

August 27, 2021

TO: Mr. Jaime Chamberlain, Chairman

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

SUBJECT: Monthly Report of Activities – July 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. PA submits Public Comments on NADBank expansion to finance new types of projects;
4. Senators Sinema and Kelly Send Letter in Support of Funding Arizona’s POE Projects;
5. Arizona DEC Hosts Meeting with CBP-Arizona on Border Reopening;
6. PA Sends letter of support for County RAISE Grant Application for Rio Rico Multimodal Facility;
7. IBWC Awards Contracts to Begin Rehabilitation of Nogales IOI;
8. ADOT Releases Interstate 11 Final Tier 1 EIS for Public Review;
9. PA Chairman Delivers Keynote during Tucson Hispanic Chamber Event;
10. SR-189 Update; and
11. FPAA Letter to CBP on Year-round Sunday Service;

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

1. *MARIPOSA COLD ROOM PROJECT UPDATE*

- Work with the General Services Administration (GSA) continues on the project.
- GSA has provided initial response to changes suggested by Technical Team on the Revocable License Agreement.
- Technical discussions continue between PA and GSA on architectural requirements.
- 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 August 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 non-essential travel will be lifted.
- Latest announcements also make reference to the growing concern over the Delta variant of COVID-19, something that will take weeks to see how that variant behaves.
- **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).**
 - **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. *PA SUBMITS COMMENTS ON NADBANK EXPANSION TO FINANCE NEW TYPES OF PROJECTS*

- On June 28 12, 2021, the Port Authority sent a letter to Calixto Mateos, Director General of the NorthAmerican Development Bank in support of the expanded role for the bank into fields that include ports of entry, renewable energy, and others.
- As stated in the letter, “From ports of entry, multimodal transportation, clean energy, green industrial and warehouse facilities, and other green-infrastructure projects are all areas of great need in our community and NADBank would be able to offer financing alternatives to help bring these projects to fruition.”
- The NADBank has been a tremendous partner on a variety of projects for Ambos Nogales and the expanded role may offer financing alternatives for private sector projects in the region that could create new sustainable jobs.
- A copy of the letter is provided in Attachment #1.

4. *SENATORS SINEMA AND KELLY SEND LETTER IN SUPPORT OF FUNDING ARIZONA’S POE PROJECTS*

- On July 2, 2021 Senators Kyrsten Sinema and Mark Kelly sent a letter to the leadership of the Senate Appropriations Committee expressing their support for the funding necessary to pay for the modernization of the land ports of entry.
- The letter lists the top priority projects for Arizona, including San Luis I, Douglas Two-Port Solution and DeConcini.
- As stated in the letter, “Fully funding these requests will ensure our nation makes the necessary investments to improve the efficient flow of trade, reduce congestion at the ports, and make infrastructure updates that protect our border communities and the entire nation.”
- Perhaps more significantly for Nogales, the letter refers to funding a \$1 million Feasibility Study for the modernization of the DeConcini port of entry.
- The Infrastructure Investment and Jobs Act has been approved by the US Senate and it is pending approval in the US House of Representatives.
- A copy of the letter is provided in Attachment #2.

5. *AZDEC HOSTS MEETING WITH CBP ARIZONA ON BORDER REOPENING*

- On July 8, 2021, the Arizona District Export Council hosted a virtual forum with the Tucson Field Office of US Customs and Border Protection to discuss plans and preparations for the eventual lifting of border crossing restrictions for non-essential travel.

- In a session that was moderated by Luis Ramirez, representatives from the border region and all over the state of Arizona engaged in a dialogue with Director Guadalupe Ramirez.
- It was stated that from an operations perspective, it would be better if restrictions were simply lifted as the current restrictions add additional questions, and therefore time, to every inspection as officers must decide of the essential nature of travel in addition to all the other inspection and documentary requirements.
- One of the principal takeaways was the consideration of a pilot program for the waiver of the I-94 once the restrictions are lifted.
- CBP has not issued I-94s for over 18 months and with the anticipated rush for travel once the restrictions are lifted, those seeking an I-94 may create more congestion at the ports of entry.
 - The possible waiver of the I-94 for travel throughout Arizona and New Mexico was recommended by Congress in the FY 2020 spending bill.

