

May 22, 2023

TO: Mr. Jaime Chamberlain, Chairman

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

SUBJECT: Monthly Report of Activities – April 2023

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

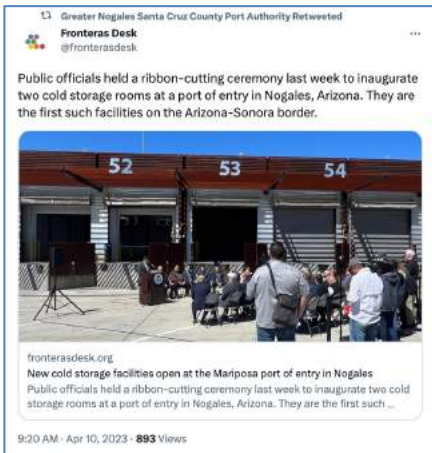
Our recent activities on behalf of the GNSCCPA have focused on the following key areas:

1. Mariposa Cold Rooms Project Update;
2. ADOT Director Visits Nogales;
3. Letter to City of Nogales on Port Authority Funding;
4. Presentation for ASU Cronkite/ITAM delegation Visiting Nogales;
5. Arizona DEC International Briefing for State Legislature;
6. ADEQ Director Visits Nogales;
7. Arizona Border Congressional Briefing;
8. Event Hosted by the Tucson Hispanic Chamber;
9. Sinema Press Release on Port Maintenance Legislation; and
10. PA Hosts Valley Leadership “Explore” Group.

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

1. MARIPOSA COLD ROOMS PROJECT UPDATE

- On April 6, Port Authority hosted the Ribbon Cutting Ceremony marking the completion of the construction phase. Congratulation to the Port Authority for yet another successful project that elevates the community to newer levels!
 - Remaining issues are the connection of the closed-circuit television system and some punch-list items identified by the General Services Administration that are being finalized.
- Special thanks to Board member Guillermo Valencia for representing the Port Authority during the process to advance the project from inception.
- A copy of the press release is provided in Attachment #1.



2. ADOT DIRECTOR VISITS NOGALES

- On April 5th, Jennifer Toth, Director of the Arizona Department of Transportation visited Nogales to meet with stakeholders and learn more about local business sectors.
- Since taking over the Department, Director Toth has been to Nogales twice.
- Discussions ranged from the collaborative and productive relationship Nogales has had with ADOT over the years, the importance of the border for Arizona and the nation, and the variety of business sectors that have a strong foothold in Nogales and the binational region.



3. LETTER TO CITY OF NOGALES ON PORT AUTHORITY FUNDING

- On April 6, the Port Authority sent a letter to City of Nogales Mayor and Council asking the city to consider sponsoring the Port Authority once again at \$50,000 per year.
- "The Port Authority is grateful to the city, one of the original founding members, for its continual support and involvement. Every Mayor, including Mayor Jorge Maldonado, has sat on the Board of Directors of the port Authority since our creation, some 18 years ago. The city's involvement has been essential and together, along with the rest of the Board and a committed cadre of leaders, has enabled the Port Authority to emerge as a steadfast advocate for Nogales," stated Chairman Chamberlain in the letter to the city.
- A copy of the letter to the city is provided in Attachment #2.

4. PRESENTATION TO ASU CROKITE/ITAM DELEGATION VISITING NOGALES

- On April 6, a delegation from ASU Cronkite School and ITAM (*Instituto Tecnológico Autonomo de Mexico*) visited Nogales to help future journalists get a better grasp of the realities of the border.
- Lead by Dr. Andres Martinez of the Cronkite School at ASU, the delegation visited the ports of entry, toured the community, and engaged with both public and

private sector leaders in the community to discuss the realities versus the perceptions of the border.

- Special thanks to Chairman Chamberlain, Supervisor Bracker, Director Toth and Director Marisol Flores-Aguirre for taking the time to interact with the students.



