This was one of the principal aspects of the proejct that would greatly contribute to the efficient flow of traffic while enhancing safety fo traffic at this critical juncture.
- A copy of the announcement is provided in Attachment #7.

#### 9. PA TESTIFIES BEFORE ARIZONA TRANSPORTATION BOARD ON 5-YEAR PLAN

- As part of the ongoing efforts to promote the continued investment in the region's transportation infrastructure, Chairman Chamberlain testified before the Arizona Transportation Board outlining the stated priorities by the Port Authority:
  - Modernization of the interchanges on I-19 at Ruby Road and Rio Rico, along with the frontage roads;
  - Deployment of Intelligent Transportation System technology to help alleviate congestion at the Ruby Road interchange
- A copy of Chairman Chamberlain's testimony is provided in Attachment #8.

#### 10. DHS INTELLIGENCE DIVISION VISITS NOGALES

On May 24, 2021, representatives of the Intelligence Division of the US
Department of Homeland Security visited Nogales for an open dialogue with
the leadership of the Port Authority and for a tour of the community to see
first-hand the challenges and opportunities faced by Nogales and other border
communities.

# Copy of letter to President Biden on Border Crossing Restrictions



May 12, 2021

The Honorable Joseph R. Biden President United States of America 1600 Pennsylvania Ave., N.W. Washington, D.C. 20500

RE: Lifting of Border Crossing Restrictions

Dear President Biden,

On behalf of the Greater Nogales Santa Cruz County Port Authority, I write today to ask for the lifting of the border crossing restrictions on the US border with Mexico. While at one time these measures may have served a valuable purpose, their continued application is unfairly punishing border communities, aggravating the economic hardship resulting from the COVID-19 pandemic.

As a border community, Nogales is an essential gateway for trade and tourism for Arizona and for the United States. In 2020, more than 5 million people, 2 million cars and 352,000 trucks crossed at Nogales, representing more than \$26 billion of US-Mexico trade. Yet, since the application of the border crossing restrictions that permit only essential travel, our cross-border traffic has decreased by 51.3% - a devastating figure.

During the worst periods of the pandemic in 2020, Nogales was a critical entry point for millions of pounds of fresh produce and medical equipment that were deemed essential for our nation. In many ways, we made sure that the nation's food supply remained intact and millions of medical products were distributed to hospitals.

But our community has been suffering because of the border crossing restrictions. It is estimated that as much as 70% of the sales tax revenue generated in our community is directly attributable to the Mexican visitor – and they have not been crossing since March of last year. Our restaurants, our pharmacies, our stores, our small businesses in general, have been hit hard. Many are barely surviving due in great part to the Payroll Protection Program (PPP) and other related grants that have come into the City of Nogales and Santa Cruz County.

P.O. Box 4518 Rio Rico, AZ 85648

www.nogalesport.org

Page 2 of 3

The Honorable Joseph R. Biden President May 12, 2021

Our local governments were among the first in Arizona to adopt the use of face masks in public. At one point in time our positivity rate for COVID-19 was among the worse in the nation but our community came together and now, we are among the highest counties in the nation in terms of the percentage of the eligible population that has been vaccinated – 77% have received the first dose, and just shy of 60% are fully vaccinated. In fact, we worked with State of Arizona and Santa Cruz County officials to have a set aside of vaccines every day for over 1,600 Customs and Border Protection personnel (both Customs and Border Patrol) to make sure that our ports of entry remained operational, and our border protected. The flow of trade could not stop.

We were very encouraged to see that late last week, the State of Sonora, Mexico, was upgraded to green or the lowest level of positivity in Mexico. Combined with the increasing rate of vaccinations in Mexico, it helps to see a return to normalcy in our binational community. But without the reopening of the border, our local economy will continue to be punished.

We continue our business-local government partnership to promote the guidelines issued by the Centers for Disease Control when it comes to the use of facemasks, social distancing and hand washing. In fact, because such a large portion of our local workforce is deemed as essential (educators, produce and medical product importers and distributors, transportation and logistics service providers, health workers, local, state and federal enforcement authorities and city and county government to name a few), many establishments have adopted very strict protocols to help prevent the spread of COVID-19.

But with the burden of 14 months of border restrictions, our community's economic welfare is bordering on disaster. Had it not been for a major infrastructure project that is currently underway which generated hundreds of thousands of dollars in sales tax revenues, our City and County governments would have faced major budget cuts and even the letting go of vast numbers of personnel. But as that project comes to an end, it is critical that we return to regular travel measures so that the long-term viability of our entrepreneurs, local business, and government, can continue to exist and grow. Thus, we are asking that you and your administration end the border crossing restrictions on May 21, 2021.

