

December 26, 2021

TO: Mr. Jaime Chamberlain, Chairman

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

SUBJECT: Monthly Report of Activities – November 2021

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. 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. Modification of Border Crossing Restrictions;
3. Video Conference on Cross-Border Vaccination Efforts;
4. Mariposa POE Proposal by Mexican consultant;
5. GSA letter confirming DeConcini Feasibility Study;
6. Passage of Infrastructure Package (IJA);
7. FPAA letter on Sunday Commercial Services;
8. Coalition Letter on CBP Staffing;
9. Arizona Transportation Board testimony; and
10. Mexican Aduanas announces infrastructure investments at Nogales.

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.
- GSA has provided initial response to changes suggested by Technical Team on the Revocable License Agreement.
- Technical discussions continue between PA and GSA on architectural requirements, including the easements for the electric energy service.
- Port Authority is working with architects to complete 90% design for submission.

2. *MODIFICATION OF BORDER CROSSING RESTRICTIONS*

- As of November 8, 2021, the US government is permitting non-essential travel for those that can provide acceptable proof of vaccination;
- Special thanks to Customs and Border Protection for making the necessary preparations for the modification of border crossing restrictions, making sure that the border wait times did not increase on the day that the modifications went into effect.

3. *VIDEO CONFERENCE ON CROSS-BORDER VACCINATION PROGRAM*

- In response to a request by the University of Arizona, the Port Authority participated in a video conference call so that relevant stakeholders could discuss the continuation of this program;
- The University of Arizona has been providing vaccinations at the ports of entry, with permission from Customs and Border Protection and in coordination with the Consulate General of Mexico;
- The University of Arizona informed stakeholders that it was getting harder to find volunteers to continue the vaccination program and the Port Authority, in coordination with the Arizona-Mexico Commission and Santa Cruz County endeavored to find ways to raise funds to help the University of Arizona continue the mobile vaccination program;
- On November 8, 2021, the Port Authority sent out an email urging local stakeholders to make contributions to the University of Arizona Foundation in order to help the mobile vaccination program continue;
- A copy of the email is provided in Attachment #1.

4. **MARIPOSA POE PROPOSAL BY MEXICAN CONSULTANT**

- On November 3, 2021, Chairman Chamberlain, and Board member Josh Rubin, participated in a meeting during which Juan Laborin, a consultant, proposed modifications to the Mexican side of the Mariposa port of entry.
- As presented, the proposal would make modifications to the Mexican side only and is anticipated to help with the staging of commercial traffic.
- During the meeting Chairman Chamberlain suggested that it was imperative that stakeholders from Nogales, Sonora convene a meeting to create an infrastructure master plan and identify the priorities to help create alignment on both sides of the border.
- Below are notes from the meeting and images of the proposal as presented:

Proposal for Mariposa POE Improvements in Mexico

Wednesday, November 3, 2021

Discussion Notes:

- Chairman Jaime Chamberlain stressed the need for closer binational collaboration among the stakeholders in Ambos Nogales as there are several port of entry projects being proposed. He indicated that there is an opportunity to gather these proposals into a “master plan” type document.
- The proposed improvements to the Mariposa port of entry on the Mexican side includes reconfiguration and improvement of commercial lanes leading into the US, installation of non-intrusive inspection technologies, binational inspection tower. (See attached slides.)
- The proposal has been presented to the new municipal administration in Nogales, Sonora, the Durazo administration, and several Mexican federal agencies.

