

December 17, 2023

TO: Mr. Jaime Chamberlain, Chairman

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

SUBJECT: Monthly Report of Activities – November 2023

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

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

1. Swearing-In Ceremony for City Manager Roy Bermudez
2. County Solicits Public Input for Rio Rico Vitality, Housing Strategy and Tourism Sector
3. TENWEST Impact Festival Panel, Innovation on the Border: Business at the Arizona-Mexico Frontier
4. Phoenix Business Journal publishes OpEd on Tomato Suspension Agreement
5. State Transportation Board Meeting
6. AMC/CSE HOST Inter-Plenary Meeting
7. CBP announces indefinite closure of Lukeville Port of Entry

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 Mr. Josh Rubin, Mr. Guillermo Valencia, Mr. Bruce Bracker and other members of the Board of Directors and stakeholders to ensure that we have a fully coordinated approach to our efforts. RAI-N stands ready to address any issue, concern or suggestion that may arise from this report and from our ongoing dialogue with the leadership and the Board of Directors.

1. ROY BERMUDEZ SWORN IN AS NEW NOGALES CITY MANAGER



- On November 1, the City of Nogales hosted a Swearing In ceremony for Roy Bermudez as the new City Manager.
- Mr. Bermudez had recently assumed the position of Acting City Manager after many years as Chief of the Nogales Police Department.
- The Port Authority had worked with Mr. Bermudez in previous occasions to address several traffic safety issues in Nogales, including traffic congestion issues for traffic to and from the ports of entry.
- Congratulations to Mr. Bermudez!

2. COUNTY SOLICITS INPUT FOR RIO RICO VITALITY, HOUSING STRATEGY AND TOURISM SECTOR

- On November 6, Santa Cruz County sent out a notification soliciting input from local stakeholders on several key issues that impact the future of the County, including:
 - Rio Rico Vitality (<https://www.surveymonkey.com/r/SCChousing>)
 - Housing Strategy (<https://www.santacruzcountyz.gov/DocumentCenter/View/16056/RFP-SCC-Prosperity-Vision-Action-Plan---B-07-22-CO67-9622>)
 - Tourism Sector Prosperity Plan (<https://www.surveymonkey.com/r/Tourism>)
- Stakeholders were encouraged to respond to on-line surveys on each one of these areas so that the County could develop a plan of action in each area.
- Fact sheets for each initiative were included and can be found on the County's website by following the links provided below:
 - <https://www.santacruzcountyz.gov/DocumentCenter/View/17798/RioRicoVitalityDistrictFact-Sheet-1029?bidId=>
 - <https://www.santacruzcountyz.gov/DocumentCenter/View/17802/HousingStrategyFact-Sheet-1030?bidId=>
 - <https://www.santacruzcountyz.gov/DocumentCenter/View/17796>

3. PORT AUTHORITY LEADS “INNOVATION ON THE BORDER” PANEL DURING TENWEST EVENT IN TUCSON



- On November 7, Chairman Chamberlain, Vice Chair Josh Rubin, and Supervisor Bracker lead a panel discussion on Innovation at the Border during the Tenwest Event in Tucson.
- With participants from all over Arizona and the Southwest, it was an opportunity to highlight how Nogales creates public-private partnerships on a number of programs designed to improve the ports of entry, respond to industry

needs and deploy leading-edge programs that have made Nogales and the Arizona border second to none.



4. PHOENIX BUSINESS JOURNAL PUBLISHES OP-ED ON TOMATO SUSPENSION AGREEMENT

PBJ Phoenix Business Journal
@phxbizjournal

An Arizona business owner specializing in importing fruit and vegetables from Mexico urges government officials not to terminate a long-standing agreement regarding the cross-border trade of tomatoes, saying that it will hurt local businesses. [#phoenix](#)

[bizjournals.com](#)
My View: Potential tomato import ruling would hurt Arizona | In this guest column, an Arizona business owner specializing in importing fruit and vegetables from Mexico ...

