

August 19, 2019

TO: MR. GUILLERMO VALENCIA, CHAIRMAN, GNSCCPA

FROM: Luis E. Ramírez Thomas, President, RAI-N

SUBJECT: June Activity Report

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"). Before outlining the issues and efforts we have addressed on your behalf to date, 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 needs and learn to better anticipate your directives.

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

- 1. Donation Acceptance Program Update;
- 2. EPA and NADBank Study on reduction of emissions due to UCP;
- 3. Tomato Suspension Agreement Updates;
- 4. Nogales Pedestrian Underpass update;
- 5. GSA hosts Stakeholder meeting on FMCSA Proposed facilities;
- 6. Santa Cruz County and GNSCCPA issue letter in support of No-Build Option for FMCSA truck safety Inspection facilities;
- 7. Representation of GNSCCPA with Key Entities.

This report is not intended to be a full description of all our 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.

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1. DONATION ACCEPTANCE PROGRAM UPDATE

- Dialogue between the GNSCCPA Technical Team and Customs and Border Protection and the General Services Administration continue with bi-weekly conference calls.
 - A proposal has been selected and it is being presented and discussed with federal stakeholder agencies.

2. EPA AND NADBANK STUDY ON REDUCTION OF EMISSIONS DUE TO UCP

- One of the biggest benefits of the Unified Cargo Processing program is that trucks spend far less time idling at the border as they queue up for the inspection process.
- The Environmental Protection Agency, in partnership with the NorthAmerican Development Bank conducted a study of the benefits to the environment from this historic program.
- While industry is enjoying the efficiencies and cost-savings from this program, the long term benefits to the local environment from the reduction of emissions cannot be overestimated, impacts that will last for generations to come.
- Here is a release from EPA Region 9 on the findings of the study:

News Releases from Region 09

Increased efficiency at Nogales border crossing improves air quality, public health

07/02/2019 Contact Information: Margot Perez-Sullivan(<u>perezsullivan.margot@epa.gov</u>) 415-947-4149

NOGALES, AZ – Today, the U.S. Environmental Protection Agency (EPA), in coordination with the North American Development Bank (NADB), announced the results of an analysis which showed an 85 percent reduction in carbon dioxide and particulate matter emissions at the Port of Nogales-Mariposa crossing because of the Unified Cargo Processing (UCP) and Free and Secure Trade (FAST) programs.

The Border 2020-funded analysis, led by the North America Research Partnership (NARP) and in collaboration with U.S. Customs and Border Protection (CBP) and the Mexican Tax Administrative Service (SAT), calculated emissions reductions at the Port of Nogales-Mariposa crossing.

"Reducing wait times at Ports of Entry has dramatic impacts on air quality," **said EPA Pacific Southwest Regional Administrator Mike Stoker.** "The binational collaboration to expedite border crossings has important economic and public health benefits by decreasing emissions."

The UCP program allows Mexican Customs officers to work side-by-side with U.S. Customs officers to jointly inspect and process cargo shipments destined for the United States. Officials from CBP and SAT receive information about shipments in advance that is reviewed to ensure there are no merchandise admissibility issues. Joint processing eliminates duplicative cargo inspections, reduces wait times, lowers the economic costs associated with trans-border shipments, enhances national security and dramatically improves air quality.

"CBP is committed to strong international partnerships and bolstering the economy of both nations," **said Guadalupe Ramirez Jr., Director of Field Operations, Tucson.** "When UCP was implemented, the intent was to effect a positive flow of commerce between Arizona and Mexico. Our goal has been realized and many companies have benefited. We are happy to learn that the air quality has also improved dramatically due to the program's effectiveness."

The analysis showed a substantial reduction in queue lengths and crossing times with an approximately 85% reduction in emissions (carbon dioxide and particulate matter) at the Port of Nogales-Mariposa crossing.

The UCP program currently processes an average of 375 shipments per day. Commodities processed through the program include medical supplies, electronics, large and small household appliances, computers and car parts. UCP, piloted in Arizona, has expanded to many ports and currently operates at 10 locations along the U.S.-Mexico border.

"The U.S.-Mexico Border 2020 Program continues to move forward with impressive results. Collaboration continues to be effective in improving the environment along our border, and in engaging diverse state and local governments and communities," **said Chad McIntosh, Assistant Administrator for International and Tribal Affairs at EPA.**

For questions on the study, please contact <u>Joaquin Marruffo</u>, <u>jmarruffo@madb.org</u> of NADB.

