

October 20, 2020

**TO: Jaime Chamberlain, Chairman**

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

SUBJECT: Monthly Report of Activities – September 2020

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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 (“GNSCCPA”). 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. USTR Releases study on Imports of Fresh Produce from Mexico;
3. City and County adopt resolutions opposing unilateral action that would impose duties on imports of seasonal produce from Mexico;
4. Progress on SR-189 modernization project;
5. Border Crossing Restrictions Continue;
6. PA holds virtual meeting to welcome US Consul General Laura Biedebach and presentation during Port Authority Board meeting;
7. Monitoring Sanitary Sewer Overflow from Nogales, Sonora;
8. Industry meeting with Tucson International Airport Authority to address cross-border logistics and multimodal shipments;
9. CBP Announces Reopening of SENTRI/Global Entry Enrollment Centers; and
10. Border Crossing Volume data updated.

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.
- Port Authority Technical team has submitted suggested revisions for the Revocable Licensing Agreement.
  - Awaiting response from GSA.

**2. *USTR RELEASES STUDY ON IMPORTS OF MEXICAN FRESH PRODUCE***

- On September 21, 2020, the US Trade Representative, after holding a series of Virtual hearings on the impacts of the importation of fresh seasonal produce from Mexico on producers in Florida and Georgia, released a report indicating their intent to impose unilateral restrictions on imports from Mexico, claiming that such imports were harming Florida and Georgia producers.
- Here is a copy of the press release issued by the US Trade Representative:

## **Federal Agencies Outline Plan to Help Farmers of Seasonal and Perishable Fruits and Vegetables**

09/01/2020

Washington, DC -- The Office of the U.S. Trade Representative, the Department of Agriculture, and the Department of Commerce today released a report outlining the Trump Administration's plan to address the threat posed by increased foreign imports to American producers of seasonal and perishable fruits and vegetables.

The plan follows public hearings held in August where more than 60 witnesses testified, in addition to over 300 written submissions.

"President Trump recognizes the challenges faced by American farmers and is committed to promoting and securing fair trade and a level playing field for all American producers. Secretary Perdue, Secretary Ross, and I are fully engaged in this effort. We would like to thank all of the elected officials, agricultural leaders, and dozens of farmers who participated in these hearings and helped make this plan a priority," said U.S. Trade Representative Robert Lighthizer.

Based on information collected from these hearings, the agencies commit to the following actions to support America's seasonal and perishable fruit and vegetable producers:

### **Plan to Support American Producers of Seasonal and Perishable Fruits and Vegetables**

1. USTR will request the International Trade Commission to initiate a Section 201 global safeguard investigation into the extent to which increased imports of blueberries have caused serious injury to domestic blueberry growers.

2. USTR will pursue senior-level government-to-government discussions with Mexico over the next 90 days to address U.S. industry concerns regarding U.S. imports of Mexican strawberries, bell peppers, and other seasonal and perishable products.
3. USTR will work with domestic producers to commence an investigation by the International Trade Commission to monitor and investigate imports of strawberries and bell peppers, which could enable an expedited Section 201 global safeguard investigation later this year.
4. The Department of Commerce will
  - (a) establish an outreach program to connect with Southeastern and other growers of seasonal and perishable fruits and vegetables, to enhance understanding of applicable trade remedy laws and processes; and
  - (b) establish a formal channel for stakeholders to provide information related to unfair subsidies for foreign producers and exporters of seasonal and perishable fruits and vegetables, including those in Mexico – building on ongoing efforts to partner with U.S. industry to identify such subsidies.
5. The Department of Agriculture will
  - (a) increase targeted outreach to producers of seasonal and perishable fruits and vegetables to maximize the use of existing Department of Agriculture programs; and
  - (b) develop a market promotion strategy for domestically produced produce; and
  - (c) initiate conversations with relevant federal partners to better understand the extent to which imports of seasonal and perishable products are utilized to enable criminal activity.
6. USTR, the Department of Commerce, and the Department of Agriculture will establish an interagency working group to monitor seasonal and perishable fruit and vegetable products, coordinate as appropriate regarding future investigations and trade actions, and provide technical assistance to Members of Congress in developing legislation on this issue.

This plan does not foreclose additional actions and investigations by the Trump Administration to support producers of seasonal and perishable fruits and vegetables. The Administration is dedicated to supporting America's hardworking farmers across the country and recognizes the importance of preserving and enhancing a diverse and homegrown food supply.