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, and the Santa Cruz County Mining Cluster.

Page 3 of 3

The Honorable Joseph R. Biden President May 12, 2021

Please know that we remain committed to protecting the health of our residents and continue to encourage vaccines and adopting of measures that prevent the spread of this deadly disease. But we must also protect our economic welfare. I thank you for the consideration you give to this request and know that we stand ready to respond to any questions that you or members of your administration may have on the urgent need to reopen the border.

Respectfully,

Jaime Chamberlain

Chairman

Cc: The Honorable Doug Ducey, Governor, State of Arizona

Arizona Congressional Delegation

His Excellency Esteban Moctezuma, Ambassador of Mexico to the United States

## Copy of letter from Santa Cruz County on Border Crossing Restrictions



# **Board of Supervisors**

Santa Cruz County

MANUEL RUI

RUDY MOLERA District 2

BRUCE BRACKER

The Honorable Joseph R. Biden President United States of America 1600 Pennsylvania Ae., N.W. Washington, D.C. 20500

RE: Urgent Request to lift Border Crossing Restrictions

Mr. President,

On behalf of the Board of Supervisors of Santa Cruz County, we are writing to ask that you lift the border crossing restrictions that have been imposed on non-essential travel since March 2020 on the US-Mexico border.

We understand that one point in time border crossing restrictions that limited travel to only essential travel were an integral part of the efforts to protect our residents' health and curtail the spread of COVID-19. The initial slowdown in cross border traffic helped us get a better handle on the needs of our community during the pandemic.

Even more, our county ranked among the worse in the nation in terms of positivity rates at one point in time. Since then, in a collaborative partnership with the State of Arizona, other local governments, health care providers, local industry, and various state and federal agencies, we implemented an aggressive strategy that included mandating the use of masks in public. We provided food assistance to thousands of families in our county and beyond, working with our health care professionals, schools, local employers, and others to implement programs that embraced Centers for Disease Control guidelines to help prevent the spread of this deadly virus.

Once vaccines became available, we worked hand in hand with the Arizona Department of Health, our local health care providers, our private sector partners to get the vaccines in people's arms as quickly as possible. We even created a program to ensure that Customs and Border Protection personnel were vaccinated as soon as possible. We are proud to say we are listed among the counties with the highest vaccination rates, with close to 78% of our eligible populations with one vaccine and almost 60% fully vaccinated.

Rudy Molera

Member

Before the border crossing restrictions, approximately 28,000 to 30,000 people crossed the border at Nogales every day – considering that the county's entire population is less than 50,000 people, the low volume of crossers is highly noticeable. Today, that number is down to about 13,800. Our small businesses and retail sectors have been decimated by the inability of Mexican visitors to cross the border. Daily crossers are the mainstay of the merchant sector, our restaurants, our retail outlets, and other sectors of our economy.

Our high vaccination rate decreased the number of hospitalizations, engendering measures are preventing the spread of the virus in our county, along with the recent announcement that the state of Sonora, our neighboring Mexican state, has been upgraded to green on the ranking of the lowest positivity rates in all of Mexico. We are now ready to focus on the reactivation of our local and regional economy – something we cannot do if the border remains closed to regular travel.

Many of our local businesses have been surviving in significant part due to the Payroll Protection Program and other such federally and state-funded programs that have provided a short-term lifeline. The long-term sustainability of our local businesses and our county is to allow for the return to normal flows of people at the border.

We ask that the current border crossing restrictions on non-essential travel on the US-Mexico border be permitted to expire on May 21, 2021. Like you, we remain focused on protecting the health of our residents, but we must also protect the economic wellbeing of our community. Lifting the border crossing restrictions will allow us to do that.

Respectfully,

Chairman

Bruce Bracker Vice-Chairman

Santa Cruz County Complex 2150 N. Congress Drive • P.O. Box 1150 • Nogales, Arizona 85621 (520) 375-7812 • FAX (520) 761-7843 • TDD (520) 375-7934

Copy of Letter from Arizona Border Counties Coalition on Border Crossing Restrictions



May 21, 2021

The Honorable Joseph R. Biden President United States of America 1600 Pennsylvania Ave., N.W. Washington, D.C. 20500

**RE: Urgent Request to lift Border Crossing Restrictions** 

Dear Mr. President,

On behalf of the Arizona Border Counties Coalition, we are writing to ask that you lift the border crossing restrictions that have been imposed on non-essential travel since March 2020 on the US-Mexico border.