Participants:

- Barbara Grijalva, INDEX Nogales
- Georgina Felix, Director of International Affairs, Fresh Produce Association
- Jaime Chamberlain, Chairman, Greater Nogales Santa Cruz County Port Authority
- Josh Rubin, Index Nogales and Port Authority
- Jaime Olaiz, Amado Trucking
- Juan Laborin, Consultant
- Mark Sanders, Director of International Affairs, AZ Department of Transportation
- Martha Rascon, Smart Border Trucking Association
- Veronica Dimas
- Luis Ramirez, Ramirez Advisors
- Martin Rodriguez, Ramirez Advisors



5. GSA LETTER CONFIRMING DeCONCINI FEASIBILITY STUDY

- On November 3, 2021, the General Services Administration (GSA) sent a letter to Senators Mark Kelly and Kyrsten Sinema regarding the Feasibility Study for the Modernization of the DeConcini Port of Entry.
- “GSA understands that the DeConcini LPOE is in need of modernization in order to meet current U.S. Customs and Border Protection (CBP) mission requirements, as well as the regional needs of industry and the community in Nogales... CBP has indicated their initial support for moving forward with a d feasibility study for the DeConcini LOPE.”
- The letter confirms GSA’s intent to conduct the feasibility study in FYT2023.
- To that end, the Port Authority and its members, will have to play a critical role in ensuring binational coordination of the study and that there are no delays ot the process.
- Special thanks to Senators Sinema and Kelly for advocating for this project and working with GSA to ensure that the Feasibility Study gets funded and moves forward.
- A copy of the letter is provided in Attachment #2.

6. PASSAGE OF INFRASTRUCTURE PACKAGE (IIJA)

- On November 5, 2021, the US Congress approved the Infrastructure Investment and Jobs Act, which included \$3.8 billion of funding for ports of entry (both the northern and southern border), essentially funding the full 5-year CBP Capital Investment Plan (CIP).
- This plan included funding to pay for the full build out of the San Luis 1 Port of Entry (\$147 million) and \$447 million for the Douglas Two-Port Solution. With the

funding of the CIP plan, it allows projects that were of a lower priority to move up the list, including the DeConcini Port of entry.

7. *FCAA LETTER ON SUNDAY COMMERCIAL SERVICE*

- On November 9, 2021, the Fresh Produce Association of the Americas (FCAA) sent a letter to the Director General of Mexican Customs (Aduanas), asking for the modification of year-round Sunday service to be limited to the season and ending on June 27, 2021.
- A copy of the letter is provided in Attachment #3.

8. *COALITION LETTER ON CBP STAFFING*

- On November 16, 2021, the Port Authority joined local, regional, and national organizations in a letter sent to the House of Representatives and the Senate urging for additional funding for additional staffing for CBP.
- "...we respectfully reiterate our original request and are asking you to consider during the conference negotiations funding for 800 additional CBP officers – half the identified need – in the final FY 2022 DHS appropriations bill."
- A copy of the letter is provided in Attachment #4.

9. *ARIZONA TRANSPORTATION BOARD TESTIMONY*

- On November 9, 2021, Chairman Chamberlain once again presented during the Call to the Public portion of the Arizona Transportation Board meeting on the urgent need to modernize the Ruby Road and Rio Rico Drive interchanges on Interstate 19.
- A copy of the testimony is provided below:

Testimony
State Transportation Board Meeting

Presented by:
Jaime Chamberlain, Chairman
Greater Nogales Santa Cruz County Port Authority

November 19, 2021

Chairman Stratton and Members of the Board:

My name is Jaime Chamberlain, and I am here as Chairman of the Greater Nogales Santa Cruz County Port Authority. Our Board of Directors includes the City of Nogales, Santa Cruz County, the Fresh Produce Association of the Americas, INDEX Sonora, Nogales Customs Brokers Association, Nogales Community Development, Nogales Economic Development Foundation, and the Santa Cruz County Mining Cluster.

We are excited to see that the modernization of SR-189 is soon to come to its conclusion and be assured that we are ready for a big FIESTA to celebrate this tremendous investment in Arizona's most important international trade and tourism corridor.

But as I, and the previous Chairs of the port authority have stressed, the SR-189 project is part of a broader transportation strategy for our corridor. The second part of it is the modernization of the I-19 interchanges at Ruby Road and Rio Rico Drive, including the frontage roads on both sides of the highway.