**3. *CITY AND COUNTY ADOPT RESOLUTIONS OPPOSING UNILATERAL ACTION BY THE US AGAINST THE IMPORT OF SEASONAL MEXICAN FRESH PRODUCE***

- On September 8, Santa Cruz County adopted a resolution in opposition to the announcement by the US Trade Representative of the "Plans to support American Producers of Seasonal and Perishable Fruits and Vegetables" at the expense of American importers of fresh produce.

- A copy of the Resolution are provided in Attachment #1 and #2



**4. PROGRESS ON SR-189 MODERNIZATION PROJECT**



- The Arizona Department of Transportation (ADOT), continues construction of the modernization of SR-189.
- Project is moving very fast and multiple updates have been provided of ramp closures that may impact traffic flows.
- Important to recognize the efforts by ADOT to conduct ramp closures, and other aspects of the project that impede the regular flow of traffic, to nights and weekends to minimize the impacts to trade and the community in general.
- ADOT has created a project newsletter to keep the community informed of the progress of the project. This was distributed to all Port Authority stakeholders.

**5. BORDER CROSSING RESTRICTIONS CONTINUE**



- The Governments of Mexico and the United States, along with the Canadian government, have extended the border crossing restrictions through November 21, 2020.
- Additional extensions of these restrictions are expected until the situation abates on the contagion of COVID-19
- On March 21, 2020 the US and Mexican governments announced new temporary restrictions for travel across the US-Mexico border.
- It is imperative that cross-border travel be limited to essential travel in order to help eliminate the unnecessary congestion at the border.
- 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.

**6. PA HOLDS VIRTUAL MEETING TO WELCOME US CONSUL GENERAL LAURA BIEDEBACH AND INVITES HER TO PRESENT DURING BOARD MEETING**

- On August 17, 2020, the leadership of the Port Authority held a virtual meeting with US Consul General Laura Biedebach to welcome her to the Ambos Nogales region.
- The meeting provided an opportunity to brief Consul General Biedebach on the key priorities for the Port Authority along with individual briefings by each member of the Board of Directors of the Port authority, including industry

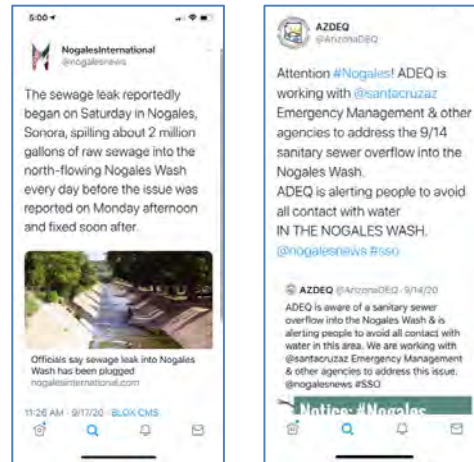
updates from INDEX, Fresh Produce Association of the Americas, US Customs Brokers Association, among others.

- Chairman Chamberlain extended an invitation to the Consul General to participate in future Board meetings, including an introductory presentation during the September Board meeting.
- On September 24, 2020, Consul General Biedebach introduced herself to the Port Authority and its stakeholders during the monthly board meeting.
- In addition to the presentation by the Consul General, additional updates on key issues were provided by:
  - The Honorable Arturo Garino, Mayor
  - The Honorable Bruce Bracker, Supervisor
  - Armando Goncalvez, Customs and Border Protection
  - Yvette Palmer, Real Estate Brokers Association
  - Teresa Bravo, Border Counties Coalition
  - State Representative Rosana Gabaldon
  - State Senator Andrea D'Alessandro



## 7. **MONITORING SANITARY SEWER OVERFLOW FROM NOGALES, SONORA**

- On September 14, 2020, the Arizona Department of Environmental Quality (ADEQ) provided information on a sanitary sewer overflow that was impacting the Nogales Wash.
- ADEQ issued an alert to warn residents along the Wash to avoid all contact with the overflow. News reports indicated that the spill initiated in Nogales, Sonora and that as much as 2 million gallons of raw sewage made into the Nogales Wash.
- The issue has been resolved but it reaffirms the urgency of the cure-in-place for the IOI and for addressing the cross-border sewage and stormwater issues impacting the region.



