

BOARD OF DIRECTORS



PRIORITY ISSUES FOR NOGALES 2024

PREPARED BY:
GREATER NOGALES
SANTA CRUZ COUNTY
PORT AUTHORITY

APRIL 2024

WWW.NOGALESPORT.ORG

INTRODUCTION

The Board of Directors of the Greater Nogales Santa Cruz County Port Authority adheres to the steadfast commitment to advancing the mission of the organization. One of the foundational principals is the ongoing promotion of the Arizona-Mexico corridor that crosses through Nogales, a corridor that is essential to regional supply chains and the safe and efficient flow fo tourism.

To ensure a cohesive and coordinated message to stakeholders and decisionmakers throughout North America, the Port Authority has listed its top initiatives, with the understanding that many of them will overlap, while remaining ready to take advantage of timely opportunities to advance the goals of the organization. This document does not provide a ranking but rather provides a list of the projects and initiatives that the Port Authority advocates for on a day-to-day basis and as appropriate opportunities arise.

This list of priorities is subject to change at any time with the approval of the Board of Directors.

For more information and updates please visit www.nogalesport.org or follow us on social media platforms.

MISSION STATEMENT

IN PARTNERSHIP WITH PUBLIC AND PRIVATE SECTORS, THE STRATEGIC MISSION OF THE PORT AUTHORITY IS TO STRENGTHEN THE REGIONAL ECONOMY, IMPROVE INTERNATIONAL TRADE AND SPUR TOURISM AND COMMUNITY DEVELOPMENT BY MAKING THE INTERNATIONAL PORTS OF ENTRY AND SURROUNDING AREAS THE MOST EFFICIENT AND EFFECTIVE FOR GENERATIONS TO COME.

BOARD MEMBERSHIP

As a consensus builder, the entities that comprise the Board of Directors represent the key sectors of industry and local government in the Greater Nogales area.



OFFICERS

- Chair: Joshua Rubin, Index – Nogales
- Vice-Chair: Guillermo Valencia, Nogales US Customs Brokers Association
- Treasurer: The Honorable Bruce Bracker, Supervisor, Santa Cruz County

BOARD MEMBERS

- City of Nogales: The Honorable Jorge Maldonado, Mayor
- Fresh Produce Association of the Americas: Matt Mandel
- Nogales Community Development: Nilo Larriva
- Santa Cruz County Mining Cluster: Pat Risner
- Nogales Economic Development Foundation: Jaime Chamberlain

EX-OFFICIO

- Nogales Santa Cruz County Chamber of Commerce
 - Tucson Electric Power/Unisource
 - First Interstate Bank
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PRIORITY ITEMS

NOT LISTED IN ORDER OF PRIORITY

EXPEDITING COMMERCIAL TRAFFIC AT THE QUEROBABI MILITARY INSPECTION STATION

The military checkpoint that is located between Hermosillo and Nogales, Sonora is a continuous bottleneck for trade, with recorded wait times exceeding 15 hours. While investments have been made to improve the infrastructure at the inspection station, there remain opportunities to deploy programs, systems and technologies to provide Mexican military authorities the information and tools needed to facilitate the inspection process while offering importers and exporters a more efficient and predictable transit time along this critical US-Mexico trade corridor. ***Advocating for the expediting of traffic at Querobabi Military Inspection station.***



MODERNIZATION OF THE NOGALES CORRIDOR CONNECTING THE MARIPOSA PORT OF ENTRY WITH MX-15

The corridor that connects MX-15 with the border at the Mariposa Port of Entry, approximately 13 kilometers in length, needs upgrades and modernization that include lane designation, new signage, security, and overall maintenance to offer traffic a safe and secure environment. ***Advocating for Mexican authorities to make the necessary improvements to the corrector that connects to the Mariposa port of entry.***