We understand that, at one point in time, border crossing restrictions that limited travel to only essential travel were an integral part of the efforts to protect the health of our residents and curtail the spread of COVID-19. In fact, the initial slowdown in cross border traffic helped us to get a better handle on the needs of our community during the pandemic. Also, at one point in time, some of our counties ranked among the worse in the nation in terms of positivity rates.

Since then, however, in a collaborative partnership with the State of Arizona, other local governments, our health care providers, schools and local employers, we took action to implement mask mandates and other initiatives that embraced Centers for Disease Control (CDC) guidelines to help prevent the spread of this deadly virus.

Once vaccines became available, we worked hand in hand with the Arizona Department of Health Services (ADHS), our local health care providers and private sector partners to get vaccines in people's arms as quickly as possible. Below are the vaccination rates for our four counties, according to the Arizona Department of Health Services:

- Santa Cruz County: 56.1% people vaccinated
- Pima County: 40.9% people vaccinated
- Cochise County: 41.4% people vaccinated
- Yuma County: 39.5% people vaccinated

Prior to the border crossing restrictions, approximately 23.5 million people crossed the border in Arizona every year; last year only 13.4 million crossed the border. Our small businesses and retail sectors have been decimated by the inability of Mexican visitors to cross the border. Daily crossers are the mainstay of our merchants, restaurants, retail outlets and other sectors of our economy.

Our vaccination rates are high, hospitalizations are decreasing, and we continue strong measures to help prevent the spread of the virus. Additionally, the State of Sonora, our Mexican neighbor, has been upgraded to Green within Mexico's COVID-19 risk framework, and has the lowest positivity rate in all of Mexico. We are now ready to focus on the reactivation of our local and regional economy – something we cannot do if the border remains closed to regular travel.

Many of our local business have been surviving in great part due to the Payroll Protection Program and other federal and state funded programs that have provided a short-term economic lifeline. However, the long-term sustainability of our local businesses and of our county depends on the swift return to normal flows of people at the border.

We ask that the current restrictions on non-essential travel on the US-Mexico border be lifted no later than June 21, 2021. Like you, we remain focused on protecting the health of our residents, but we must also protect the economic wellbeing of our community. Lifting the border crossing restrictions will allow us to do just that.

Should you have any questions please feel free to contact Teresa Bravo at (520) 724-2005 or teresa.bravo@pima.gov.

Respectfully,

The Honorable Sharon Bronson
Pima County Representative
Arizona Border Counties Coalition

The Honorable Bruce Bracker Santa Cruz County Representative Arizona Border Counties Coalition The Honorable Ann English Cochise County Representative Arizona Border Counties Coalition

The Honorable Tony Reyes Yuma County Representative Arizona Border Counties Coalition

The Honorable Krysten Sinema, US Senator – Arizona
 The Honorable Mark Kelly, US Senator – Arizona
 The Honorable Ann Kirkpatrick, Congresswoman – Arizona District 2
 The Honorable Raúl M. Grijalva, Congressman – Arizona District 3
 The Honorable Douglas Ducey, Governor, State of Arizona

# Attachment #4 Copy of Coalition letter on CBP Staffing

May 4, 2021

The Honorable Lucille Roybal-Allard Chairwoman Subcommittee on Homeland Security Committee on Appropriations U.S. House of Representatives Washington, DC 20515 The Honorable Chuck Fleischmann Ranking Member Subcommittee on Homeland Security Committee on Appropriations U.S. House of Representatives Washington, DC 20515

Dear Chairwoman Roybal-Allard and Ranking Member Fleischmann:

As stakeholders interested in the facilitation activities of Customs and Border Protection (CBP) at air, land, and sea ports-of-entry around the world, we are all greatly affected by the ongoing COVID-19 global pandemic and its impact on the processing of passengers and cargo.