6. *PA SUBMITS LETTER OF SUPPORT FOR COUNTY RAISE GRANT APPLICATION*

- On June 30, 2021, the Port Authority submitted a letter to the US Department of Transportation in support of the application by Santa Cruz County for a RAISE Grant to pay for the feasibility study and conceptual design of a multimodal facility at Rio Rico.
- This is an effort led by the County to leverage the rail line that runs through the community and offer a multimodal transportation alternative for industry, including mining, fresh produce and the manufacturing sector.
- A copy of the letter is provided in Attachment #3.

7. *IBWC AWARDS CONTRACT TO BEGIN REHABILITATION OF NOGALES IOI*

- On July 13, 2021, the US International Boundary and Water Commission issued a press release confirming the awarding of the contract for the first phase of the repairs to the International Outfall Interceptor (IOI).
- According to the press release, “The rehabilitation of the 9.9-mile-long pipeline was divided into five phases. The work under this contract is limited to Phases 1, 2, and 3 and includes rehabilitation of 56 manholes and over 5 miles of the sewage pipeline. Construction is expected to be completed in 2023.”
- This project is critical to help alleviate the ongoing spills and breakages of the IOI during the Monsoon season each year.
- A copy of the press release is provided in Attachment #4.

8. **ADOT RELEASES INTERSTATE 11 FINAL TIER 1 EIS FOR REVIEW**

- In July 2021, the Arizona Department of Transportation released the Final Tier 1 Environmental Impact Statement and Preliminary Section 4(f) evaluation for the Interstate 11 Corridor.
- As stated in the report, “This Final Tier 1 Environmental Impact Statement and Preliminary Section 4(f) Evaluation (Final Tier 1 EIS) evaluates alternatives for the Interstate 11 (I-11) Corridor in Santa Cruz, Pima, Pinal, Maricopa, and Yavapai Counties, Arizona. The purpose of I-11 is to provide a high-priority, high- capacity, access-controlled transportation corridor to serve population and employment growth; support regional mobility; connect metropolitan areas and markets; enhance access to support economic vitality; and provide alternate regional routes to facilitate emergency evacuation and defense access.”

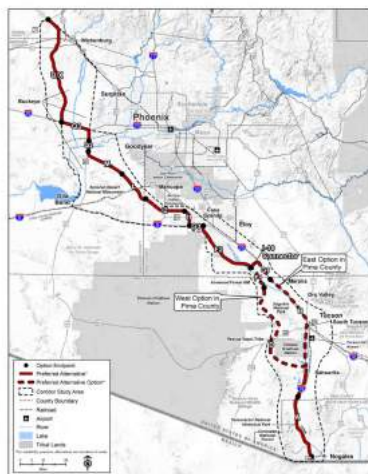


Figure ES-1. Preferred Alternative

- The report provides the preferred alternative for the corridor, including two alternatives through Pima County:
 - One that relies on a new route to the west
 - One that relies on the existing I-10 corridor.
- The Final report can be viewed at http://i11study.com/Arizona/PDF/FEIS/I-11_Final%20Tier%201%20EIS_reduced.pdf

9. **PA CHAIRMAN DELIVERS KEYNOTE DURING TUCSON HISPANIC CHAMBER OF COMMERCE EVENT**

- On July 21, 2021, Chairman Chamberlain delivered the Keynote Address during an event hosted by the Tucson Hispanic Chamber of Commerce.
- The event offered the opportunity for the Chairman to highlight a number of key initiatives at Nogales and the infrastructure needs of the border, including Douglas and San Luis.
- A copy of the repairs are provided below:

**Comments by
 Jaime Chamberlain
 Chairman
 Greater Nogales Santa Cruz County Port Authority
 Tucson Hispanic Chamber of Commerce
 July 21, 2021**

I want to thank the Tucson Hispanic Chamber of Commerce for the invitation to be with you this morning. The subject of border infrastructure and trade are two topics that I find of extreme importance and are both very close to my heart.