IMPLEMENTING INITIATIVES THAT OFFER SOLUTIONS FOR STORMWATER ISSUES IN AMBOS NOGALES



A comprehensive approach is needed for the issues surrounding the Ambos Nogales watershed and basin, which includes a number of individual projects that will provide a positive impact on the situation by minimizing flooding events, decreasing the speed at which stormwaters flow at grade on streets and sidewalks, minimizing the damage to local infrastructure and eliminating pollution of the Nogales Wash which negatively affects underground water reservoirs. Among the various projects under consideration are the maintenance, operation, design and construction of retention ponds in Nogales, Sonora; creation of a binational/bilingual notification and information system for storm and flooding events; and the modernization of the stormwater tunnels that cross the border in the downtown area of Ambos Nogales. ***Advocating for a comprehensive plan to address stormwater issues at Ambos Nogales.***

IMPLEMENT PROGRAMS THAT PROMOTE WORKFORCE DEVELOPMENT

Economic growth and new investments are promoting the creation of new jobs, with many requiring a new set of skills. Manufacturing, fresh produce, logistics and mining are among the sectors with the most pressing needs. The port Authority is committed to working with industry and educational institutions to create programs that promote the development of a local workforce.

Advocating for the development and implementation of programs that develop local workforce to meet the needs of employers.



MODERNIZATION OF THE DECONCINI PORT OF ENTRY

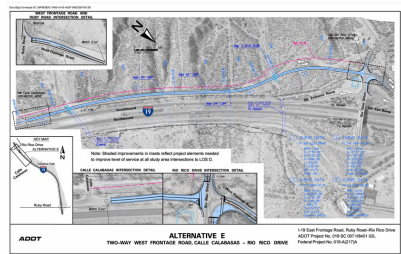
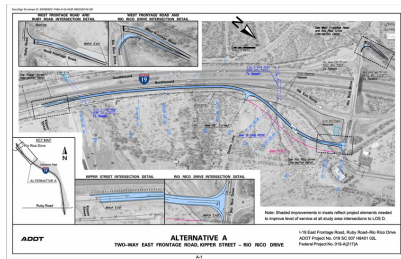
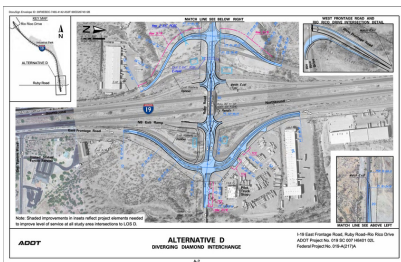
The DeConcini port of entry no longer meets the mission requirements of Customs and Border Protection. A complete modernization of the facility is desperately needed. The Port Authority is working with the General Services Administration as they undertake the Feasibility Study that will provide a conceptual design, define the possible expansion of the port's footprint, and provide a cost-estimate. Improvements are desperately needed to ensure the safety of the traveling public and offer CBP officers a modern and adequate facility to perform their duties. ***Advocating for the modernization of the DeConcini port of entry.***



DESIGN, CONSTRUCT, MAINTAIN AND OPERATE MULTIMODAL FACILITY

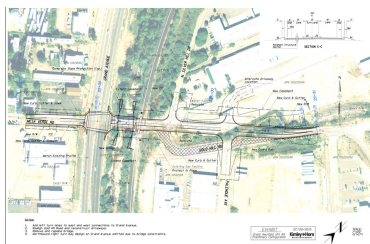
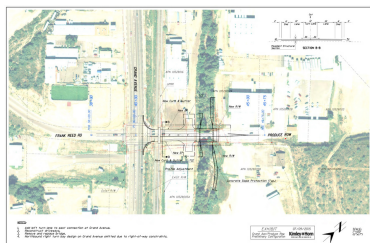
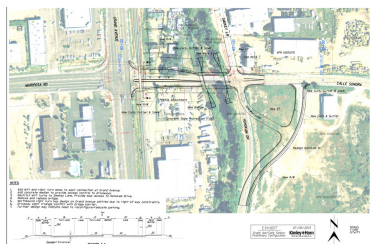
In order to meet the needs of international trade and regional supply chains, and to support efforts to recruit new investments to the Arizona-Mexico corridor, companies require the option of shipping their products or commodities by truck or via rail. While Arizona's only rail interconnect with Mexico crosses at Nogales, the train simply passes through the community. This project could offer shipping alternatives to the fresh produce, maquila and mining sectors in the binational region. A multimodal facility would help ensure that Arizona retains its competitiveness vis-a-vis California, New Mexico and Texas. ***Advocating for a new state-of-the-art multimodal facility to support the growth of cross-border trade along the Arizona-Mexico Corridor.***