4:30 AM · Nov 10, 2023 · 389 Views

- On November 10th, the Phoenix Business Journal printed an OpEd by Chairman Chamberlain. It is important to mention that submitted this OpEd as a private business owner, but we are including it in the report as the OpEd embraces the stated positions of the Port Authority in

- support of the fresh produce industry and the membership of the Fresh Produce Association of the Americas.
- Here is the complete text of the OpEd by Chairman Chamberlain in support of the fresh produce industry:

My View: Potential Import Ruling would hurt Arizona businesses
By: Jaime Chamberlain

In the bustling Arizona border town of Nogales, the tomato industry is not just about agriculture; it's about economic vitality, cross-border cooperation and shared prosperity. For decades, the importation of Mexican produce, especially tomatoes, has been a cornerstone of the local economy. It provides jobs, drives economic activity and fosters a trading relationship that stretches far beyond state lines.

With recent developments threatening this delicate balance, it's essential to consider the wider implications for Arizona and the entire United States.

Amid growing concerns about supposed unfair trade practices, the Florida Tomato Exchange, a conglomerate of large corporate tomato growers and packers, has requested the termination of the 2019 Tomato Suspension Agreement (TSA), which governs the importation of tomatoes into the U.S. Their claim is that imported tomatoes benefit from these practices, allowing them to sell higher-quality produce at lower prices. As a professional in the produce business for 30-plus years, I can confidently say that the explanation is rooted in the mutually beneficial trade relationship that Mexican tomatoes share with Arizona.

The 2019 TSA, which sought to strike a balance between protecting the interests of U.S. tomato growers, treating importers fairly and ensuring a year-round supply of quality produce for American consumers, has been pivotal in maintaining equilibrium. Terminating it in favor of a few mega-industrial growers in Florida would undermine decades of cross-border cooperation, with severe economic consequences for Arizona, especially businesses that rely on a robust agricultural trading relationship with Mexico.

A recent report by the Arizona State University Morrison School of Agribusiness estimated the immediate consequences of abandoning the current agreement. The most glaring impact would be a significant surge in tomato prices for American consumers, with projections of prices soaring 50% higher. American retailers would

also suffer, with potential revenue losses reaching \$7.53 billion. In the long term, these effects could ripple through the state's economy, jeopardizing over 22,700 jobs.

These negative repercussions would not be limited to Nogales or Arizona; they would echo across the nation. Mexico is Arizona's largest trade partner, with annual total trade likely to surpass \$30 billion in 2023. Implementing protectionist policies to benefit Florida corporate growers could lead to retaliatory tariffs imposed by Mexico, harming farmers across the United States and threatening a vital trade relationship.

The economic data and analysis make one thing abundantly clear: preserving the Tomato Suspension Agreement is in the best interest of our state and our nation. It is a testament to the success of international collaboration and trade, a model that has benefited both sides of the border for decades. As we navigate the turbulent waters of trade policy, let us prioritize the preservation of the TSA, safeguarding our shared prosperity and the well-being of millions of Americans who rely on this vital economic lifeline.

Jaime S. Chamberlain is president of Nogales-based Chamberlain Distributing Inc., an importer of Mexican fruit and vegetables, and is past board chairman of the Fresh Produce Association of the Americas.

5. COUNTY PRESENTS BEFORE ARIZONA TRANSPORTATION BOARD



- On November 17th, the Honorable Bruce Bracker, County Manager Jesus Valdez, and Luis Ramirez, traveled to Wickenburg to participate during the Arizona Transportation Board meeting in support of the \$3.2 million SMART (State Match Advantage for Rural Transportation) grant that would help pay for the design and engineering phase of the modernization of the interchanges at Ruby Road and Rio Rico Drive.

- During the Call to the Public, Supervisor Bracker stressed the importance of the project for the regional transportation system and the continual growth in traffic that is creating several safety and congestion issues.
- Supervisor Bracker stated: “For those of you that have been to Nogales, you know that the volume of trucks that relies on these interchanges is growing by the day. But so is the regular car traffic as this is also the fastest growing residential area in the county. We grow concerned that the outdated interchanges result in a safety hazard for the traveling public and a major congestion location on our most important trade and tourism corridor.”
- A copy of the complete testimony can be found in Attachment #1.