By way of background, I am the president and owner of Chamberlain Distributing, a multi generational family business dedicated to the importation of Mexican fresh produce for sale in the US and beyond. I grew up on the border. I live on the border. My livelihood depends on the border. I am also the chairman of the Greater Nogales Santa Cruz County Port Authority, an organization that brings together the City of Nogales, Santa Cruz County, the Fresh Produce Association of the Americas, Nogales Community Development, Nogales Economic Development Foundation, Index Sonora, Nogales Customs Brokers Association and the Santa Cruz County Mining Cluster.

I can rattle off a series of numbers that reflect how important the trade relationship between Arizona and Mexico is. Trade with Mexico jumped by over 16% for the period of January through May of 2021 versus the same period of 2020. That is a jump of over \$1.1 billion in just those five months, and we are on track to possibly set a new trade record for 2021. Additionally, in 2020 we set a new record in truck crossing at the Arizona border, with over 423,000 trucks in 2020. And the growth rates we are seeing in 2021 are indicating that we will easily break this record.

There are also some challenging numbers. Since March of 2020, the US, Mexican and Canadian Governments have imposed travel restrictions on non-essential travel at the land borders, resulting in dramatic drops in the volumes of people and cars crossing between Arizona and Mexico. Car traffic is down 32% and total people are down 43%. The restrictions were originally designed to stem the spread of the COVID-19 virus.

But over the past 15 months or so, vaccines are far more common, hospitalization rates have dramatically dropped, and businesses and governments have implemented a number of health and hygiene protocols as mandated by the Centers for Disease Control. That is why I can say that while the restrictions served a purpose in the beginning, today, these restrictions are having a deep negative impact on border communities.

While the rest of the state and the nation are reopening, border communities remain severely restricted as cross-border travel is restricted. This is impacting our hotels, our restaurants, our stores, and many service providers. For border communities like Nogales, we estimate that as much as 70% of our sales tax

revenues can be attributed to our Mexican visitors, but they are the ones that are not permitted to cross the border. It is imperative that these restrictions be lifted as soon as possible so that our local economy can start growing once again.

But Mexican visitors don't just stay in Nogales. They visit Tucson, Phoenix, Flagstaff, and everywhere in the state. Mexican visitors. Spend millions of dollars per day in Arizona and once the borders are open to all. Travel, we will see a huge economic impact.

But let me tell you why border infrastructure is so important. ADOT is about to complete the modernization of SR-189, the connector road between the Mariposa port of entry and Interstate 19. About 4 miles of road and about \$134 million of investment. Some may see this is a Nogales road, but the reality is that this road is the gateway for billions of dollars of goods, billions of pounds of fresh produce, and millions of visitors to our state. The Mexican federal government spent \$1.8 billion in modernizing MX15, the road that connects Mexico City to the Arizona border at Nogales. The remaining bottleneck was SR-189. This project ensures that Arizona remains competitive versus California, New Mexico and Texas.

Don't kid yourselves, the other border states, particularly Texas, are aggressively courting businesses in our corridor. They are offering them the promise of a future border what is efficient. We need to do a better job telling the story that the Arizona border is ready today. While in Texas and California truck crossing times are measured in 4, 6 or even 8 hours, trucks can regularly cross the Arizona border in less than 30 minutes. And believe, when the truck is full of tomatoes, cucumbers or bell peppers, the time savings translates into real money.

Governor Ducey, the Arizona Congressional Delegation and the border communities have focused on making our ports of entry the best that they can be. Infrastructure is critical but we don't just focus on the infrastructure, but we also look at the coordination with Mexico, the inspection process, deploy new technologies and have developed great collaborative partnerships between industry and the enforcement agencies. Many years ago, we recognized that we simply cannot build infrastructure fast enough so we have to be smart and do the best we can with we have, while we look for the funding to improve our ports of entry.

Let me highlight a few of the key programs that have set us apart. First is Unified Cargo Processing, a program where US and Mexican customs conduct joint truck inspections. It sounds simple but this is an innovative program that just a few years ago was unheard of. It was developed in Nogales and now it is available at

our three commercial ports, and it is now available in both the rail and air environments.