MODERNIZATION OF I-19 INTERCHANGES AT RUBY ROAD AND RIO RICO DRIVE

With the modernization of SR-189, the remaining obstacle to a safe and efficient transportation infrastructure system at Nogales is the need to improve the interchanges on I-19 at Ruby Road and Rio Rico Drive, along with the related improvements to the frontage roads between these two interchanges. The Arizona Department of Transportation has already completed the Design Concept Report (DCR) for these improvements and is in the process of completing the environmental compliance required for the project. The 2018 DCR estimates the cost at approximately \$26.2 million (2023 cost-estimate: \$57.1 million). Advocating for the inclusion of these projects in ADOT's 5-Year Transportation Plan. **Advocating for the modernization of I-19 Interchanges.**



MODERNIZE EAST-WEST RAILROAD CROSSINGS

The east-west connectors that traverse the railroad tracks and the Nogales Wash in Nogales have not been updated in decades and are in desperate need of repairs. In particular, the bridges at Calle Sonora, Produce Row and Gold Hill Road are in poor condition and are subject to substantial backups on a regular basis. Original estimates indicate that \$11.2 million (2023 cost-estimate: \$24.4 million) are needed to modernize these three bridges. **Advocating for the necessary funding to pay for the modernization of three critical east-west connector bridges at Nogales.**

PARTICIPATE IN EPA-FUNDED URBAN DESIGN STUDY

The Environmental Protection Agency (EPA) is funding an **Urban Design Study** at Nogales to help the community leverage the anticipated federal investment for the modernization of the DeConcini Port of Entry. This plan invites community participation to define areas of opportunity and growth and help define related areas of investment, local changes to support the project, and a vision for what Nogales can become. This effort includes looking at best practices from other projects across the nation. **Advocating for stakeholder participation in Urban Design Study.**



ENSURE APPROPRIATE STAFFING FOR PORTS OF ENTRY

While the ports of entry at Nogales have received additional staffing, the demands associated with trade facilitation, security, immigration, food safety and more impact port operations on a daily basis. This forces CBP to play a staffing-game that seeks to minimize the impacts to the efficient flow of trade or tourism, instead of assigning staff for efficiency and best-use. Additionally, staffing continues to be diverted to non-port activities and the recruitment process can take more than a year. **Advocating that CBP update its staffing model, streamline the recruitment process and implement programs to retain personnel.**



SUPPORT EFFORTS OF THE FRESH PRODUCE IMPORT INDUSTRY FOR ADHERENCE TO THE PRINCIPLES OF THE USMCA TO ENSURE SAFE, AFFORDABLE FOOD SUPPLY IN NORTH AMERICA

Nogales remains the single largest port of entry for the importation of fresh produce from Mexico destined for markets in the US, Canada and beyond. The United States-Mexico-Canada Agreement outlines a set of principles by which companies from the three signatory countries can operate. Yet, based on political motivations, various groups promote the application of provisions that punish importers of fresh produce from Mexico. ***Advocating for the US to adhere to the principles outlined in the USMCA when it comes to the importation of fresh produce from Mexico.***



DEPLOY SENTRI AT MARIPOSA PORT OF ENTRY

SENTRI has proven to be an extremely successful voluntary program that helps travelers cross the border in an expedited format while offering CBP more information on every traveler to enhance the security of our nation. While all non-commercial primary lanes at the Mariposa port of entry are equipped with the necessary technology for SENTRI, there remains the need to provide a dedicated vehicular access lane from the Mexican side. This project has remained a top priority since the modernization of the port was completed more than a decade ago. ***Advocating for the design, construction, maintenance, and operation of SENTRI lanes at the Mariposa port of entry.***