3. TOMATO SUSPENSION AGREEMENT UPDATE

- Efforts by industry and Mexico continue to negotiate a new Suspension Agreement between the United States and Mexico.
- A copy of the rebuttal from the Fresh Produce Association of the Americas to claims by the Florida Tomato Exchange is provided in Attachment #1.

4. NOGALES PEDESTRIAN UNDERPASS UPDATE

- Since the completion of the pedestrian underpass at the Mariposa Port of Entry, there have been concerns that the underpass was only open for a limited amount of hours every day.
- On July 10, 2019, AZPM reported that the underpass will now be open 24 hours a day.
- A copy of the article is provided below:

Nogales pedestrian tunnel at the border now open around the clock

The tunnel keeps pedestrians safe from oncoming commercial vehicle traffic.



by Monika Damron, AZPM

A sign at the Mariposa Port of Entry.

AZPM Staff

A tunnel meant to keep pedestrians out of traffic next to a border crossing in Nogales is now open 24/7.

A 150-yard underground tunnel was built near the Arizona Department of Transportation's Nogales commercial port, after pedestrians kept trying to cross where commercial trucks that had passed ADOT inspections were trying to accelerate onto State Route 189.

"These big trucks [have to] get up to speed to get onto the highway to go into town, and they had to contend with pedestrians crossing right in front of them," said ADOT spokesman Ryan Harding.

ADOT's port of entry in Nogales is near the Mariposa crossing, where border residents can choose to cross the international line on foot, creating pedestrian traffic. To encourage more pedestrians to use the tunnel, the passage is now open 24 hours a day instead of the port's usual hours of operation.

According to Harding, about 80% of the pedestrians who come through the area now use the tunnel.

ADOT wants pedestrians use the tunnel for their own safety and for the safety of the drivers.

As a part of the new 24-hour operation, fencing has also been put in place to encourage more pedestrians to pass through the tunnel, said Harding.

The new fencing is reconfigured on both ends of the tunnel and will guide the pedestrians down into the passage and out the other side.

Monika Damron is a University of Arizona journalism student and Arizona Public Media intern.

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- 5. GSA Hosts Stakeholder meeting on Proposed FMCSA Facilities
- On July 18, 2019, the General Services Administration (GSA) hosted a stakeholder meeting in Nogales to allow the community to provide input, as required by the federal process of the Environmental Impact Study (EIS) process for the construction of new truck safety inspection facilities at Nogales.
- A number of representatives participated in the meeting including:
 - o Chairman Valencia
 - The Honorable Bruce Bracker, Supervisor
 - Allison Moore, Fresh Produce Association of the Americas
 - Randy Heiss, South Eastern Arizona Governments Organization
- Notes from the meeting are provided as follows:

Notes:

General Services Administration Public Meeting Environmental Impact Statement for Truck Inspection Facility at Mariposa

> Location: Nogales, Arizona Thursday, July 18, 2019

Participants:

- Oshman Kadri, General Services Administration
- Ian Frost, General Services Administration
- Tina LeBlanc, General Services Administration
- Michael Filaggi, Federal Motor Carrier Safety Administration
- Joe DoPadre, Arizona Department of Transportation
- Guillermo Valencia, Greater Nogales Santa Cruz County Port Authority
- Bruce Bracker, Santa Cruz County Board of Supervisors
- Scott Vandervoet, Fresh Produce Association of the Americas
- Allison Moore, Fresh Produce Association of the Americas
- Randy Heiss, South Eastern Arizona Governments Organization
- Nohe Garcia, Land Developer
- Dan Coogan, Daniel and Coogan Attorneys
- M. Page, Customs and Border Protection
- Agent, Customs and Border Protection
- Martha Rascon, Safe Border Trucking Association
- Jaime Olaiz, Force Line Group
- Jose Valencia, Valencia International
- Nick Phillips, Nogales International
- Corinne Ray, Ramirez Advisors

General Information Provided by GSA:

- FMCSA is required to conduct inspections at the border per congressional mandate
- The new commercial port in Douglas will have FMCSA and ADOT inspection facilities included in the design build
- New FMCSA facilities have been built in Texas
- Calexico will be getting a new facility
- FMCSA officers are supportive of the BLU training and consider it to be very effective

Current Situation:

- GSA and FMCSA walked the current facility today and it requires repairs but remains safe
- If colocation continues, the ADOT facility will need to be expanded
- According to GSA/FMCSA last week, 5% of trucks were pulled for inspection and 40-50% of those pulled trucks were put out of service
- All bus inspections will be conducted at Mariposa
- The inspection facility will be built with room to grow. The proposed project would increase the number of pits from 2 to 8 and quadruple inspection capacity at Nogales.