5. ARIZONA DEC INTERNATIONAL BRIEFING FOR STATE LEGISLATURE

- On April 11, 2023, the Arizona District Export Council (AZDEC) hosted a briefing at the State Legislature on international trade.
- Chairman of the AZDEC Luis Ramirez, joined Chairman Chamberlain and other leaders and members of the AZDEC in a broad ranging discussion with several legislators on a broad range of topics touching on international trade, foreign direct investment, supply chain development and the importance of physical infrastructure to support the flow of goods and people.
- More information on the Council can be found at <https://azdec.org>.



6. ADEQ DIRECTOR VISITS NOGALES

- On April 12, 2023, Arizona Department of Environmental Quality, Karen Peters, conducted a visit to Nogales to get familiarize first-hand on the issues impacting the community.
- From issues associated with the Nogales Wash, to the International Outfall Interceptor, to the stormwater issues that impact Ambos Nogales, the Director was able to see and hear directly from local stakeholders.
- Special thanks to Chairman Chamberlain and board members Mayor Jorge Maldonado, Supervisor Bruce Bracker and Pat Risner for participating in the meeting.
- Joaquin Marruffo of ADEQ, who organized the visit, is spearheading all international programs for the agency.



7. ARIZONA BORDER CONGRESSIONAL BRIEFING

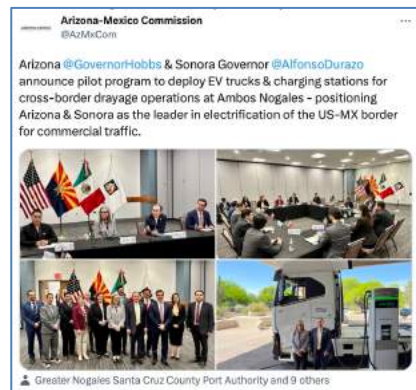
- On April 14, the border communities came together to provide a briefing on border issues and projects for the Arizona Congressional Delegation staff.
- The presentations covered a broad range of key topics from border infrastructure and staffing models for ports of entry, to collaboration and coordination with Mexico.
- In a joint effort, the Port Authorities came together to cover the expense of the event.
- Special thanks to Pima County for hosting the event at their facilities at the County Complex in Yuma
- With 8 of the 11 congressional offices participating, presentations were provided by:
 - US Customs and Border Protection
 - US General Services Administration
 - North American Development Bank

- San Luis (City of San Luis, Yuma County, and Greater Yuma Port Authority)
- Nogales (City of Nogales, Santa Cruz County, and the Port Authority)
- Douglas (City of Douglas, Cochise County, and Douglas International Port Authority)
- Office of the Governor
- Arizona Department of Transportation
- Arizona Department of Environmental Quality



8. EVENT HOSTED BY TUCSON HISPANIC CHAMBER WITH GOVERNORS OF ARIZONA AND SONORA

- On April 24, 2023, the Tucson Hispanic Chamber of Commerce hosted an event that featured Governor Katie Hobbs of Arizona and Governor Alfonso Durazo of Sonora along with 7 mayors from a variety of communities from both sides of the border.
- Under the auspices of the event, the two Governors held strategic meetings, including one in which they supported the proposed pilot program for the use of electric trucks from cross-border drayage operations at Ambos Nogales.
- The governors took the opportunity to highlight the strong collaborative relationship between both states, particularly in key areas including supply chain development, border infrastructure and agreed to share information on issues relating to the end of Title 42.