#### **8. *INDUSTRY MEETING WITH TUCSON INTERNATIONAL AIRPORT AUTHORITY REGARDING CROSSBORDER LOGISTICS***

- On September 8<sup>th</sup> and 23<sup>rd</sup> the Port Authority arranged virtual meetings with the leadership of the Tucson International Airport Authority (TIAA) to address concerns by the manufacturing sector in the Ambos Nogales region about the challenges faced by industry in meeting the cut-off times for overnight deliveries, particularly those through FedEx.
- Representatives from INDEX, led by Josh Rubin, presented the case to the Airport Authority that offering an additional hour to accept overnight deliveries could mean a substantial increase in the shipments via FedEx.
- As a result of the September 8<sup>th</sup> meeting, a second meeting was conducted that included a representative of FedEx.
- The Port Authority continues to facilitate the dialogue between industry, TIAA, FedEx as this would enhance the competitiveness of the Ambos Nogales area for Just-In-Time manufacturers.
- Special thanks to John Moffat of Pima County for helping to make the connection between the Port Authority and TIAA!
- Notes from both meetings are provided below.

#### **Notes**

#### **Tucson International Airport Meeting Greater Nogales Santa Cruz County Port Authority Tuesday, September 8, 2020**

#### **Participants**

##### *Tucson International Airport*

- Danette Bewley, President/CEO
- Dick Gruentzel, CFO/VP of Administration and Finance
- Dave Hatfield, Sr. Director of Air Service Development and Marketing

*Pima County*

- John Moffatt, Economic Development Director
- John Voorhees, Assistant County Administrator

*Port Authority / INDEX Nogales*

- Jaime Chamberlain, Chairman
- Josh Rubin, Javid LLC
- Thayne Hardy, Amphenol Optimize
- Daniel Rivera, Humanscale
- Luis Ramirez, Ramirez Advisors

**Action Items**

- Mr. Hatfield will reach out Roberto Sandoval at FedEx to discuss request from industry to change cutoff time.
- Schedule follow-up meeting within the next 2-3 weeks.
- Invite Tucson Airport leadership to present at a future Port Authority board meeting.

**Discussion Notes**

- Maquila industry is requesting that FedEx change the cutoff time to receive cargo that is shipped out of the Tucson International Airport.
  - Currently, products must be received at Nogales processing facilities at 4:00pm so that it can be shipped out of the Tucson International Airport at 5:00pm.
  - Asking for the cargo flight to be delayed up to 1 hour so that cutoff time at Nogales is 5:00pm instead.
- Early FedEx cutoff time presents logistical challenges for industry. Shipments often stay in Nogales overnight.
- Many maquila operators have been forced to switch to UPS because it offers a later cutoff time (5:00pm Nogales, 6:00pm Tucson). But the air cargo hub is at Phoenix Sky Harbor, not Tucson International.
  - If it is an overnight shipment, UPS subcontracts an air operator to ship product from its Nogales distribution center to Phoenix Sky Harbor.
  - If it is a 2-3 day shipment, UPS transports the product by truck to Phoenix.
  - Suggestion to also request that UPS establish an air cargo hub at Tucson International.
- Maquila operators would prefer to work with FedEx because of better bid costs and efficiencies in delivery time.
- Recently built UPS distribution center at Nogales is operating at full capacity.



- Mr. Rubin conducted a small survey of maquila operators to gather preliminary data on daily cargo volumes.
  - 4-5 maquilas alone send out 228 shipments per month, or 8 shipments per day.
  - INDEX Nogales currently represents more than 100 operators.
- Nogales maquila industry is expected grow in the next couple of years due to nearshoring activities by global manufacturers.
  - According to Mr. Rubin, he is currently in talks with 9 companies that are considering opening operations in Nogales, Sonora.
  - Without prior planning for this growth, this could result in increased congestion for truck crossings at the port of entry and UPS/FedEx distribution centers in Nogales, Arizona.
  - Additional investments by logistical companies are needed to prepare.
- Relevant data to collect for business case:
  - Additional volumes that would be shipped if cutoff time is extended.
  - Projected increase of maquila operations in Nogales, Sonora.
  - Estimate of customers FedEx has lost to UPS because of cutoff time.
  - Costs of overnight storage at processing facilities.
  - Northbound truck crossing volumes at Nogales.