PROMOTE THE USE OF THE FOREIGN TRADE ZONE (FTZ 60) IN NOGALES

Nogales is home to FTZ 60, a federally designated trade zone that offers a number of benefits for companies that opt to locate some or all of their operations in the foreign trade zone, including inventory cost reduction, tariff or duty deferment, and helps reduce the payment of Merchandise Processing fees. FTZ 60 is available in a 2,000 acre region offering companies a number of alternatives to locate their operations. The Nogales Santa Cruz County Economic Development Foundation is the grantee of FTZ 60, and greatly contributes to the competitiveness of the Ambos Nogales region. For more information: nogales.com. ***Advocating for expanded use of the foreign trade zone at Nogales***



SUPPORT JOINT RESOLUTION BY ARIZONA BORDER COMMUNITIES ON PORT STAFFING AND OPERATIONS

On December 5, 2023, the principal stakeholders representing Arizona's border communities came together and signed a Joint Resolution with 6 specific recommendations that provide both short- and long-term solutions that address the challenges to secure and retain the necessary staff at the ports of entry and to ensure continuity of operations for these critical national assets. A copy of the Joint Resolution can be found at portnogales.org. **Advocating for the adoption of the recommendations adopted by the Arizona border communities for port staffing and continuity of operations**

JOINT RESOLUTION BY ARIZONA BORDER STAKEHOLDERS ON PORT OF ENTRY OPERATIONAL AND STAFFING RECOMMENDATIONS

TUCSON, ARIZONA
DECEMBER 5, 2023

WHEREAS, border communities are our nation's principal gateways for trade and tourism with Mexico; and

WHEREAS, the border communities and their residents must live with the consequences of decisions made in Washington, D.C., and Mexico City;

WHEREAS, the pandemic demonstrated that continuity of operations at the ports of entry is an essential aspect of efforts to protect the Homeland;

WHEREAS, diverting Customs and Border Protection personnel away from ports of entry to support Border Patrol Operations has severely impacted the processing capacity for trade and tourism at the ports of entry;

WHEREAS, the border communities are on the frontline of the efforts to secure the Homeland;

NOW THEREFORE, BE IT RESOLVED that Arizona's border communities jointly put forward the following recommendations designed to make the ports of entry more effective and efficient in meeting the mission of federal law enforcement while facilitating trade, tourism, and investment.

FIRST: Update the workforce model that determines the appropriate staffing levels to reflect the changes to mission requirements and conditions at each port of entry.

SECOND: Implement a pilot program that allows the Field Offices and Port Directors to recruit local talent to fill support and clerical positions without having to rely on the USAJOBS.gov national system.

THIRD: Conduct an analysis and implement recommendations to streamline the recruitment and hiring process for CBP personnel.

FOURTH: Eliminate the deployment of CBP personnel to support Border Patrol operations unless the federal government declares a national emergency.

FIFTH: Renew the incentive program that provides financial and educational incentives for officers that select to be assigned to Arizona's ports of entry.

SIXTH: Support for the Border Enforcement, Security and Trade Facilitation (BEST) Act that seeks to provide the necessary resources for US Customs and Border Protection to properly monitor technology deployed at the ports of entry.



The Honorable Donald Huish, Mayor
City of Douglas



The Honorable Jorge Maldonado, Mayor
City of Nogales



The Honorable Nieves Riedel, Mayor
City of San Luis



The Honorable Bruce Bracker, Supervisor
Santa Cruz County



Jaime Chamberlain, Chairman
Greater Nogales Santa Cruz County Port
Authority



Matias Rosales, Chairman
Greater Yuma Port Authority



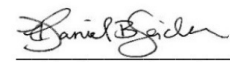
Carlos Fernandez, Chairman
Douglas International Port Authority



Ted Maxwell, President and CEO
Southern Arizona Leadership Council



The Honorable Ann English, Supervisor
Cochise County



Daniel Seiden, President and CEO
Arizona Chamber of Commerce and
Industry

THE NEW NOGALES

not defined by a border, driven by a community

modern safe connected



USMCA & NORTH AMERICAN TRADE AT WORK IN NOGALES

Building state-of-the-art ports of entry

Investing in highways

Utilizing innovative inspection procedures

Supporting the growth of a MegaRegion

Attracting international business

discover the opportunity

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