More than 200,000 trucks that carry fresh produce from Mexico will cross the border and proceed to a warehouse in our community. Ruby Road and Rio Rico drive offer the access to dozens of produce warehouses and distribution centers, moving billions of pounds of fresh produce that will then be picked up by US carriers and taken to destinations all over the nation, and even to Canada and beyond. So while we mention the 200,000 trucks that come in from Mexico, drop off their load and return to Mexico, it is a similar number that comes into Nogales to pick up the loads, and then return to destinations from Tucson and Phoenix to Los Angeles and New York, literally.

For the period of January through August of this year, truck traffic is up by 12.5% over the same period of 2020. When you combine produce trucks with trucks carrying manufactured products, the total commercial traffic from Mexico at Nogales for 2021 will probably exceed 390,000 northbound trucks.

The Design Concept Report for these improvements was completed in 2018. That DCR, identified the preferred alternatives for the improvements totaling over \$25.2 million. Given the construction costs increases that are endemic to today's economy, we would expect that these figures will have to be updated. In fact, earlier this year we submitted an appropriations request to Congress for \$35 million to pay for these improvements.

While the SR-189 project will get traffic from the border to and from I-19 faster and safer, the bottleneck and congestion issues now move to these two interchanges. We know that additional funds are coming to Arizona through the Infrastructure Investment and Jobs Act. We hope that the urgency to modernize these interchanges will remain a top-of-mind concern as you decide how to maximize the return on the investments you are going to be making.

I thank you for your attention and would be happy to address any questions you may have.

10. MEXICAN ADUANAS ANNOUNCES INFRASTRUCTURE INVESTMENTS AT NOGALES

- On November 23, 2021, the Director General for Infrastructure, Technology and Equipment of Aduanas confirmed the intent of the Mexican federal government to invest \$2,252 million pesos (approximately \$112 million USD) in a number of infrastructure projects and improvement to the port of entry system at Nogales.
- It is unclear at this time if this funding includes the proposal by both Governor Alfonso Durazo of Sonora and Municipal President Juan Gim of Nogales, Sonora, to pay for the relocation of the railroad tracks on the Mexican side of the border.
- Few details are available at this time, but we were able to obtain copy of a slide used during the presentation that provides some high-level details of the investments:

Nogales
 ADMINISTRACIÓN GENERAL DE ADUANAS

ÁREA

- Puente I**
Poligonal actual 1.11 has
- Puente II**
Poligonal actual 5.10 km
- Puente III**
Poligonal actual 9.76 has

CONSTRUCCIÓN

Puente I

- Edificio administrativo
- Edificio
- Unidad canina para 4 caninos

CONSTRUCCIÓN

Puente II

- Modernización de libramiento Nogales– mariposas 12.5 km.

CONSTRUCCIÓN

Puente III

- Edificio administrativo
- Unidad canina para 6 caninos
- Alojamiento para SEDENA (31 elementos)
- Alojamiento para la aduana (16 elementos)
- Alojamiento para Guardia nacional (31 elementos)
- Obras exteriores
- 5 Carriles de entrada ligeros
- 5 Bahías de revisión ligeros
- 5 Carriles de ingreso (Exp)
- 4 Carriles de salida (Imp)