### Notes

#### **Tucson Airport / Port Authority Follow-Up Meeting** Wednesday, September 23, 2020

#### Participants:

- Danette Bewley
- Dick Gruentzel
- Dave Hatfield
- John Moffatt
- Roberto Sandoval
- Jaime Chamberlain
- Josh Rubin
- Thayne Hardy
- Daniel Rivera
- Luis Ramirez
- Martin Rodriguez

#### Action items:

- Follow up on proposal to use 2 cargo trucks to split shipments from Nogales between priority vs two-day.

- Provide information to Mr. Sandoval on projected daily cargo volumes and dimension of packages (for planning purposes).
- Schedule next conference call at the request of Chairman Chamberlain and Index Nogales.

Discussion notes:

- Per FedEx: The cutoff time in Nogales can be extended by 45 minutes if another airport (most likely Laughlin, NV) moves their flight to an earlier time instead.
  - Would extend the cutoff time at Nogales to 4:45pm.
  - Industry would have to commit to significant volume of daily cargo shipments that would justify the changes.
  - According to Mr. Sandoval, this change has the support of the Sales Team, Director, and Senior Vice President within the Supply Chain division.
- FedEx and its competitors are handling an unprecedented volume of cargo because of growth of e-commerce. If FedEx moves forward with the time changes, it will be difficult to implement immediately and would probably have to wait until after the “peak season.”
- Per Index: Manufacturing companies in Nogales would be willing to switch to FedEx if cutoff times are modified.
- Proposed short-term solution to use 2 FedEx trucks that split shipments from Nogales between priority versus two-day.
  - First truck with 4:00pm cutoff (Nogales) for priority shipping out of Tucson.
  - Second truck with 5:00-5:30pm cutoff (Nogales) that would ship cargo out of Tucson the next morning.
  - Would require coordination from industry to designate which shipments are priority or two-day.
  - If industry agrees, could be implemented within a week. Manufacturers in Douglas/Agua Prieta region are already doing this.

**9. *SENTRI/GLOBAL ENTRY PROCESSING CENTERS RE-OPEN;***

- Due to the COVID-19 Pandemic, US Customs and Border Protection had closed all enrollment centers for SETNRI and Global Entry.
- Given this closure, CBP had provided guidance that during this period, renewals would be impacted but travelers would be allowed to continue to use their current documents.



- Effective September 8, 2020, CBP announced the reopening of all enrollment centers.
- can be found in Attachment #4.

#### **10. BORDER CROSSING VOLUME DATA UPDATE:**

- The US Department of Transportation has released the border crossing volume data for the period of January through July, 2020.
- The information was provided to the leadership of the Port Authority with the following highlights:

The US Department of Transportation has released the border crossing data through the end of July, and as we had anticipated, the numbers are tough. State totals are showing a drop of 39.1% in the volume of people crossing the border. That is 5.2 million people less over the same period last year. I think this confirms that the border crossing restrictions are having a dramatic impact.

Nogales has been hit hard by the Border Crossing Restrictions imposed by the federal governments as a response to the COVID-19 pandemic. Car traffic at Nogales is down by 33.9%. Pedestrians are down by 48.7% and total people is down by 43.8%. This means that 651,499 cars and 2.5 million people less over the same period in 2019! While we don't have exact numbers there is no doubt that this dramatic drop is having a negative impact on the retail sector, tourism and tax revenues not just in Nogales and Santa Cruz County, but for the entire state and beyond. We don't expect a reversal of this trend until the border crossing restrictions are lifted or at least modified.

Truck traffic is a bit of a different story. Statewide, truck traffic is down by 3.4% but keep in mind that trade was severely affected in late March, all of April and most of May when only essential products (food and medical) were permitted to cross. That means that the flow of trade in June and July has been recovering and is close to reaching 2019 levels. For Nogales,

truck traffic is down by 4.8% over the same period in 2019, not that far off of 2019 levels - that is 11,206 trucks less than last year. If the trend continues, we still have a chance of reaching numbers close to 2019 with the remaining 4 months of the year, and perhaps setting a new record for the number of trucks - but that is all dependent on external factors like COVID19 and, unfortunately, issues like seasonality.

We created tables per mode that illustrates the month by month comparison for 2020 versus 2019 that helps to better visualize the impacts of COVID on traffic flows.

