

December 16, 2022

TO: Mr. Jaime Chamberlain, Chairman

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

SUBJECT: Monthly Report of Activities – November 2022

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

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

1. Mariposa Cold Rooms Project Update;
2. Port Authority Hosts Delegation from Cronkite School;
3. US Consulate Hosts Reception with Ambassador Salazar;
4. BIMP Project Prioritization Workshop;
5. ADOT-BLU Workshop for Sinaloa Drivers and Industry Representatives;
6. “Friend of the Border Award” Presented to Misael Cabrera;
7. Governor’s Visit to Mexico City for Top Level Industry meetings;
8. Governor-Elect Meets with Governor Durazo and Ambassador Moctezuma;
9. ADOT Creates ICCS; and
10. Border Crossing Data.

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

1. MARIPOSA COLD ROOMS PROJECT UPDATE

- The technical team continues to hold monthly calls to define next steps as the construction phase of the project continues.
- Port Authority is working with Contractors to define completion date.



2. PORT AUTHORITY HOSTS DELEGATION FROM CRONKITE SCHOOL

- On November 15, 2022, at the request of Professor Rick Rodriguez from the Cronkite School at Arizona State University (ASU), the Port Authority organized a discussion for a group of journalism students taking a course focused on transnational issues.
- This is an opportunity to present the realities of the border, trade, and tourism to students so that they are not simply focused on headlines.
- Special thanks to Chairman Chamberlain and the Port Authority board members that helped out in the briefing and hosting the students during their visit to Nogales.



3. US CONSULATE HOSTS RECEPTION WITH AMBASSADOR SALAZAR



- On November 15, representatives of the Port Authority participated in a dinner and reception hosted by US Consul General Laura Biedebach in honor of Ambassador Ken Salazar, US Ambassador to Mexico, during his visit to the Ambos Nogales region.
- Ambassador Salazar has taken a keen interest on border issues and border infrastructure since his arrival in Mexico. He brings a lot of attention to these issues in both Mexico City and Washington, D.C.
- Chairman Chamberlain, and Vice Chair Josh Rubin, and Board Members Supervisor Bruce Bracker and Guillermo Valencia represented the Port Authority and took the opportunity to raise the need to modernize the DeConcini port of entry as soon as possible.
- The Ambassador highlighted the importance of the bilateral relationship and the need to continue to work together.

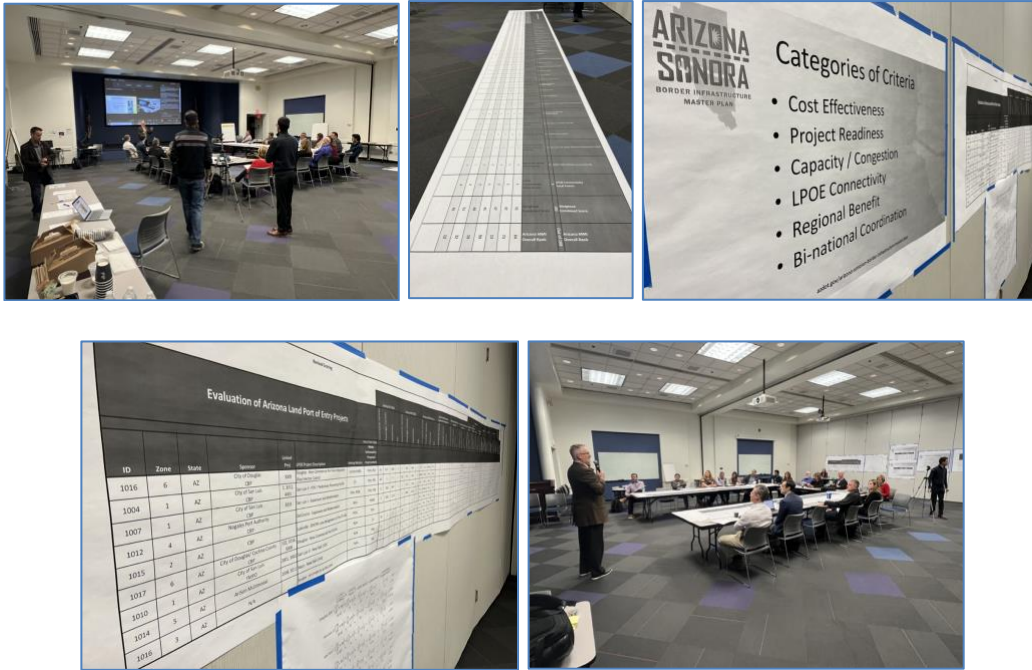


4. BIMP PROJECT PRIORITIZATION WORKSHOP

- On November 17th, the Arizona Department of Transportation held a project prioritization workshop for the Arizona-Sonora Border Infrastructure Master Plan.
- During this meeting, the consultant team provided a detailed overview of the project evaluation criteria and how projects would be evaluated.
- It also offered an opportunity for the Policy Advisory Committee (PAC) to provide input on the weighting that would be given to each criterion.
- To ensure that the Nogales-Santa Cruz County region has the necessary input into the process, a meeting will



be held at Nogales City Hall on January 18, 2023. It is imperative that all local and regional stakeholders plan to be at this meeting in person, if possible, as it will be one of the final opportunities for stakeholders to provide direct input on the listing and ranking of projects.