SUMINISTRO

- 3 equipo de rayos x

Total de Inversión (MDP)
\$2,252.00

Attachment #1

Copy of Email on Cross-Border Vaccination Donations

From: luis@ramirezadvisors.com 
Subject: Fwd: [EXT]Border vaccination efforts
Date: November 8, 2021 at 9:18 PM
To: Jaime Chamberlain jaime@chamberlaindistributing.com
Cc: Allison Moore amoore@freshfrommexico.com, Scott Vandervoet scott.vandervoet@gmail.com, Leonardo Tarriba Itarriba@farmersbest.com.mx, Guillermo Valencia gvalencia@evalencia.com, Terry K. Shannon Jr. tshannons@mchsi.com, Demetrio Kyriakis d.kyriakis@kk-intl.com, mayorgarino@nogalesaz.gov, John Kissinger jkissinger@nogalesaz.gov, Liza Montiel lemontiel@nogalesaz.gov, Bruce Bracker bbracker@santacruzcountyaz.gov, Jennifer St. John jstjohn@santacruzcountyaz.gov, Joshua Rubin jrubin@javidmexico.com, Nilo Larriva nilo@nogalesinternet.com, Sheriff Hathaway SheriffDavidHathaway@gmail.com, Marcelino Varona mvarona@q.com, Pat Risner pat.risner@south32.net, Gregory Lucero gregory.lucero@south32.net, Martin Rodriguez Nunez martin@ramirezadvisors.com



Jaime,

As a follow up to our conversation with Santa Cruz County, the University of Arizona and the Mexican Consulate, Dr. Cecilia Rosales, who is spearheading the efforts by the UofA to provide Covid-19 vaccines through the Mobile Health Units all over the Arizona border region - including the vaccination at the ports of entry - has provided the following information for anyone to donate and help pay for the cost associated with this program.

Anyone that is interested in supporting this program can follow the link provided below by Dr. Rosales to make a contribution - and every dollar counts!! Dr. Rosales and her team are applying for grants and other funding opportunities but the funding is not certain. This is an easy way to support the continuation of vaccination efforts on the border.

Please note, that more than 35,000 vaccines have been provided through this program. Should anyone have any questions please let me know and if I don't have the answer we can put them in contact with Dr. Rosales.

Special thanks to the UofA and Dr. Rosales for spearheading this effort!!