With CBP experiencing a precipitous drop in user fees during the COVID-19 pandemic, we greatly appreciate Congress providing supplemental resources last year to help the agency maintain its staffing levels and continue to onboard new officers. We understand the user-fee shortfalls will continue into Fiscal Year 2022 and additional funding likely will be necessary to assist CBP through this difficult period

We also urge the subcommittee to provide funding for new officers so the agency will be prepared for an influx of passengers and cargo at the ports-of-entry once the current international travel restrictions are relaxed and eventually lifted. Even during the global pandemic, CBP's most recent workload staffing model shows a shortage of over 1,700 officers that are needed to keep up with current travel and trade demands at our ports-of-entry. Providing CBP with at least 800 additional CBP officers as international passenger and cargo volumes rebound would reduce lengthy wait times at the ports-of-entry and facilitate new economic opportunities in communities throughout the United States.

Increasing CBP officer staffing is an economic driver for the U.S. economy. While the volume of commerce crossing our borders has more than tripled in the past 25 years, CBP staffing has not kept pace with demand. Long wait times at our ports-of-entry lead to travel delays and uncertainty, which can increase supply-chain costs and cause passengers 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 have discouraged international visitors, who spend an average of \$4,200 per visit, from traveling to the United States.

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. We greatly appreciate your efforts to continue building on staffing advances made in recent years, and we urge you to include funding in your bill this year to sustain the current CBP officers and hire new ones.

Sincerely,

Airports Council International - North America

National Treasury Employees Union

American Association of Airport Executives

American Association of Port Authorities

Airforwarders Association

American Society of Travel Advisors

Arizona-Mexico Commission

Border Trade Alliance

Cargo Airline Association

City of Douglas, Arizona

City of San Luis, Arizona
Douglas Industrial Development Authority

Douglas International Port Authority

Douglas Regional Economic Development Corporation

Federal Law Enforcement Officers Association

Fresh Produce Association of the Americas

Global Business Travel Association

Greater Nogales Santa Cruz County Port Authority

Greater Yuma Port Authority

National Association of Waterfront Employers

Nogales Customs House Brokers Association

Nogales Economic Development Foundation

Nogales Community Development

Southwest Port Users Association (San Luis, Arizona)

Texas International Produce Association

US Chamber of Commerce

US Travel Association

West Gulf Maritime Association

# Copy of letter in support of Rancho Santa Fe Grant Application



May 4, 2021

Antony Sedgwick Executive Director Santa Fe Ranch Foundation P.O. Box 1386 Nogales, AZ 85628

Dear Antony:

On behalf of the Greater Nogales Santa Cruz County Port Authority, I am writing in support of the grant application being submitted by the Santa Fe Ranch Foundation to the Environmental Protection Agency to fund the "Aire Sano (Healthy Air) Initiative for Nogales, Arizona." Training our local youth to be Air Quality Advocates is a great opportunity for them to build critical skills in communication and leadership as they learn and raise awareness of the unique environmental issues that the Greater Nogales region faces by having a land port of entry.

The Port Authority welcomes the opportunity to support and meet with the students that will be selected as they go through the program. We could host a meeting, either virtually or in-person, with local officials and industry representatives so that they can learn how we are working to address air quality issues with innovative cross-border transportation and trade policies.

We thank the Santa Fe Ranch Foundation for the request to be a part of this initiative and support our local youth.

Respectfully,

Jaime Chamberlain

Chairman

P.O. Box 4518 Rio Rico, AZ 85648

www.nogalesport.org

Copy of City of Nogales letter on DeConcini Modernization



HONORABLE ARTURO R. GARINO

OFFICE OF THE MAYOR



May 12, 2021

The Honorable Raul M. Grijalva US House of Representatives 1511 Longworth House Office Building Washington, DC 20515

RE: Feasibility Study for the Modernization of the DeConcini Port of Entry

Dear Congressman Grijalva,

On behalf of the City of Nogales, I write to ask for your support in securing the commitment from the General Services Administration (GSA) and US Customs and Border Protection (CBP) to conduct a feasibility study for the modernization of the DeConcini Port of Entry at downtown Nogales.

According to both GSA and CBP, the port is in desperate need of repairs and it has exceeded its useful life. The current configuration of the port, located within feet of the international boundary, has made it difficult for CBP to deploy technologies for vehicles approaching the border. During the monsoon season, the port is often flooded by stormwater flows. Even though the facilities were last renovated in the 1990s, the facility is outdated, overburdened and heavily congested. It no longer offers a safe working environment for the officers that staff the facilities or the traveling public.