- Currently there are no plans for increased staffing by FMCSA at Nogales
- If the proposed facility is built, it would become operation by 2023

Stakeholder Comments:

Here are some of the comments raised by various members of the community that attended the Stakeholder meeting with GSA and FMCSA:

- "The issue of redundant inspections, with higher level inspections, and higher penalties by FMCSA in Arizona has been addressed with the new MOU with ADOT. Adding standalone facilities will likely allow those same issues to occur which will impact the economic security of Nogales"
- "If colocation with ADOT remains to be an option, why is it not listed as such on the Federal Register?"
- "The data provided on the rate of inspection is only for one week, for it to be truly accurate, it should include a longer timeframe"
- "In order to compete with Texas and California, Arizona has had to come up with innovative and efficient processes like the BLU program and Unified Cargo Inspections. The MOU with ADOT was considered another innovative way to create efficiencies that help keep roads safer while facilitating trade"
- "If the partnership with ADOT continues to be effective, why is a new facility necessary?"
- "This project is a waste of tax payer dollars" those dollars could be used more effectively
- "The problem is that [GSA and FMCSA] have ruined [their] reputation in this community and we do not trust [them]. If a lawyer was negotiating this MOU while also planning to build a standalone facility- If they conducted their business like that, no one would hire them."

Requests:

- Border Patrol wants an access road to be included in the plans which allows them access to their facilities from Mariposa Road
- Stakeholders unanimously, with the exception of the Border Patrol agents and ADOT representative, requested that FMCSA continue to co-locate with ADOT
- Santa Cruz County Supervisor requested for the total amount budgeted for the planning and for the construction of each proposed facility
 - Per GSA, this request needs to be submitted in writing
- Stakeholders requested that FMCSA review their data on inspections that is posted on the website so they can become familiar with the disproportionate number and level of inspections conducted in Arizona compared to other states (by volume)





- As a result of the information gathered on the proposal and the information provided during the GSA hosted Stakeholder meeting, both the Port Authority and Santa Cruz County have issued letters in opposition to the proposal to build stand-alone truck safety inspection facilities at Nogales.
- A copy of the letter from the Port Authority is provided in attachment #2.
- A copy of the letter from Santa Cruz County is provided in Attachment #3.

7. REPRESENTATION OF THE GNSCCPA WITH KEY ENTITIES

- Continuing efforts to maintain an on-going dialogue with various agencies to ensure full coordination of efforts and maximizing the impact of our limited resources, including, but not limited to:
 - ADOT;
 - •AMC;
 - •AOT;
 - DHS/CBP;
 - •GSA;
 - Multiple Media Outlets
 - •Offices of Arizona Congressional Delegation;
 - •Office of the Governor;
 - SIDUR;
 - State Department; and
 - •State of Sonora.

 It is imperative to highlight the great success that has been achieved on these efforts by coordinating efforts with key stakeholders, including the FPAA, Santa Cruz County, the City of Nogales and others, as each has well established relationships with most of these entities.

Attachment #1

Rebuttal from FPAA to Florida Tomato Exchange Claims



Misleading Claims from the Florida Tomato Exchange Don't Add Up

Nogales, AZ- (July 8, 2019)-- In a recent rebuttal by Michael Schadler of the Florida Tomato Exchange regarding a letter to members of the Senate Finance Committee and the House Ways and Means Committee by Mexican Senator Gustavo Madero, we at the FPAA see a continuing pattern of innuendo and deception from the folks in Florida.

It follows a pattern of propaganda that is heavy on hyperbole and short on facts, evidence, and truth. For the past three years the Florida Tomato Exchange (FTE) has stayed on message, repeating its claims of Mexico's unfair trading practices, illegal government subsidies, dumping of tomatoes on the US market, worker mistreatment, and more without backing up their accusations with evidence of any kind.

Let's begin with some facts that the FTE has conveniently omitted when talking about tomato production in Mexico vs. Florida.