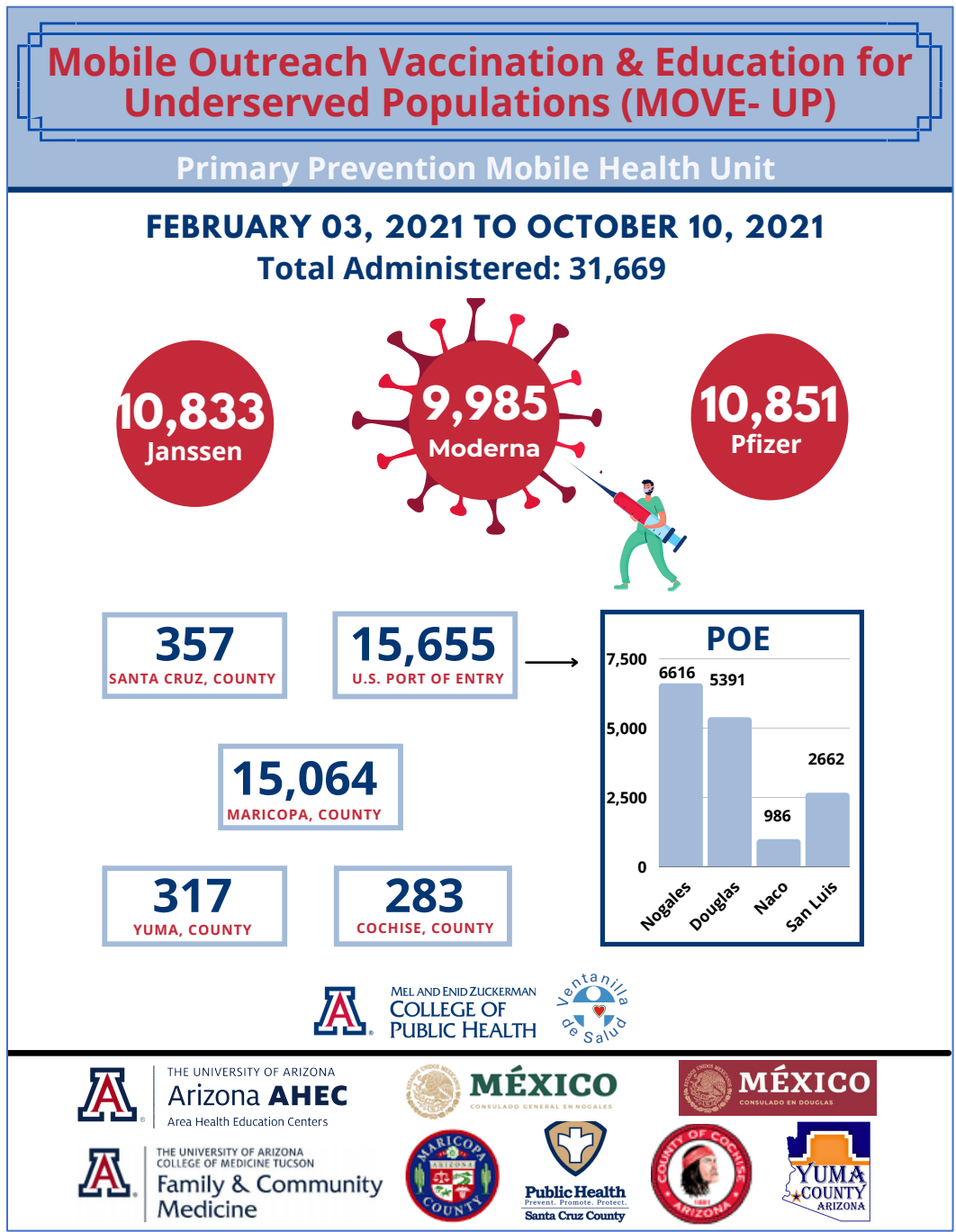
Respectfully,
 Luis Ramirez

Begin forwarded message:

From: "Rosales, Cecilia B - (crosales)" <crosales@arizona.edu>
Subject: RE: [EXT]Border vaccination efforts
Date: November 5, 2021 at 12:11:26 PM MST
To: "luis@ramirezadvisors.com" <luis@ramirezadvisors.com>

Luis, thanks for your call today. This is the link to the **Mobile Health Units**. The Mobile Health Unit teams are providing the vaccinations and basic health screenings in southern Arizona and Maricopa, Pinal, Graham and Yuma: <https://www.publichealth.arizona.edu/support/funding-priorities/mobile-health-unit> I've also attached the most recent infographic. We are developing the latest that would include through end of October. We are at 35,000 covid19 vaccines. The designation of POE refers to the Ports of Entry in Arizona. Saludos, Cecilia





Attachment #2
Copy of GSA letter on DeConcini Feasibility Study

DocuSign Envelope ID: 17F1F4B6-5FA1-4C33-AD4D-A528B811A0BF



Office of Congressional and
Intergovernmental Affairs

November 3, 2021

The Honorable Mark Kelly
The Honorable Kyrsten Sinema
United States Senate
Washington, DC 20510-0309

Dear Senators Kelly and Sinema:

Thank you for your letter dated September 15, 2021 regarding your request for the U.S. General Services Administration (GSA) to prioritize the Dennis DeConcini Land Port of Entry (DeConcini LPOE) in Nogales, Arizona, when developing our plans for future feasibility studies. Your inquiry has been referred to me for response.

GSA understands that the DeConcini LPOE is in need of modernization in order to fully meet current U.S. Customs and Border Protection (CBP) mission requirements, as well as the regional needs of industry and the community in Nogales. With the prospect of funding for CBP's 5-year plan in the Bipartisan Infrastructure Deal, CBP has indicated their initial support for moving forward with a feasibility study for the DeConcini LPOE. Therefore, GSA is coordinating with CBP to budget for a feasibility study in fiscal year 2023.

A feasibility study is a key first step to ensure the LPOE meets the current requirements of Federal agencies in coordination with the needs of the community and State of Arizona. GSA looks forward to this important study for the proposed modernization of the DeConcini LPOE.