The conditions of the port are also detrimental to our economy. Wait times for cars and pedestrians that are often measured in hours. Yet this port is the lifeline for our downtown merchants and our retail sector. We estimate that as much as 70% of our local sales tax revenue can be attributed to the Mexican visitor. In 2020, there was a 51% decrease in the number of people crossing northbound into Nogales, representing 5.4 million fewer people because of the border restrictions on non-essential travel. As you can imagine, this has severely impacted the City's sales revenues and led to the closure of several businesses along Morley and Grand Avenue. We are afraid that even when the border crossing restrictions are lifted, that we still will not see a significant recovery in our retail sector because of the excessive wait times to cross.

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Conducting the feasibility study is a critical first step to begin the process. It will identify the long-term solutions, offer a conceptual design, and provide a cost estimate for the project. With this information, we can then work with you to pursue the federal funding needed to carry out the project. The situation grows worse by the day thus we ask for your immediate intervention on this critical matter.

Respectfully,

Mayor Arturo R. Garino

# Attachment #7 ADOT Announcement on Opening of Roundabout at Target Range Road



Copy of Chairman's Testimony before Arizona Transportation Board

# Testimony State Transportation Board Meeting

Presented by:
Jaime Chamberlain, Chairman
Greater Nogales Santa Cruz County Port Authority

May 21, 2021

#### Chairman Stratton and Members of the Board:

My name is Jaime Chamberlain, and I am here as Chairman of the Greater Nogales Santa Cruz County Port Authority. Our Board of Directors includes the City of Nogales, Santa Cruz County, the Fresh Produce Association of the Americas, INDEX Sonora, Nogales Customs Brokers Association, Nogales Community Development, Nogales Economic Development Foundation, and the Santa Cruz County Mining Cluster.

I would like to start off by thanking the Board, Director Halikowski, and the entire ADOT team for the tremendous progress made on the modernization of State Route 189. We are happy to hear that the project continues to move ahead of schedule and under budget. Just this week, ADOT announced the opening of the roundabout at Target Range Road and construction crews are moving quickly on the completion of the flyover ramps at I-19. This could not have been possible without your support.

Once completed, this project will be a game changer in improving the safety for the traveling public and strengthening Arizona's competitiveness as a key trade and tourism corridor in North America. We look forward to hosting the Board and the ADOT team in Nogales when the project is completed.

I should note that the modernization project is already having an economic impact on our community. The cross-border travel restrictions that have been in place since March 2020 have had a severe impact on border retail, tourism, and local merchants. Our sales tax revenues depend on the Mexican visitor who spends their money on our side of the border. Had it not been for the SR-189 project that started just days before the shutdown of our state due to COVID, our local economy and our sales tax revenues would have been decimated. The sales tax impact of the project more than made up for the loss of the other sources of sales tax revenues and for that we are grateful.

As we have stated before, the modernization of State Route 189 is a critical component of a broader transportation and logistics system at Nogales.

As in my previous appearances before you, I am here to ask that you include the improvements of the I-19 interchanges at Ruby Road and Rio Rico Drive, along with the frontage roads between these two critical interchanges, into the 5-Year plan. I did want to inform you that we did make an appropriations request through our congressional delegation for \$35 million to pay for the construction of the improvements.

This portion of I-19 serves as the access points to and from the many warehouses that are logistics hubs for billions of pounds of fresh produce in the Rio Rico area.

Backups for northbound truck traffic exiting I-19 onto Ruby Road are essentially a daily occurrence which are aggravated during the peak periods of the produce season when backups easily exceed dozens of trucks up onto I-19. These are usually trucks coming from Mexico to drop off their loads at the warehouses and later return to Mexico.

We also see backups for southbound truck traffic exiting at Ruby Road. These are typically the trucks that come into Nogales from all over the United States to pick up loads and take them to their destinations. When you consider that residential traffic also relies on Ruby Road to access I-19, it creates a dangerous safety situation with the intermingling of high volumes of both commercial and non-commercial traffic.

Even with the pandemic, truck traffic at Nogales continued to grow. In 2020, over 350,000 trucks crossed northbound at the Mariposa port of entry, an increase of almost 3,000 trucks from 2019, and the first quarter of 2021 confirms that this upward trend in truck traffic continues. While this is great news for the growth and competitiveness of our region, this also tells us that the congestion we see at Ruby Road today will only get worse and in a short period of time.

We continue to work with Rod Lane, our district engineer, on the optimal design to maximize the gains in safety, efficiency, and throughput. It is a coordinated dialogue that includes industry, developers, and the county.

As we did with SR-189, we stand ready to work together to move the Ruby Road and Rio Rico Interchange projects forward and address long-term transportation needs of our region.

I thank you for your attention and would be happy to address any questions you may have.