9. SENATOR SINEMA’S PROPOSAL FOR PORT OF ENTRY MAINTENANCE

- On April 24, Senator Kyrsten Sinema of Arizona, along with her colleague, Senator James Lankford of Oklahoma, introduced SB 243, legislation that would allow Customs and Border Protection conduct their own maintenance projects, not to exceed \$300,000 per incident, at ports of entry, without having to wait for approval by the General Services Administration.
- This is intended to allow for CBP to respond in an expedited manner to circumstances that may arise at any given port of entry that require immediate action.
 - Having to wait for approvals from GSA may mean extended interruption of operations at the ports.
- A copy of the press release is provided below.
- A copy of the proposed bill can be found at <https://www.congress.gov/bill/118th-congress/senate-bill/243>

Homeland Security Committee Clears Sinema Bill Allowing CBP Commissioner to Repair Ports of Entry at Southwest Border

Sinema’s bipartisan legislation grants CBP the authority to conduct maintenance projects in a timely manner

WASHINGTON – The U.S. Senate Homeland Security Committee approved bipartisan legislation introduced by Arizona senior Senator Kyrsten Sinema and Republican Senator James Lankford (Okla.) allowing Customs and Border Protection (CBP) to conduct maintenance projects at ports of entry at the Southwest border.

“Arizona’s ports of entry are our first line of defense in stopping dangerous drugs and individuals. We’re allowing CBP leadership to take action to keep Arizona border communities safe and secure without needing to wait on Washington,” said Sinema, Chair of the Senate Border Management Subcommittee.

Sinema’s bipartisan legislation grants the Commissioner of CBP the authority to conduct maintenance projects at ports along the Southwest border in a timely manner – allowing CBP to keep communities safe without waiting for the approval of the General Services Administration.

As Chair of the Subcommittee on Government Oversight and Border Management, Sinema has been laser-focused on bringing colleagues and stakeholders together in search of common sense, lasting solutions that address the ongoing security and humanitarian crisis at the Southwest border.

Sinema recently succeeded in pushing for the increased utilization of Non-Intrusive Inspection (NII) along the Southwest border, which is proven to improve CBP’s ability to detect attempts to smuggle narcotics and other contraband through ports of entry and into Arizona communities. In last year’s end of year bills, the Senator also helped secure \$230 million for border security technologies, \$99.9 million for Customs and Border Protection (CBP) facilities construction and improvements, and \$15 billion for CBP operations and support, helping ensure that CBP has the tools it needs to help keep dangerous drugs out of Arizona communities.

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<https://www.sinema.senate.gov/homeland-security-committee-clears-sinema-bill-allowing-cbp-commissioner-repair-ports-entry>

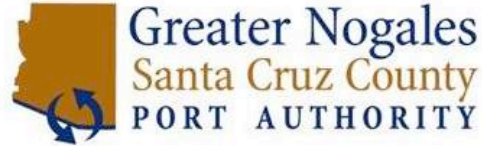
10. PORT AUTHORITY HOSTS VALLEY LEADERSHIP “EXPLORE” GROUP

- On April 28, 2023, the Port Authority hosted a delegation from Phoenix’s Valley Leadership “Explore” group.

- Valley leadership arranges border visits for a select group of leaders from the Phoenix metropolitan area. Their visit included the Yuma/San Luis Region and Ambos Nogales.
- Special thanks to Board members Supervisor Bruce Bracker, Nilo Larriva, Guillermo Valencia, and Josh Rubin, along with Allison Moore of the Fresh Produce Association of the Americas, for leading the discussions and providing insights and tours of local business operations during the visit.



Attachment #1
Copy of Cold Rooms Press Release



FOR IMMEDIATE RELEASE

April 6, 2023

Contact: Martin Rodriguez

Email: info@nogalesport.org

Cell: (602) 796-7047

Cold Room Facilities to Improve Commercial Processing at Mariposa Port of Entry

NOGALES, Ariz. — The Greater Nogales Santa Cruz County Port Authority (GNSSCPA) hosted a ceremony earlier today to celebrate the construction of new cold storage facilities at the Mariposa Land Port of Entry (LPOE), enhancing the processing capability for commercial operations on the Arizona-Mexico Corridor.