If you have any questions or concerns, please contact me at (202) 501-0563.

Sincerely,

DocuSigned by:
A handwritten signature in black ink, appearing to read "Gianelle E. Rivera".

CCCCCF8BFF591483
Gianelle E. Rivera
Associate Administrator

U.S. General Services Administration
1800 F Street NW
Washington, DC 20405
www.gsa.gov

Attachment #3
Copy of FPAA letter to Aduanas on Sunday Service



Nogales, Arizona a 9 de noviembre de 2021

- Leonardo Tarriba
Chairman
- Rod Sbragia
Chairman Elect
- Scott Vandervoet
Past Chair
- Bobby Astengo
- Gonzalo Avila
- Chris Ciruli
- Raquel Espinoza
- Jorge Gamez
- Juan Manuel Ibarra
- Demetrio Kiriakis
- Martin Ley
- Matt Mandel
- James Martin
- Jose Antonio Martinez
- Eric Meyer
- Juan Pablo Molina
- Jimmy Munguia
- John Pandol
- Walter Ram
- Mikee Suarez
- Lesley Sykes
- Chuck Thomas
- Lance Jungmeyer
President
- Jeff Sandquist
Veridus
Arizona Representative
- Britton Clarke
BC Consulting
Washington Representative

Mtro. Horacio Duarte Olivares
Administrador General de Aduanas
Servicio de Administración Tributaria
Presente

Estimado Mtro. Duarte,

A nombre de los miembros de la Fresh Produce Association of the Americas (FPAA) le solicito de la manera mas amable el servicio comercial durante los domingos a través del Puerto Fronterizo de Nogales, Sonora – Nogales, Arizona, de manera que se empaten los servicios que presta la Aduana de los Estados Unidos (CBP por sus siglas en ingles) en este Puerto.

Como Usted sabe, la Aduana de Nogales facilita la exportación de la mayor parte de las exportaciones hortalizas y frutas que se producen en Sinaloa, Sonora y el Occidente de México, con un valor mayor a \$3.7 mil millones de dólares. Facilitar el servicio comercial en domingos por esta aduana permite mantener un flujo más ordenado de las exportaciones en general.

La oficina de CBP emitió un boletín oficial el 20 de noviembre de 2020, donde se otorgó el servicio comercial durante los domingos a partir del 31 de enero, 2021 y de manera permanente. Sin embargo, la Aduana de Nogales solamente pudo brindar servicios comerciales durante los domingos del pico de la temporada de hortalizas y frutas de este año, cumpliendo con el Anexo 4 de las Reglas Generales de Comercio Exterior (29 de enero – 25 de abril) y su posterior ampliación (2 de mayo – 27 de junio).

Cabe señalar que gracias al servicio durante estos domingos los cruces comerciales fueron mas eficientes durante los lunes consecutivos y la



comercialización de los principales productos perecederos que cruzan por el Puerto de Nogales mas efectiva, beneficiando no solamente a los exportadores e importadores de productos hortofrutícolas, si no también a las industrias maquiladora y de autotransportes.

De antemano le agradezco su atención y quedo a sus órdenes para cualquier información adicional.

ATENTAMENTE

A handwritten signature in black ink, appearing to read "Lance Jungmeyer", written over a thin horizontal line.