We also have the Border Liaison Unit for truck safety inspections. This is a one-of-a-kind program through which ADOT inspectors train Mexican truck drivers on the truck safety inspection process. This program has resulted in higher compliance rates, less fines and fewer out-of-service orders for trucks, resulting in safer Arizona roads.

ADOT has also implemented a Touchless Border program, whereby truckers can secure all their permits online, instead of having to park their trucks at the border, walk in and pay for the permit. What used to take up to 30 minutes, can now be done in seconds on a computer. This is not just a gain in efficiency, but it is also a huge gain in the fight against the spread of COVID-19. Since the beginning of the year, ADOT has done over 150,000 touchless transactions at the border. These programs are unique to Arizona, helping to make us an ideal place to do business.

Let me wrap up by telling you about the key border projects that are in the pipeline. First is the modernization of the DeConcini Port of Entry. This is the downtown crossing at Nogales and it is in desperate need of investments. It is falling apart. It gets flooded during the monsoon season. And the facilities are right at the border, which does not permit Customs to deploy any advanced efforts or technologies. In fact, it is a dangerous situation to have the facilities literally at the border. Ports are now built hundreds of feet away from the border to allow for the deployment of technology and offers staging space.

We also have the modernization of the San Luis 1 port of entry, where they need \$146 million more to pay for the full buildout of the project. There is already \$152 million in the bank to pay for phase 1. This project will tear down the existing port and rebuild it into a state-of-the-art facility.

And there is the Douglas Two-Port solution. The City of Douglas is donating 80 acres of land to the west of Douglas to build a new commercial port of entry. This will allow for all commercial traffic to be taken out of downtown to the new port and converting the existing port for cars and people only.

I would ask that you each contact your congressional offices and ask for their support in the funding of each of these projects.

Allow me to conclude with a reminder of the importance of the border for all of Arizona. The border is important for trade, tourism, security, safety, and investment on both sides of the border.

I look forward to answering your questions or hearing any comments that you might have. Thanks again for the invitation to be with you today.

10. **SR189 UPDATE**



- ADOT provided an update on the progress of the SR-189 Modernization project.
- According to ADOT, the progress continues to move ahead of schedule and on budget.
- There are concerns over the impacts to the construction due to the Monsoons and possible flooding situations that may impact operations.

11. **FPAА LETTER TO CBP ON YEAR-ROUND SUNDAY SERVICE**

- In a letter dated July 29, 2021, The Fresh Produce Association of the Americas (FPAA) sent a letter to Director Guadalupe Ramirez of the Tucson Field Office of CBP asking for a modification for the year-round Sunday service offered at the Mariposa Port of Entry.
- As stated in the letter, the FPAA expressed that “Upon consultation with the larger industry users of CBP Commercial Sunday services, the FPAA would like to suggest that CBP and all partners commit to opening on Sundays from Nov. 1 through July 15. This will encompass the bulk of the importing season and will provide a large enough window of Sunday service that companies can make predictable changes in their supply chain to best use these hours.”
- Sunday service remains a critical aspect of international logistics for the fresh produce industry, particularly during the peak production season.
- A copy of the letter is provided in Attachment #5.

Attachment #1

Copy of letter on NADBank expanded Role



June 28, 2021

Calixto Mateos-Hanel
Managing Director
North American Development Bank
203 South St. Mary's, Suite 300
San Antonio, Texas 78205

RE: Public Comment on Proposal for New Project Types for NADBank

Dear Mr. Mateos-Hanel,

On behalf of the Greater Nogales Santa Cruz County Port Authority, I am writing to express our support for the expanded role for the North American Development Bank (NADBank). NADBank is in a unique position to work with both governmental entities and the private sector to address a broad spectrum of infrastructure projects on the US-Mexico border region. Most banks are strictly driven by profits without understanding the long-term potential of the border and the dynamism that surrounds cross-border business – NADBank does.

