

March 9, 2014

TO: MR. BRUCE BRACKER, CHAIRMAN, GNSCCPA

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

SUBJECT: 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. Border Communities Roadmap for Economic Development;**
- 2. Arizona-Mexico Commission Plenary in Hermosillo;**
- 3. Crossborder Trucking Update;**
- 4. Joint Working Committee;**
- 5. Changes on the Arizona Congressional Delegation; and**
- 6. 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 Board of Directors informed and to ensure that our activities adhere 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. *BORDER COMMUNITIES ROADMAP FOR ECONOMIC DEVELOPMENT*

- ✦ On Monday, March 3, 2014, a Community Outreach session for the Border Communities Economic Development Roadmap took place in Nogales.
- ✦ The meeting was hosted by:
 - Arizona-Mexico Commission
 - Arizona Office of Tourism
 - Arizona Department of Transportation
 - Arizona Commerce Authority
- ✦ The meeting provided an opportunity for the Work Team to present the findings of the report and discuss the implementation and action items of the report.
 - Similar processes are underway in Douglas and in San Luis/Somerton/Yuma
- ✦ One of the principle action items is the creation of a Business Case for the community, a tool that would be utilized to provide critical decision-making information to prospective companies looking to expand.
 - The City of Nogales has indicated that they are prepared to consider funding a portion of the study
 - It is an initiative that has the commitment of the for state sponsoring agencies
 - The case study should take approximately 6 to 10 months complete.
- ✦ The four participating agencies have expressed their commitment to work with Nogales on the implementation of the Roadmap – as they are doing with the other border communities.
- ✦ Some 40 people participated in the discussions and among the additional topics that were raised were:
 - The need to improve SR 189
 - The need for additional staffing at the ports of entry
 - The need to coordinate with the newly created Economic Development and Tourism Council by the City of Nogales



Roadmap Session at Holiday Inn Express



The Honorable Arturo Garino, Mayor, providing welcoming remarks during Roadmap Meeting

- ✦ A complete copy of the report can be downloaded from the Arizona-Mexico Commission web page: <http://www.azmc.org/border-roadmap>

2. ***ARIZONA-MEXICO COMMISSION PLENARY IN HERMOSILLO, SONORA***

- ✦ This past February 6 and 7, 2014 the Arizona-Mexico Commission, along with its sister organization, the *Comision Sonora-Arizona*, hosted their plenary session in Hermosillo, Sonora, Mexico.
 - Close to 160 people from Arizona attended the event.
- ✦ Among the key highlights of the event were:
 - The announcement by the University of Arizona and the Offshore Group of the creation of Global Advantage, a joint venture between both entities that will leverage the Research and Development capabilities of the University with the manufacturing excellence of the Offshore group.
 - To that end, both Governors will be leading a trade delegation to Israel later this year, a delegation that will focus on promoting the binational nature of the region, exemplified by Global Advantage.
 - The transportation committee of the Commission has agreed to include a recurring agenda item at every meeting that will allow each border

community to provide an update on the situation at their respective ports of entry.



Mayors Garino of Nogales, Arizona, Guzman of Nogales, Sonora, Ortega of Douglas, Vice Mayor Rosales of San Luis and various members of various City Councils



The Honorable Arturo Garino and Councilman Jose Diaz with Governor Jan Brewer and Governor Guillermo Padres.



The Honorable Arturo Garino, Councilman Jose Diaz, Councilman Cesar Parada and Councilman Joe Doyle with Governor Padres

3. *CROSSBORDER TRUCKING UPDATE*

- ✦ Based on local reports of the threat of a strike by crossborder truckers at Nogales due to the high levels of inspection and citation by the Federal Motor Carrier Safety Administration (FMCSA) a meeting was held at the offices of the Fresh Produce Association of the Americas during which close to 50 industry representatives attended the meeting with the Arizona Department of Transportation (ADOT) and the FMCSA
 - During the meeting FMCSA reported that in 2013 they issued over 91,000 citations.
- ✦ As a follow up to the meeting, a meeting between industry representatives and the Director of ADOT has been set up for Wednesday, March 12, 2014 in Phoenix.
- ✦ As more information becomes available it will be provided.

4. *JOINT WORKING COMMITTEE*

- ✦ The US-Mexico Joint Working Committee on Transportation met in Mexico City this past week.
- ✦ During the meeting, the Mexican Ministry of Communications and Transportation (SCT) informed that construction of the new Aduanas facility some 4 kilometers south of the border will not be completed in time to match the anticipated completion of the Mariposa Reconfiguration project (August/September, 2014)
 - SCT informed that the new completion date is in the first quarter of 2015.

5. *CHANGES ON THE ARIZONA CONGRESSIONAL DELEGATION*

- ✦ On February 27, 2014 Congressman Ed Pastor, Arizona's most senior member of the delegation in the House of Representatives, announced his retirement from Congress.
 - Congressman Pastor leaves behind a great record of supporting a number of initiatives and projects for Arizona.
 - Congressman Pastor was an ardent supporter of our efforts to secure the funding for the Mariposa Reconfiguration Project.
- ✦ As a result of the announcement, a large number of individuals have announced their intent to run for the congressional seat, including:
 - Ruben Gallego, Arizona House of Representatives
 - Mary Rose Wilcox, Board of Supervisors, Maricopa County
 - Laura Pastor (the retiring congressman's daughter),

- Michael Nowakowski, Vice Mayor for the City of Phoenix,
- Daniel Valenzuela, Councilman, City of Phoenix,
- State House Minority Leader Chad Campbell,
- State Senator Anna Tovar, and
- Avondale Mayor Marie Lopez Rogers.

6. REPRESENTATION OF THE GNSCCPA WITH KEY ENTITIES

- ✦ Continuing efforts to maintain an on-going dialogue with various agencies in order to ensure full coordination of efforts and maximizing the impact of our limited resources, including:
 - ADOT;
 - AMC;
 - DHS/CBP;
 - Ferromex;
 - GSA;
 - Office of the Mexican Consulate General, Phoenix
 - Offices of Arizona Congressional Delegation;
 - Office of the Governor;
 - SCT;
 - SRE;
 - State Department;
 - State of Sonora;
 - Union Pacific; and
 - US Consulate in Nogales, 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.