- A major contributing factor is Mexico simply has better growing weather for tomatoes than Florida does¹. Mexico does not have the kind of hurricanes that Florida does. The Mexican growing areas do not have the subtropical climate that south Florida does, along with the increased pest pressures that require a lot more pesticide applications than tomatoes from Mexico or California^{2, 3}. Unlike the FTE, we offer more than hearsay or anecdotal evidence, including the link below to a University of Florida study that outlines what a challenge it is to grow tomatoes in Florida.
- Mexico has a stronger agricultural workforce than Florida. This fact is uncontested. It's
 true that farmworkers in Mexico make less than farmworkers in the US but the cost of
 living is less as well. Mexico has strict labor laws that include not just wage regulations,
 but they also include healthcare for every worker. That is not the case in Florida tomato
 fields.
- Mexico produces mostly vine-ripened tomatoes, unlike Florida which produces industrial gassed green tomatoes. Consumers prefer vine-ripened tomatoes and the evidence shows in your grocery stores. Look and you will see an assortment of tomatoes on the vine, heirloom tomatoes, Roma tomatoes, and shade house grown tomatoes that far outnumber open field grown gassed green tomatoes from Florida. Why? They taste better.
- In Florida, tomatoes are picked when they are mature but not ripe. This means that
 they still have a way to go before Mother Nature finishes up with the final flavor
 components, acidity (this is where that tomato tang comes from), and more. The
 Florida growers then put these green tomatoes into gas rooms and gas them with
 ethylene to get them to turn red. They call this process "de-greening". They used to call

it ripening but the government put a stop to that misleading claim. This is the way that tomatoes were grown a hundred years ago but Mexico turned to vine-ripened tomatoes about a half-century ago and had a steep learning curve before they overcame soft tomatoes, shorter shelf life, and other challenges but they finally got it right and consumers flocked to their products. Florida tomato growers claim that there is no difference, repeating this ad nauseum to politicians, but clearly American consumers disagree, or we wouldn't even be having this conversation.

The FTE claims that Mexican tomato growers receive "illegal" subsidies and that is why they have taken so much market share away from Florida tomatoes.

 Mexico has had programs to promote agriculture, but they are small and nothing like our USDA programs⁴. To the contrary, US government assistance to agriculture dwarfs anything that Mexico could possibly do.

The FTE ignores development trends and grower consolidation to paint an inaccurate picture of farm closures.

- The FTE stated, "What about the hundreds of American tomato farmers that were forced out of business during the 22-year duration of the old suspension agreement, along with the assorted loss of jobs and tax revenue in America's rural economy." Again, we would ask for something to back this up. Many tomato producers in Florida took advantage of the real estate boom during the time in question. Many others were bought out by larger Florida tomato companies.
- Most importantly, Florida growers failed to see the rest of the agricultural world evolving into the 21st century and got passed by. Now they are crying foul. They are mostly producing flavorless tomatoes that consumers have abandoned, and they are trying to use politics to maintain an outmoded business model.

Another thing FTE fails to mention is Mexican tomato imports are an important economic driver for U.S. companies and job creation.

Mexican tomatoes account for 33,000 US jobs earning \$1.4 billion in employee compensation, \$353 million in business owner income, and \$801 million in corporate profits and other returns. This totals \$2.9 billion in GDP that is directly and indirectly supported by the value chain delivering imported fresh tomatoes from Mexico to US and US consumers through grocery retail and foodservice industries. Over \$400 million in federal tax revenue was generated through direct and multiplier effects and nearly \$350 million was generated in state and local tax revenues in 2016.⁵

Michael Schadler of the FTE accuses Mexico of threatening to derail the USMCA and tries to use other antidumping cases as analogies.

The Chicago Tribune said just the opposite in 2017.⁶ Schadler cites 22 antidumping and countervailing duty cases between the US and Mexico but leaves out the fact that tomatoes are the only fresh item involved and only one other perishable item (chicken legs, thighs, and drumsticks which can be frozen) and this is an extremely important fact. Antidumping laws were made for steel and they do not have any codicils to deal with fresh perishable products. As such, the FTE is using US antidumping laws in ways that were never intended.

We strongly agree that US farmers must be protected but the FTE actions go well beyond the intent of the law.

• They are attempting to create a seasonal monopoly to force their products onto the American public to make up for their lack of foresight and innovation. In short, they are trying to regulate their way to profitability.

In closing, the FTE is trying to create a seasonal monopoly on tomatoes because they are finding it difficult to compete largely because of their lack of innovation.

• The costs of this, if the FTE gets its way, will be borne less by the Mexican tomato growers and more by American consumers who will see increased prices, less variety and quality, and inconsistent supplies from a single growing area located in the heart of Hurricane Alley.