Lance Jungmeyer
President
Fresh Produce Association of the Americas

CCP. Emb. Esteban Moctezuma Barragán - Embajador de México, Embajada de México en EE.UU.
Carlos Vázquez Ochoa – Ministro de Agricultura y Desarrollo Rural, Embajada de México en EE.UU.
César Remis Santos – Ministro de Economía, Embajada de México en EE.UU.
Guadalupe Ramirez – Director of Field Operations Tucson Sector, Customs and Border Protection

Attachment #4

Copy of Coalition letter asking for additional CBP Staffing

November 16, 2021

The Honorable Rosa DeLauro
Chair
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

The Honorable Kay Granger
Ranking Member
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

The Honorable Patrick Leahy
Chair
Committee on Appropriations
United States Senate
Washington, DC 20510

The Honorable Richard Shelby
Vice Chair
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Chair DeLauro, Ranking Member Granger, Chair Leahy, and Vice Chair Shelby:

As stakeholders interested in the security and facilitation activities of Customs and Border Protection (CBP) at air, sea, and land ports-of-entry around the world, we remain greatly affected by the ongoing COVID-19 global pandemic and its impact on the processing of passengers and cargo. As the U.S. economy recovers and international trade and travel begin to reach pre-pandemic levels, we are increasingly concerned that CBP staffing may not be sufficient to address these increased volumes.

While we are appreciative that both the House and Senate DHS Appropriations bills maintain funding for current CBP officer staffing levels, we are disappointed that neither bill included additional resources for CBP to hire new officers. With our air, sea, and land ports reopened to international travelers that are fully vaccinated on November 8 and cruise ships resuming full operations on January 15th, we are seeing a surge in travelers that will need to be processed by CBP officers. Couple that with the identified need of 1,785 new officers in CBP's most recent workload staffing model, finalized when COVID-related international travel restrictions were in place, it is clear that the agency needs additional officers to smoothly process travelers and cargo without long delays at our ports of entry and to facilitate new economic opportunities in communities throughout the United States. That is why we respectively reiterate our original request and are asking you to consider during conference negotiations funding for 800 additional CBP officers—half the identified need—in the final FY 2022 DHS appropriations bill.

Also, we should recognize CBP's continued shortfall in user fees collections that support 8,000 CBP officers at our ports of entry and preclearance operations at foreign airports as a result of the precipitous decrease in travel during the COVID pandemic. We greatly appreciate Congress providing supplemental resources last year to ensure that the agency maintains its staffing levels and continues to onboard new officers during the pandemic. We also are appreciative of the language included in the current continuing resolution that prevents the agency from furloughing staff due to pandemic-related loss of user fee funding. We believe additional emergency funding will be needed in the final FY 2022 DHS appropriation agreement to sustain CBP officers as user fees have not yet returned to pre-pandemic levels and urge this funding be included in the final agreement.

Increasing CBP officer staffing is an economic driver for the U.S. economy. While the volume of commerce crossing our borders has more than tripled in the past 25 years, CBP staffing has not kept pace with demand. Long wait times at our ports-of-entry lead to travel delays and uncertainty, which can increase supply-chain costs and cause passengers to miss their connections. According to the U.S. Department of Commerce, border delays result in losses to output, wages, jobs, and tax revenue due to

decreases in spending by companies, suppliers, and consumers. The travel industry estimates long CBP wait times have discouraged international visitors, who spend an average of \$4,200 per visit, from traveling to the United States.

We share your commitment to ensuring that America's borders remain safe, secure, and efficient for all users while enhancing our global competitiveness through the facilitation of legitimate travel and trade. We greatly appreciate your efforts to continue building on staffing advances made in recent years, and we urge you to include FY 2022 funding to sustain the current CBP officers, provide funding to hire new ones, and make up for the user fee funding shortfall.

Sincerely,

Airports Council International – North America
American Association of Airport Executives
American Association of Port Authorities
National Treasury Employees Union
Airforwarders Association
American Society of Travel Advisors
The Borderplex Alliance
Border Trade Alliance
Cargo Airline Association
City of Douglas, Arizona
City of San Luis, Arizona
Cruise Lines International Association
Douglas International Port Authority
Douglas Regional Economic Development Corporation
Fresh Produce Association of the Americas
Global Business Travel Association
Greater Nogales Santa Cruz County Port Authority
Greater Yuma Port Authority
National Association of Waterfront Employers
National Maritime Safety Association
Texas International Produce Association
U.S. Travel Association