The new cold storage facilities provide a temperature-controlled environment to inspect perishable produce and goods entering the United States. This \$900,000 investment was jointly funded by the State of Arizona, Santa Cruz County, and the Nogales U.S. Customhouse Brokers Association.

“Up until today, California, New Mexico and Texas could offer this, but not Arizona. Today, and in a collaborative effort with several stakeholders, we are adding an arrow to the Arizona-Mexico Trade Corridor quiver - cold rooms that can ensure the integrity of the cold supply chain,” stated Jaime Chamberlain, Chairman of the Greater Nogales Santa Cruz County Port Authority.

“The County is proud to have been a partner and co-sponsor of this project. This is another tool that we can leverage alongside the millions already invested in our regional infrastructure to further attract trade through Nogales,” stated Supervisor Bruce Bracker, Santa Cruz County Supervisor.

“As the project manager, I am excited to see the cold rooms become operational and ready to receive customers! We are thankful for dedication and close coordination with our partners at CBP and GSA whose input was critical from start to finish,” stated Guillermo Valencia, on behalf of the Nogales U.S. Custom House Brokers.

Present at the event were members of the Board of Directors of the Port Authority, representatives from the Office of the Governor of Arizona, the Arizona Department of Transportation, the U.S. Consulate General in Nogales, Sonora, and the Consulate General of Mexico in Nogales, Arizona, the General Services Administration, and U.S. Customs and Border Protection.

About GNSSCPA:

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.

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Attachment #2

Copy of letter to City of Nogales on Funding



The Honorable Jorge Maldonado
Members of City Council
City of Nogales
777 North Grand Avenue
Nogales, Arizona 85621

RE: Request for Funding

Honorable Mayor and Member of Council,

On behalf of the Greater Nogales Santa Cruz County Port Authority I write to you today asking for the City to renew their annual sponsorship of the Port Authority once again at \$50,000 per year.

The Port Authority is grateful to the City, one of the original founding members, for its continual support and involvement. Every Mayor, including Mayor Jorge Maldonado, has sat on the Board of Directors of the port Authority since our creation, some 18 years ago. The City's involvement has been essential and together, along with the rest of the Board and a committed cadre of leaders, has enabled the Port Authority to emerge as a steadfast advocate for Nogales.

Just this past Thursday, April 6, 2023, we cut the ribbon on the new cold rooms at the Mariposa Port of Entry. This is yet another example of the work that the Port Authority has undertaken for our community. The cold room, with a combined investment of some \$900,000 may not be large project, but it is an essential one that makes Nogales and Arizona more competitive when comparing our trade corridor to those that lead to California, New Mexico, and Texas. Up until this ribbon cutting, Arizona could not guarantee the integrity of a cold chain for temperature sensitive commodities – thus those commodities that include berries, avocados, and shrimp – opted for other ports of entry.

Over the close to two decades that the Port Authority has been advocating for Nogales, more than \$450 million worth of infrastructure has come into our community. Those projects include the modernization of the Mariposa port of entry, the modernization of Mariposa Road, and one that is currently underway, the cure-in-place of the International Outfall Interceptor. And over the past 18 months or so, we have dedicated quite a bit of time to participating in the update to the Arizona-Sonora Border Infrastructure Master Plan. The Port Authority also participated in the original study in just over a decade ago, in 2012-13.

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But lesser-known projects include the deployment of the SENTRI lanes at the DeConcini port of entry, the modernization of the rail inspection yard at Rio Rico, the upgrades to the Nogales-Tucson rail corridor, even the construction of the Agua Zarca rail yard just south of Nogales, Sonora, and several others. We have also advocated and supported the efforts to modernize Mexican Highway 15 which runs from Mexico City to Nogales, a corridor that has now been completed and city-passes have been completed around Guadalajara, Tepic, Mazatlán, Ciudad Obregon, and Hermosillo.