By using faulty arguments to bolster their political position, FTE risks harming a U.S.-Mexico relationship that more than ever requires trust and strong bilateral cooperation.

 ¹ Unique Challenges for Florida Growers in Tomato and Pepper Production <u>https://edis.ifas.ufl.edu/pdffiles/IN/IN73300.pdf</u>
 ² Tomatoland: How Modern Industrial Agriculture Destroyed Our Most Alluring Fruit, Barry Estabrook, Andrews McMeel Publishing 2011
 ³ NPR: How Industrial Farming 'Destroyed the Tasty Tomato, <u>https://www.npr.org/2011/06/28/137371975/how-industrial-farming-destroyed-the-tasty-tomato</u>
 ⁴ The 2018 Farm Bill (P.L. 115-334): Summary and Side-by-Side Comparison
 ⁵ Mexican Fresh Tomatoes, Agribusiness Value Chain Contributions to the US Economy,

University of Arizona Nov. 2018 ⁶ Chicago Tribune: <u>https://www.chicagotribune.com/business/ct-biz-nafta-tomato-growers-</u> 20171017-story.html.

Who We Are

Founded in 1944, the Fresh Produce Association of the Americas (FPAA) is a nonprofit trade association headquartered in Nogales, Arizona, that represents over 120 U.S. member companies involved in importing and marketing fresh fruits and vegetables grown in Mexico and distributed across North America and the world.

Attachment #2

Copy of Port Authority Letter for No-Build Option for FMCSA facilities



July 29, 2019

Osmahn Kadri NEPA Program Manager General Services Administration 50 United Nations Plaza, 3345 Mailbox #9 San Francisco, California 94012

Via electronic mail: Osmahn.kadri@gsa.gov

RE: Notice of Intent To Prepare an Environmental Impact Statement for Land Ports of Entry, [Notice–PBS–2019–05; Docket No. 2019–0002; Sequence No. 14]

Dear Mr. Kadri,

On behalf of the Greater Nogales Santa Cruz County Port Authority, I am writing to express our strong opposition to the proposal to build new safety inspection facilities at Nogales for the Federal Motor Carrier Safety Administration (FMCSA).

Nogales is the gateway for over 337,000 northbound trucks a year, carrying close to \$30 billion worth of goods between the United States and Mexico. During peak periods of the year, we will average over 1,800 trucks per day thus anything that impacts the flow of trucks is of critical importance to the food supply of our nation, as well as the supply chains of hundreds of companies.

It is worth remembering that Nogales has been the location of previous blockades - and threats of blockades - by the trucking industry due to over-inspections and treatment of drivers by federal safety inspection officers.

The Port Authority has been very supportive of the efforts by the Arizona Department of Transportation (ADOT) to embrace a risk-based approach to the truck safety inspection process, combined with proactive efforts to work with the trucking industry in Mexico so that drivers learn what to expect before they even arrive at the border. Training drivers on the inspection process is an innovative approach that has resulted in less and lower fines for those that have participated in the certification program.

The new results and the decrease in complaints by drivers and trucking companies are due to the new approach by ADOT and the collaborative effort between ADOT with FMCSA; and both agencies agreeing to work together for the

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Osmahn Kadri General Services Administration July 29, 2019

betterment of the inspection process as well as enhancing the safety of Arizona's roads.

Earlier this year we were pleased to hear of the Memorandum of Understanding executed between ADOT and FMCSA that codifies the operational approach to the inspection process on the Arizona border. Thus, it was with great surprise that we saw the announcement in the Federal Register by the General Services Administration (GSA) of the intent to conduct an Environmental Impact Study (EIS) for the construction of a new FMCSA facility that would be located upstream from ADOT. This proposal is certainly a step backwards as it will eliminate the gains in efficiency and will end of the collaborative efforts between ADOT and FMCSA.

Currently ADOT and FMCSA are collocated in a single facility thus trucks have only one stop to meet safety, weight and permitting requirements. A second, separate facility will require a growing number of trucks to make an additional stop before they are permitted on Arizona's highways. We hear from both industry and ADOT that the new process is working thus we see no reason why new facilities are needed and no reason to break the very recent protocols between both safety enforcement agencies. Having two separate facilities will mean the duplication and a redundant approach to safety inspections at Nogales.