- A copy of the tables with the data are provided in Attachment #3.

**Attachment #1**

Santa Cruz County resolution on seasonal imports of fresh produce

**RESOLUTION 2020-13**

**A Resolution of Santa Cruz County in opposition to the announcement by the U.S. Trade Representative of the "Plans to Support American Producers of Seasonal and Perishable Fruits and Vegetables" at the expense of American importers of fresh produce.**

**WHEREAS**, the fresh produce industry has a long-standing history of more than 125 years as an integral part of the Nogales and Santa Cruz County community;

**WHEREAS**, Nogales and Santa Cruz County are home to over 120 produce importers and distributors with over 2,500 employees;

**WHEREAS**, in a study conducted by the University of Arizona, it was determined that the fresh produce industry has an economic impact to Santa Cruz County and the State of Arizona exceeding \$330 million each year;

**WHEREAS**, approximately one third, or more than 6.5 billion pounds, of the fresh produce consumed in the United States during the winter and spring of each year is imported through and distributed from Nogales and Santa Cruz County;

**WHEREAS**, the efficient, safe and secure flow of fresh produce through Nogales is essential to the wellbeing and the food security of the nation;

**WHEREAS**, there is little verifiable evidence that seasonal producers in Florida and Georgia are negatively impacted by the import of Mexican fresh produce;

**WHEREAS**, seasonal producers in Florida and Georgia have identified that the current electoral process has offered them the opportunity to leverage political significance over verifiable data to favor outdated operational practices and inefficient production regimes;

**WHEREAS**, anecdotal claims by Florida and Georgia producers about unfair trade practices and trade subsidies by Mexico for Mexican producers have been dispelled by academic and analytical experts;

**WHEREAS**, the trade and investment regimes in North America have made it easier for US companies to invest in production of produce in Mexico, and now "Mexican" producers may actually be American individuals and companies that have invested in Mexico, our nation's largest and most important trading partner;

**WHEREAS**, the US Trade Representative's announcement on September 1 of the "Plans to Support American Producers of Seasonal and Perishable Fruits and Vegetables" does not consider the repercussions that these actions will have on Mexican producers and the 120 Nogales and Santa Cruz County importers and distributors, the 2,500 direct employees in our community alone and the many thousands of indirect employees

throughout Arizona and the United States that depend on the import of fresh Mexican produce;

**WHEREAS**, the process to date disregards the impact this will have on the thousands of restaurants and food-purveyors throughout the nation, that are already struggling to survive during the COVID-19 Pandemic;

**WHEREAS**, the process to date ignores the impacts to the US consumer from these actions that will favor a small number of producers at the expense of hundreds of US companies and US job creators, and US consumers;

**WHEREAS**, the actions under consideration disregard the critical role that importers of Mexican fresh produce played during the most serious food supply shortages in our nation during the height of the COVID-19 pandemic when many more grocery store shelves would have remained empty without the import of Mexican fresh produce to shore up our nation's food supply;

**WHEREAS**, the process to date ignores every effort by the fresh produce importing and distribution industry, all American companies, to address any concerns in a productive, non-punitive manner;

**WHEREAS**, the review process currently underway is supposed to look out for the interest of our nation and not of a select politically powerful vested interested parties;

**WHEREAS**, if the United States imposes remedies in a unilateral manner, it greatly increases the risk that Mexico will retaliate in kind with punitive measures on USW products being shipped to Mexico; and

**WHEREAS**, industry is already in contact with state and federal elected officials, including the Office of the Governor and the Arizona Congressional Delegation on this critical issue.

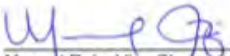
**NOW, THEREFORE, BE IT RESOLVED BY THE SANTA CRUZ COUNTY BOARD OF SUPERVISORS THAT:**

- The US Trade Representative and the US Department of Commerce consider the impacts of unilateral action on US companies that are dedicated to the import of Mexican produce and the anticipated negative impacts to US companies and US employment;
- The US Trade Representative and the US Department of Commerce incorporate, as an essential aspect of the determination process, the impacts such actions will have on the restaurant industry, food purveyors and consumers throughout the United States;

- The US Trade Representative and the US Department of Commerce, take into consideration that punitive measures on Mexican produce will have severe impacts to the food supply and food security of the nation; and
- This message shall be conveyed to the Governor of the State of Arizona and the Arizona Congressional Delegation asking for their direct intervention to support a critical Arizona-based industry and Arizona jobs.