5. ADOT-BLU WORKSHOP FOR SINALOA DRIVERS AND INDUSTRY REPRESENTATIVES



- On November 24, ADOT hosted the first virtual training session for truck drivers and industry representatives from Sinaloa.
- This is an effort to offer the benefits of the Border Liaison Unit (BLU) to Sinaloa companies, contributing to the efforts of enhanced compliance from Mexican truck drivers, fewer fines and safer roads in Arizona.
- This is being coordinated through the Transportation, Infrastructure and Ports Committee of the Arizona-Mexico Commission.
- This is the first of, what promises to be, a series of training seminars for exporting industries in Sinaloa.

6. “FRIEND OF THE BORDER” AWARD PRESENTED TO MISAEI CABRERA

- During the Port Authority Board Meeting on November 30, the Board of Directors presented the “Friend of the Border” Award to Misael Cabrera, Director of the Arizona Department of Environmental Quality, for his tireless efforts that advance the mission and vision of the Port Authority.
- Under his leadership, ADEQ has been a champion for the Ambos Nogales region – from spearheading negotiations that resulted in a \$38 million settlement with the International Boundary and Water Commission that is being invested for a cure-in-place of the International Outfall Interceptor (IOI), to the creation of the Arizona-Sonora Border Environmental Plan, to aiding during major floods and ruptures of the IOI, and much more.
- Director Cabrera built a team that was responsive and understanding of the uniqueness of cross-border environmental issues.
- Director Cabrera joins previous recipients:
 - William K. Brooks (d.)
 - John Halikowski
 - Virginia Staab



7. GOVERNOR’S VISIT TO MEXICO CITY FOR TOP LEVEL MEETINGS

- On November 20-21, Governor Doug Ducey led a small delegation to Mexico City. The visit centered around the Arizona Cardinals Football game.
- The Governor held strategic meetings on key areas of interest for Arizona:
 - Grupo Bal, Mexico’s second largest conglomerate with major investments in the mining sector through two of its subsidiaries,

Fresnillo and Peñoles, for high-level discussions on future investments in the mining sector to support its development in the Arizona-Sonora region.

- INDEX, CANIETI and FEMIA, organizations that combined represent the majority of Mexico's manufacturing in the aerospace, automotive, electronics and other areas of export manufacturing.
- The Governor highlighted the major investments that Arizona has made in border infrastructure and the programs that have enhanced the border crossing experience for goods and people at the border which have set the Arizona border apart from the rest.
- Additionally, the Governor highlighted that Arizona is focused on developing a robust supply chain for key sectors, particularly those that will support the major investments being made in microchip processing.



Governor Meets with Grupo Bal



Governor meets with leadership of INDEX, CANIETI and FEMIA

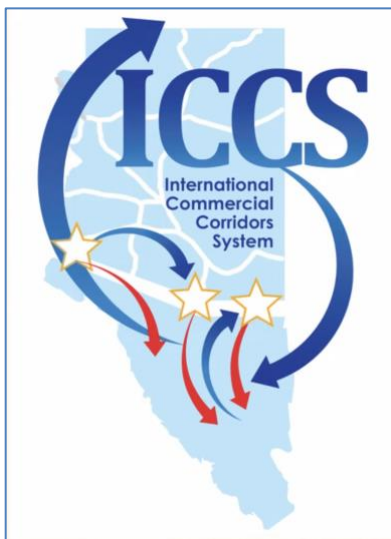
8. GOVERNOR-ELECT MEETS WITH GOVERNOR DURAZO AND AMBASSADOR MOCTEZUMA



- On November 21, Arizona Governor-Elect Katie Hobbs met with Sonora Governor Alfonso Durazo and Mexico’s Ambassador to the United States Esteban Moctezuma.
- Reports indicate that the meeting went very well with Governor Durazo and Ambassador Moctezuma, providing great insights on the importance of the Sonora and Mexico relationship with Arizona.
- This was one of the first, if not the first, meetings for Governor-Elect Hobbs with any foreign government official.
- This was interpreted as an indication by Governor-Elect Hobbs of the high level of importance of the relationship with Mexico.

9. ADOT CREATES ICCS

- Embracing the vision by John Halikowski, Director of the Arizona Department of Transportation, ADOT is in the process of developing the International Commercial Corridor System (ICCS).



- This initiative is based on the recognition that while ports of entry may have unique needs, they are in fact a system that offer synergies and it is imperative that long-term planning considers the system and not just individual ports or projects.
- This initiative recognizes that ports of entry are part of commercial corridors that are essential to supply chains, tourism, security, the environment, and regional economic development.
- The ICCS will seek partnerships with local and regional stakeholders, including the Port Authority, to pursue joint funding opportunities, including possible grant opportunities resulting from the Infrastructure Investment and Jobs Act.