6. AMC/CSE HOST BINATIONAL PLENARY MEETING



- On November 17th, the Arizona-Mexico Commission (AMC) and the newly renamed *Comision Sonora-Estados Unidos (CSE)* held their first Inter-Plenary session of 2023.
 - The meeting brought together the Governors of Arizona and Sonora to discuss a variety of key issues impacting both states.
 - Chairman Chamberlain, and Port Authority Board member Guillermo Valencia, who also sits as a member of the AMC Board of Directors, both attended the meeting in Phoenix.
- During the Committee Breakout sessions, Chairman Chamberlain, who is also the Co-Chair of the Transportation, Infrastructure and Ports Committee of the Arizona-Mexico Commission presented a packet of information on a variety of issues and projects that impact Nogales and the entire Arizona border with Mexico.
- The packet included several recommendations for the Committee to consider adopting and/or supporting, including:
 - Support for the BEST Act.
 - Adoption recommendations that ensure the appropriate staffing at ports of entry.
 - Pushing for the port of entry projects and the commitments by Mexico.

- A copy of the Table of Contents from that packet of information is provided in Attachment #2.

7. CBP ANNOUNCES INDEFINITE CLOSURE OF LUKEVILLE PORT OF ENTRY

- On November 27th US Customs and Border Protection announced the indefinite closure of the Lukeville port of entry.
- This decision was made to have all 38 CBP officers that are stationed at Lukeville provide support for Border Patrol operations in the area.
- In the past several weeks, this area has seen a dramatic increase in the flow of migrants seeking asylum.
- Media and official reports abound confirming that individuals were cutting holes in the fence to allow hundreds of migrants at a time to cross.
- Most of the migrants simply cross and await the arrival of Border Patrol officials to be detained and processed.
- The processing of individuals apprehended in this area, are first transported to the Ajo Border Patrol facilities where they are either released to non-governmental humanitarian organizations, though more recently and due to the overwhelming numbers, migrants were being transported to other Border Patrol facilities for processing, including those in Nogales.
- This is a continuation of the decision by the Department of Homeland Security to have CBP officers on loan to Border Patrol.
- Several have been calling for the state of Arizona to deploy the National Guard to support operations at the border.

Statement from CBP on Operations in Eagle Pass, Texas and Lukeville, Arizona

Release Date: Mon, 11/27/2023

“The U.S. is continuing to see increased levels of migrant encounters at the Southwest Border, fueled by smugglers peddling disinformation to prey on vulnerable individuals and encourage migration. As we respond with additional resources and apply consequences for unlawful entry, the migration trends shift as well. We continue to adjust our operational plans to maximize enforcement efforts against those noncitizens who do not use lawful pathways or processes such as CBP One™.

“Beginning at 3 p.m. local time, CBP’s Office of Field Operations will temporarily suspend vehicle processing operations at Eagle Pass International Bridge 1 in Eagle Pass, Texas, and at 2 p.m. local time, reduce vehicle processing in Lukeville, Arizona, in order to redirect personnel to assist the U.S. Border Patrol with taking migrants into custody. In response to this influx in encounters, we will continue to surge all available resources to expeditiously and safely process migrants. We will maximize consequences against those without a legal basis to remain in the United States. CBP will continue to prioritize our border security mission as necessary in response to this evolving situation.”

U.S. Customs and Border Protection is the unified border agency within the Department of Homeland Security charged with the comprehensive management, control, and protection of our nation’s borders, combining customs, immigration, border security, and agricultural protection at and between official ports of entry.

Last Modified: Nov 27, 2023

Attachment #1

Copy of Supervisor Bracker testimony before Transportation Board

**Arizona Transportation Board
Testimony during Call to the Public**

By: Bruce Bracker, Supervisor
Santa Cruz County

Wickenburg, Arizona
November 17, 2023

Chairman Knight and members of the board, my name is Bruce Bracker, and I am the Vice Chair of the Board of Supervisors for Santa Cruz County. I appear before you today to talk about a recent submittal by Santa Cruz County for an AZ SMART Grant Application for \$3.5 million to pay for the Design Phase for the I-19 interchanges at Ruby Road and Rio Rico drive. This project also includes the frontage roads and how they interconnect to these interchanges to ensure the safe and efficient flow of traffic at these key junctures.