**PASSED AND ADOPTED** by the Santa Cruz County Board of Supervisors this 8<sup>TH</sup> day of September 2020.

  
Bruce Bracker, Chairman


  
Manuel Ruiz, Vice Chairman

  
Rudy Mofera, Member

ATTEST:

  
Jennifer St. John, Interim Clerk of the Board

APPROVED AS TO FORM:

  
Kim Hunley, Chief Deputy County Attorney

**Attachment #2**

**Copy of Resolution by City of Nogales on Fresh Produce Imports**



**Resolution No. R2020-09-010**

**RESOLUTION BY THE CITY OF NOGALES/SANTA CRUZ COUNTY IN OPPOSITION TO THE ANNOUNCEMENT BY THE US TRADE REPRESENTATIVE OF THE "PLANS TO SUPPORT AMERICAN PRODUCERS OF SEASONAL AND PERISHABLE FRUITS AND VEGETABLES" AT THE EXPENSE OF IMPORTERS OF MEXICAN FRESH PRODUCE.**

WHEREAS, the fresh produce industry has a long-standing history of more than 125 years as an integral part of the Nogales and Santa Cruz County community; and

WHEREAS, Nogales and Santa Cruz County are home to over 120 produce importers and distributors with over 2,500 employees; and

WHEREAS, in a study conducted by the University of Arizona, it was determined that the fresh produce industry has an economic impact to Santa Cruz County and the State of Arizona exceeding \$330 million each year; and

WHEREAS, approximately one-third, or more than 6.5 billion pounds, of the fresh produce consumed in the United States during the winter and spring of each year is imported through and distributed from Nogales and Santa Cruz County; and

WHEREAS, the efficient, safe and secure flow of fresh produce through Nogales is essential to the wellbeing and the food security of the nation; and

WHEREAS, there is little verifiable evidence that seasonal producers in Florida and Georgia are negatively impacted by the import of Mexican fresh produce; and

WHEREAS, seasonal producers in Florida and Georgia have identified that the current electoral process has offered them the opportunity to leverage political significance over verifiable data to favor outdated operational practices and inefficient production regimes; and

WHEREAS, anecdotal claims by Florida and Georgia producers about unfair trade practices and trade subsidies by Mexico for Mexican producers have been dispelled by academic and analytical experts; and

WHEREAS, the trade and investment regimes in North America have made it easier for US companies to invest in production of produce in Mexico, and now "Mexican" producers may actually be American individuals and companies that have invested in Mexico, our nation's largest and most important trading partner; and

WHEREAS, the US Trade Representative's announcement on September 1 of the "Plans to Support American Producers of Seasonal and Perishable Fruits and Vegetables" does not consider the repercussions that these actions will have on Mexican producers and the 120 Nogales and Santa Cruz County importers and distributors, the 2,500 direct employees in our community alone and the many thousands of indirect employees throughout Arizona and the United States that depend on the import of fresh Mexican produce; and

WHEREAS, the process to date disregards the impact this will have on the thousands of restaurants and food-purveyors throughout the nation, that are already struggling to survive during the COVID-19 Pandemic; and



**RESOLUTION No. R2020-09-010**

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WHEREAS, the process to date ignores the impacts to the US consumer from these actions that will favor a small number of producers at the expense of hundreds of US companies and US job creators, and US consumers; and

WHEREAS, the actions under consideration disregard the critical role that importers of Mexican fresh produce played during the most serious food supply shortages in our nation during the height of the COVID-19 pandemic when many more grocery store shelves would have remained empty without the import of Mexican fresh produce to shore up our nation's food supply; and

WHEREAS, the process to date ignores every effort by the fresh produce importing and distribution industry, all American companies, to address any concerns in a productive, non-punitive manner; and

WHEREAS, the review process currently underway is supposed to look out for the interest of our nation and not of a select politically powerful vested interested parties; and

WHEREAS, if the United States imposes remedies in a unilateral manner, it greatly increases the risk that Mexico will retaliate in kind with punitive measures on American products being shipped to Mexico; and

WHEREAS, industry is already in contact with state and federal elected officials, including the Office of the Governor and the Arizona Congressional Delegation on this critical issue.

NOW THEREFORE BE IT RESOLVED THAT The City of Nogales/Santa Cruz County urges.