Additionally, when we saw that the proposal for the new facility includes 8 lanes for inspection, we fear a dramatic increase in the inspection rates by FMCSA. This is four times the current inspection capacity! This stands to only add to delays and congestion at the border.

We strongly support the "No Action" alternative for the EIS currently underway as the proposed new facilities will have negative effects on trade due to increased delays to cross the border, and on the environment due to increased congestion and additional stops for trucks. Additionally, should the project move forward it will exemplify wasteful spending of limited federal funds to build unnecessary and duplicative inspection facilities.

We thank you for the attention to this letter and be advised that we stand ready to participate in future meetings with stakeholders or other opportunities to comment on this proposal.

Respectfully,

Guillermo Valencia Chairman

Attachment #3

Copy of Santa Cruz County Letter for No-Build Option for FMCSA facilities

MANUEL RUIZ **Board of Supervisors** District 1 RUDY MOLERA Santa Cruz County District 2 BRUCE BRACKER District 3 Osmahn Kadri NEPA Program Manager General Services Administration 50 United Nations Plaza, 3345 Mailbox #9 San Francisco, California, 94012 RE: Notice of Intent To Prepare an Environmental Impact Statement for Land Ports of Entry, [Notice-PBS-2019-05; Docket No. 2019-0002; Sequence No. 14] Dear Mr. Kadri, On behalf of Santa Cruz County, Arizona, we write to express our strong opposition to the proposal under consideration by the General Services Administration (GSA), acting on behalf of the Federal Safety and Motor Carrier Safety Administration (FMCSA), to build new, stand-alone truck safety inspection facilities at the Mariposa Port of Entry in Santa Cruz County. Santa Cruz County is home to one of the largest ports of entry for both commercial and non-commercial traffic. We are the gateway for approximately 85% of Arizona's trade with Mexico and approximately 45% of the tourism. What happens at the ports of entry in Santa Cruz County is of significant impact to Arizona and the nation. At the Mariposa Port of Entry in Santa Cruz County, FMCSA officers conduct their safety inspections out of facilities owned by the Arizona Department of Transportation (ADOT). The two agencies share truck and driver safety responsibilities and in fact are credentialed by the same international agency. Our County has been supporting efforts by ADOT to help identify and implement programs for commercial drivers that result in efficiency at the border and enhance the safety of our roads. These include a risk-based approach to the truck safety inspection process, a driver certification for Mexican truck drivers called the International Border Inspection Qualification (IBIQ) process, the use of WhatsApp to allow drivers to communicate with officers prior to arrival at the border, the "pit-crew" approach to level 1 commercial safety inspections, and other enhanced and leading edge initiatives. These programs have been embraced by industry and ADOT is reporting improved compliance for drivers and far fewer out of service notifications, which has resulted in decreased insurance policy costs for the trucking companies.

ADOT's partners at the FMCSA have been collaborative and supportive of these efforts to date and have adopted the same practices in their own inspections. In fact, earlier this year ADOT informed us that they had executed a Memorandum of Understanding with FMCSA that codified the collaborative efforts by both safety enforcement agencies, thereby reducing redundancies, leading to greater cooperation, and cementing the initiatives that have led to making Arizona's ports of entry leaders in efficiency and safety border-wide. As a result, the County was dismayed to learn that FMCSA, with assistance from GSA, was continuing to pursue stand-alone inspection facilities. The proposal to build new, standalone facilities, upstream from the ADOT facilities breaks the spirit and intent of the MOU. Furthermore, the new facilities will result in inefficiencies at the border, increase costs for industry, result in more congestion, expend limited federal funds in unnecessary projects (funds that could be used in other more productive areas of border infrastructure) and negatively impact trade and commerce. Finally, the new facilities will not result in safer trucks or better drivers than the programs and processes that are already in place. We urge GSA and FMCSA to reconsider this proposal, continue to share the space with ADOT, embrace the risk-based approach to safety inspections, and work with us and industry in implementing programs that lead to safer roads and greater efficiencies at the border. This proposal is antithetical to what has been done to date. We thank you for the consideration you give to these comments. Please know that we stand ready to participate in future hearings on this topic with the hopes that we will continue to look for programs and investments that promote safety and efficiency. Respectfully, Bruce Bracker Manuel Rui Chairman Vice-Chairman Member Santa Cruz County Complex 2150 N. Congress Drive + P.O. Box 1150 + Nogales, Arizona 85621 (520) 375-7812 · FAX (520) 761-7843 · TDD (520) 375-7934