Santa Cruz County is proud of the work with the Arizona Department of Transportation to address key issues, including the modernization of SR189 that was completed last year. But what happens in our community cannot be seen as simply local issues.

We are the gateway for over \$30 billion of trade, making Nogales a critical nexus for national and global supply chains. With more than 380,000 trucks, and 3.7 million cars, you would think that we were a major metropolitan community. But the reality is that the entire county has a population of just under 50,000 people. We are a small community. But what happens here, is felt all over Arizona and North America.

In 2018, ADOT completed the DCR for this project, providing us with a cost estimate of \$26.4 million. But due to inflationary impacts and supply chain challenges over the past 5 years, ADOT is now estimating that this project is closer to \$56 million. And the need for this project simply continues to grow.

Earlier this year, by working with members of the Arizona State Legislature, the budget that was approved and signed by the Governor included \$8.6 million to help pay for the modernization of these key interchanges. Additionally, our Senior Senator, Kyrsten Sinema, has included \$50 million as one of her top Directed Spending Requests in the US Senate, to help pay for this project. While the Senate and Washington try to find a way to get to work, we remain committed to moving this project forward.

That is why, we are proposing to use \$500,000 of the funding that was included in this year's budget as a match for the AZ-SMART grant application. Additionally, as the SMART program requires, we will also be applying for additional federal grants to help

pay for other aspects of the project, including the completion of the frontage roads that connect these interchanges.

One final note on this application, I wanted to inform you that we are working with SEAGO, to make sure that the AZ-SMART grant application is adopted as a top regional priority.

For those of you that have been to Nogales, you know that the volume of trucks that relies on these interchanges is growing by the day. But so is the regular car traffic as this is also the fastest growing residential area in the county. We grow concerned that the outdated interchanges result in a safety hazard for the traveling public and a major congestion location on our most important trade and tourism corridor.


I ask that once the AZ-SMART application comes before you for your consideration, that you give it the necessary consideration and approval as this project cannot wait.

I thank you for your time and would be happy to answer any questions you might have.

Thank you!

Attachment #2

Table of Contents from Packet presented to AMC Transportation, Infrastructure and Ports Committee.



November 16, 2023

Key issues for discussion
Transportation, Infrastructure and Ports Committee
Arizona-Mexico Commission

1. Port of Entry infrastructure
 - a. San Luis 1 Modernization.
 - i. Broke Ground July 2023
 - b. DeConcini Feasibility Study.
 - i. Started in September 2023
 - c. Douglas Two-Port Solution.
 - i. City of Douglas broke Ground on water well for construction on November 16, 2023!
 - d. Need to highlight the investment being made by local and state authorities to support federal investment in ports of entry.
2. Port of Entry Operations and Staffing
 - a. Push for additional staffing for both Aduanas and CBP.
 - b. Stop the temporary reassignment of CBP Personnel to non-port operations.
3. Binational Coordination on continuity of operations
 - a. Morley Gate closing by Mexico.
4. Support for Border Enforcement, Security and Trade Facilitation (BEST) Act
 - a. New position at ports of entry.
5. Support for Border Community Joint Resolutions
 - a. Joint Resolution (September 18, 2023)
 - b. DRAFT Joint Resolution on Port Staffing and Operations (December 5, 2023)
6. Border Congressional Briefing (Arizona side only)
 - a. December 5, 2023, in Tucson.
7. Visit by Foreign Minister of Mexico and request for meeting with Border Communities
 - a. Have requested meeting of border communities in Phoenix, November 30, 2023.
8. Electric Truck Pilot Program
 - a. Awaiting response from USDOT on \$1 million Reimbursement Grant

P.O. Box 4518
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www.nogalesport.org