- That the US Trade Representative and the US Department of Commerce to consider the impacts of unilateral action on US companies that are dedicated to the import of Mexican produce and the anticipated negative impacts to US companies and US employment;
- That the US Trade Representative and the US Department of Commerce incorporate, as an essential aspect of the determination process, the impacts such actions will have on the restaurant industry, food purveyors and consumers throughout the United States;
- That the US Trade Representative and the US Department of Commerce, take into consideration that punitive measures on Mexican produce will have severe impacts to the food supply and food security of the nation; and
- This message shall be conveyed to the Governor of the State of Arizona and the Arizona Congressional Delegation asking for their direct intervention to support a critical Arizona-based industry and Arizona jobs.

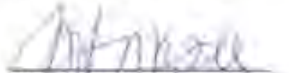
**PASSED, ADOPTED, AND APPROVED** by the Council of the City of Nogales, Arizona, this 09th day of September, 2020.

  
Arturo R. Garino, Mayor

**ATTEST:**

  
Leticia Robinson, City Clerk

**APPROVED AS TO FORM:**

  
Michael Mastee, City Attorney

**Attachment # 3**

**Border Crossing Data for January through July 2020**

**R** Ramirez Advisors  
 Inter-National

**Arizona Northbound Border Crossings**  
 January-July 2019 vs January-July 2020

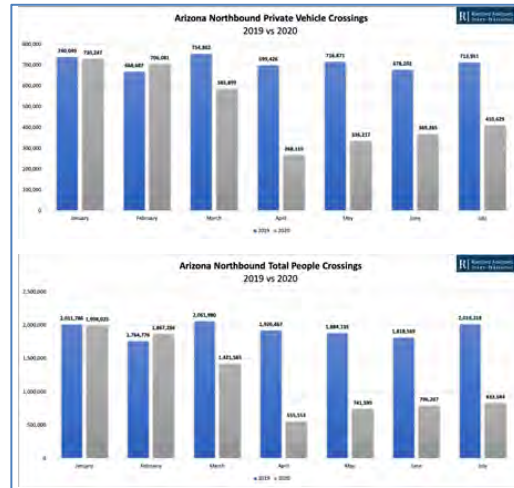
Port	Mode	Jan-Jul 2019	Jan-Jul 2020	Difference	Change
Douglas	Trucks	15,496	14,887	-609	-3.9%
	Personal Vehicles	918,618	612,370	-306,248	-33.3%
	Personal Vehicle Passengers	1,633,868	940,542	-693,326	-42.4%
	Pedestrians	471,184	334,154	-137,030	-29.1%
	Total People	2,115,481	1,276,905	-838,576	-39.6%
Nogales	Trucks	234,952	223,746	-11,206	-4.8%
	Personal Vehicles	1,922,712	1,271,213	-651,499	-33.9%
	Personal Vehicle Passengers	3,833,893	2,259,070	-1,574,823	-41.1%
	Pedestrians	1,846,951	947,731	-899,220	-48.7%
	Total People	5,807,427	3,262,141	-2,545,286	-43.8%
San Luis	Trucks	22,269	24,886	2,617	11.8%
	Personal Vehicles	1,652,717	1,259,684	-393,033	-23.8%
	Personal Vehicle Passengers	2,971,647	1,964,098	-1,007,549	-33.9%
	Pedestrians	1,414,322	1,176,988	-237,334	-16.8%
	Total People	4,386,029	3,141,114	-1,244,915	-28.4%

Port	Mode	Jan-Jul 2020	Jan-Jul 2020	Difference	Change
State Totals	Trucks	274,971	265,681	-9,290	-3.4%
	Personal Vehicles	4,971,988	3,406,453	-1,565,535	-31.5%
	Personal Vehicle Passengers	9,514,141	5,645,370	-3,868,771	-40.7%
	Pedestrians	3,827,761	2,508,764	-1,318,997	-34.5%
	Total People	13,480,931	8,213,839	-5,267,092	-39.1%

Port	Mode	2019
2019 State Totals	Trucks	416,604
	Personal Vehicles	8,532,784
	Personal Vehicle Passengers	16,313,858
	Pedestrians	6,995,036
	Total People	23,538,901



Source: US Department of Transportation, Bureau of Transportation Statistics  
 All data provided herein subject to change without prior notice.