We are confident that NADBank will be able to expand its project portfolio with ease, as the bank already has some of the most talented and knowledgeable banking professionals in North America, professionals that also understand cross-border dynamics. Thus we believe that NADBank will be able to quickly expand into other projects that are in desperate need of financing alternatives.

From ports of entry, multimodal transportation, clean energy, green industrial and warehouse facilities, and other green-infrastructure projects are all areas of great need in our community and NADBank would be able to offer financing alternatives to help bring these projects to fruition.

The expansion into these type of projects will not only support the transition to a “green economy” but also create new job opportunities for residents living on both sides of the border.

NADBank has been a great partner to work with on addressing the current needs of our community such as improvements to the International Outfall Interceptor (IOI), the

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NorthAmerican Development Bank
June 29, 2021

Nogales Wash, and cross-border stormwater flows. We look forward to the opportunity to partner with you and NADBank on future projects that improve the quality of life of our residents and contribute to the sustainable growth of the region.

The Board of Directors of the Port Authority is comprised of the City of Nogales, Santa Cruz County, the Fresh Produce Association of the Americas, the Nogales Customs Brokers Association, INDEX Nogales, Nogales Community Development, Nogales-Santa Cruz County Economic Development Foundation, and the Santa Cruz County Mining Cluster.

We are grateful for the opportunity to submit comments on this exciting expansion and look forward to our continued and growing relationship with you and NADBank.

Respectfully,



Josh Rubin
Vice Chair

cc: Juan Ciscomani, Senior Advisor, Office of the Governor of Arizona

Attachment #2

Copy of letter from Arizona Senators on Port of Entry Funding



July 2, 2021

The Honorable Chris Murphy
 Chairman
 Appropriations Subcommittee on
 Homeland Security
 Washington, D.C. 20510

The Honorable Chris Van Hollen
 Chairman
 Appropriations Subcommittee on Financial
 Services and General Government
 Washington, D.C. 20510

The Honorable Shelley Capito
 Ranking Member
 Appropriations Subcommittee on
 Homeland Security
 Washington, D.C. 20510

The Honorable Cindy Hyde-Smith
 Ranking Member
 Appropriations Subcommittee on Financial
 Services and General Government
 Washington, D.C. 20510

Dear Chairman Murphy, Chairman Van Hollen, Ranking Member Capito, and Ranking Member Hyde-Smith,

As your Subcommittees begin work on the Fiscal Year 2022 (FY22) budget proposal, we ask that robust funding be included in the Homeland Security and the Financial Services and General Government appropriations bills for land ports of entry construction projects critical to the United States and to the state of Arizona.

In Arizona, more than 8.5 people million passed through a port of entry in 2019; and, despite COVID-19 border crossing restrictions for non-essential travel, 423,000 commercial trucks entered through Arizona's ports in 2020, an increase from 416,000 in 2019.¹ Census Bureau estimates indicate that \$29 billion worth of goods and services crossed through Arizona ports of entry in 2019. This cross-border trade is critical to the entire national economy and will help us recover from the COVID-19 economic downturn. Ports of entry also play a critical role in protecting our communities and securing our border. Most seizures of illicit drugs at our border occur at the ports of entry,² and well-funded and properly staffed ports are better prepared to combat the flow of illegal goods.

Each year, the General Services Administration (GSA) and U.S. Customs and Border Protection (CBP) produce a five-year capital investment plan, which lists the ports of entry projects most in need of federal support. The most recent five-year plan³ included three projects in Arizona, including the San Luis I Port of Entry modernization project, the construction of a new commercial Port of Entry in Douglas, and the renovation of the Raul H. Castro Port of Entry. Completion of these projects, in addition to the modernization of the Nogales-Dennis DeConcini Port of Entry in Nogales, will facilitate additional cross-border trade, improve our nation's border security, and help our state and nation recover from COVID-19.