But our work has not solely focused on infrastructure. Over the years, we have worked on several initiatives that affect the inspection process at the ports of entry, the quality of life of our residents, and during the pandemic, worked to support vaccination programs. On the vaccinations during the pandemic, we helped facilitate a dialogue between County and State health Authorities and Customs and Border Protection to make sure CBP and Border Patrol personnel would be vaccinated. Some of our initial efforts focused on working with our federal partners on the deployment of the Laser Visa and making sure that the flow of tourists would not be impacted by new documentary requirements for border-crossers. For some of our efforts, we have worked with our Congressional delegation on several initiatives that include increasing staffing at our ports of entry and even worked to create programs that incentivized CBP recruits to come to ports like Nogales over other more urban locations.

The Port Authority has also taken to be becoming more accessible and finding more ways to share information. We are active on social media including Twitter, Instagram, and LinkedIn. And since the start of the pandemic, we have moved to a hybrid model for all our board meetings. In fact, during the periods of the pandemic when presential meetings were avoided, our board meetings became a great vehicle to coordinate efforts among local, state, and binational players. In fact, several of our congressional offices have representatives that participate and provide updates during these meetings.

But we are not focused on looking back but rather we are always focused on what other areas of need are impacting our growth, our quality of life and our local businesses. To that end, we have identified the Port Authority Key Issues that identifies the key issues that garner our day-to-day attention and resources. This is a document that our Board or anyone from Nogales can use whenever they are meeting with key decision makers in Washington, D.C., or Mexico City. This helps us to ensure a coordinated and cohesive message on behalf of our community. A copy of that document is attached for your consideration, and it is also available on our website: nogalesport.org.

Among the key issues that we are working on today are:

- Modernization of the I-19 Interchanges at Ruby Road and Rio Rico Drive, along with the frontage roads on both sides of the freeway;
- Modernization of the bridges over the railroad and the Nogales Wash;
- Modernization of the DeConcini Port of Entry;
- Embracing programs that promote Workforce Development;
- Creating solutions to stormwater issues in Ambos Nogales;

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- Expediting traffic at the Querobabi Military Inspection Station on MX-15;
- Support for the Nogales Wastewater Improvement Act;
- Promote the development of a Multimodal Rail Facility at Rio Rico;
- Support the fresh produce industry; and
- Promote the retail sector.

But we are not limited to these key issues. There are opportunities that arise that we must embrace and champion due to timing or conditions. For instance, we have been active supporter of HB2543 in the Arizona legislature, an appropriations bill that would fund some \$330 million worth of projects in rural Arizona. This bill includes four key projects in Nogales including the modernization of Frank Reed Road and Industrial Park Drive, the intersection at Camino Ramanote and the Ruby Road/Potrero Creek Bridge. These four projects would receive a combined \$7.4 million. The bill has made it out of the Arizona House of Representatives and is now undergoing the necessary committee reviews in the Arizona Senate. This is an example of the type of action and flexibility we must maintain to leverage our access, our knowledge and tradition of advocacy.

In many ways our efforts are dedicated to efforts that promote investments and job creation in our community. We are fully embracing the need to develop our local workforce. This is an essential task to support our traditional job creators, including the fresh produce industry, customs brokers, logistics service providers, and the manufacturing sector, but also new areas of opportunity afforded to our community from investments in the mining sector. We are excited about the jobs that are being created but we need to make sure that all sectors in our community can find the qualified personnel that they need in the future.

But the secret to our success is simple: we remain focused and strive to build consensus. We believe that the return on the investment in the port authority has paid tremendous dividends.

Honorable Mayor and members of Council, I hope you all agree that the work of the port authority must not only continue but we must find the way to elevate our activities. To that end, we hope that you will once again fund the port authority at the \$50,000 level.

We look forward to the opportunity of engaging with you to discuss this request and answering any questions you might have. Again, we are proud of the work we have done and are grateful for the support by the city, but a lot is still in front of us.

Respectfully,



Jaime Chamberlain
Chairman