We were pleased to see that funding to complete the San Luis I Port of Entry modernization project has been included in the Department of Homeland Security's (DHS) FY22 budget request. We ask that the request for port of entry modernization projects in the DHS budget be fully funded at \$655 million. Additionally, we ask that \$3 billion be provided to GSA's Federal

¹ <https://www.bts.gov/content/border-crossingentry-data>

² <https://www.cbp.gov/newsroom/stats/cbp-enforcement-statistics>

³ U.S. General Services Administration Report on the State of the Land Ports of Entry Portfolio, 2020

Building Fund to cover all outstanding Port of Entry projects in the CBP-GSA 5-year capital investment plan, including the two Douglas Port of Entry modernization projects. Lastly, in order to begin modernizing the Nogales-Dennis DeConcini Port of Entry, we ask that \$1 million be provided to GSA to conduct a feasibility study for modernization of this port.

Fully funding these requests will ensure our nation makes the necessary investments to improve the efficient flow of trade, reduce congestion at the ports, and make infrastructure updates that protect our border communities and the entire nation. Thank you for your ongoing leadership, and we ask that you prioritize these important requests in the FY22 appropriations bills.

Sincerely,



Mark Kelly
United States Senator



Kyrsten Sinema
United States Senator

Attachment #3

Copy of letter in Support of RAISE Grant Application



June 24, 2021

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

Re: Support for Santa Cruz County 2021 RAISE Planning Grant Application

Dear Secretary Buttigieg,

On behalf of the Greater Nogales Santa Cruz County Port Authority, I write to express our support for the Santa Cruz County's application for a 2021 RAISE planning grant. In order to ensure the sustainable growth and development of our binational community, it is imperative that we offer a multimodal alternative for industry. The grant would help pay for a development plan for a state of the art, efficient and scalable multimodal yard at Rio Rico, Arizona.

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

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

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

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

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Secretary Pete Buttigieg
US Department of Transportation
June 24, 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.

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

Respectfully,

A handwritten signature in black ink, appearing to read 'Joshua Rubin', written in a cursive style.

Joshua Rubin
Vice Chair

Attachment #4
Copy of IBWC Contract Award Announcement



**International Boundary and Water Commission
United States Section**

For immediate release
July 13, 2021

**USIBWC AWARDS CONTRACT TO
REHABILITATE SEWAGE PIPELINE IN NOGALES, ARIZONA**

The United States Section of the [International Boundary and Water Commission](#) (USIBWC) on July 13, 2021 awarded a \$13.8 million contract to SAK Construction to rehabilitate a sewage pipeline in Santa Cruz County, Arizona known as the international Trunkline and International Outfall Interceptor (IOI).

The pipeline conveys wastewater from the cities of Nogales and Rio Rico, Arizona and Nogales, Sonora to the Nogales International Wastewater Treatment Plant (NIWTP) in Rio Rico. Installed between 1970 and 1971, it is comprised of reinforced and unreinforced concrete pipe that ranges in size between 24 inches and 42 inches in diameter. Much of the pipeline lies underneath the Nogales Wash channel and Potrero Creek. The contract will include installation of protective measures for the upgraded IOI in key locations vulnerable to damage from stormwater and debris.

The rehabilitation of the 9.9-mile-long pipeline was divided into five phases. The work under this contract is limited to Phases 1, 2, and 3 and includes rehabilitation of 56 manholes and over 5 miles of the sewage pipeline. Construction is expected to be completed in 2023.

Phase 1 nearest the NIWTP covers 1.6 miles of the most deteriorated part of the pipeline. Phase 2 covers the first 2.1 miles from the international boundary, and Phase 3 starts at the terminus of Phase 2 and extends another 1.6 miles north to near West Produce Row.

SAK Construction will use Cured-in-Place-Pipe (CIPP) technology where a liner is inserted in the existing pipeline then cured to form a solid pipeline inside the old pipeline. Because this technology doesn't require excavation of the pipeline, construction will cause less traffic disruption.

Rehabilitation of the Trunkline and IOI is being undertaken with funding participation from the USIBWC, and supplemental funds from the Mexican Section of the International Boundary and Water Commission, the State of Arizona, and Freeport McMoRan Foundation.

“This is a critical project, and we’re excited for the work to begin,” said Acting Commissioner Daniel Avila. “The pipeline has reached its useful life and, once it’s rehabilitated, this critical infrastructure will be able to continue serving the community. We appreciate all the assistance received from the Arizona Department of Environmental Quality and our funding partners to get this project moving forward.”

The USBWC expects to award a construction contract for the final two phases of the IOI rehabilitation in 2022 subject to the availability of appropriations.

The International Boundary and Water Commission, United States and Mexico, is responsible for applying the boundary and water treaties between the two countries. The USBWC operates and maintains the Nogales International Wastewater Treatment Plant.

News Media Contact:

Lori Kuczanski
915-494-6027
lori.kuczanski@ibwc.gov

Attachment #5
Copy of FPAA Letter on Sunday Service



Leonardo Tarriba
Chairman

Rod Sbragia
Chairman Elect

Scott Vandervoet
Past Chair

Bobby Astengo

Gonzalo Avila

Chris Ciruli

Raquel Espinoza

Jorge Gamez

Juan Manuel Ibarra

Demetrio Kyriakis

Martin Ley

Matt Mandel

James Martin

Jose Antonio Martinez

Eric Meyer

Juan Pablo Molina

Bert Monteverde Jr.

Jimmy Munguia

John Pandol

Walter Ram

Mikee Suarez

Leslie Sykes

Chuck Thomas

Lance Jungmeyer
President

Jeff Sandquist
Veridus
Arizona Representative

Britton Mullen
BC Consulting
Washington Representative

July 29, 2021

Guadalupe Ramirez
Director of Field Operations
Tucson Field Office
U.S. Custom and Border Protection
4740 North Oracle Rd., Suite 310
Tucson, AZ 85705

Dear DFO Ramirez,

On behalf of the Members of the Fresh Produce Association of the Americas (FPAA), we would like to acknowledge the ongoing commitment of the Tucson Field Office to effectively work with the importing industry to best facilitate legitimate trade while safeguarding the United States.

In particular, the FPAA has been extremely grateful that CBP has offered Sunday commercial crossing services at the Nogales Mariposa POE for the last several years. This has been very important for the supply chain of fresh produce, particularly as COVID-19 has increased the demand for food.

We believe that consistent service on Sundays for a pre-determined period of time provides the most effective way to allow the industry to continue to plan for and most effectively use the service. We appreciate CBP working with the industry as we strive to find the exact right balance of service days to provide industry efficiencies in commercial Sunday hours while keeping in mind the wise use of resources in opening the port for commercial service on Sundays.

We are disappointed that Mexican Customs is unable to continue staffing Sunday service for the time being in a year-round capacity, and we are working with the Mexican government and trade partners to highlight and address this concern and restore funding for consistent, expanded Sunday service through Nogales.

In order to make the best use of CBP and other resources, including Arizona Department of Transportation, the FPAA would like to request that CBP temporarily suspend, until Nov. 1, the Sunday commercial crossings at Nogales Mariposa POE.



Upon consultation with the larger industry users of CBP Commercial Sunday services, the FPAA would like to suggest that CBP and all partners commit to opening on Sundays from Nov. 1 through July 15. This will encompass the bulk of the importing season and will provide a large enough window of Sunday service that companies can make predictable changes in their supply chain to best use these hours.

The work of CBP and its partners to keep our ports of entry safe, secure, and efficient is never ending, and is extremely important. The FPAA appreciates the opportunity to frankly address and solve challenges such as this, and we look forward to your response.

Sincerely,

A handwritten signature in black ink, appearing to read "LJ", enclosed in a thin black rectangular box.

Lance Jungmeyer
President

CC:

Ambassador Esteban Moctezuma Barragán, Embassy of Mexico, Washington, DC
Mtro. Horacio Duarte Olivares, Administrator General of Mexican Customs, Mexico City, Mexico
Lic. Victor Manuel Nuñez Gomez, Mexican Customs Administrator, Nogales, Son., Mexico
Juan Ciscomani, Senior Advisor for Regional and International Affairs,
Office of Arizona Governor Doug Ducey
John Halikowski, Director, Arizona Department of Transportation