

June 20, 2022

TO: Mr. Jaime Chamberlain, Chairman

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

SUBJECT: Monthly Report of Activities – May 2022

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. 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 implementation 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. *A for Arizona* announces new grant for Nogales schools;
3. Governor’s Office Hosts Stakeholder Discussion on Border Trade & Security;
4. Rail Operations at Nogales;
5. Governor Durazo Announcement for Mariposa and DeConcini Improvements
6. Port Authority Welcomes Consul General Marcos Moreno Baez to Nogales
7. Northbound Border Crossings

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**

- Port Authority has signed the 5-Year Licensing Agreement (single year with 4 automatic yearly renewals) with the General Services Administration. Awaiting the GSA signature so that proeject can move forward.
- Port Authority architect has submitted 90% design to GSA for technical review.
 - Architect is in contact with vendors to estimate fulfillment estimates.

2. **A FOR ARIZONA ANNOUNCES NEW GRANTS FOR NOGALES SCHOOLS**



- On May 6, 2022, *A for Arizona* (aforarizona.org) announced a new round of grants which included grants to two programs in the Nogales area:
 - **Mexicayotl Academy of Excellence** received a \$25,000 grant to introduce a new generation to their form of oral history and storytelling through the creation of a program to help teach production skills for digital content creation.
 - **Rio Rico High School** received a \$21,000 grant to create a pilot program for a Virtual Reality Lab that will allow students to address real world problems in the health and natural sciences that they would otherwise not be able to experience.
- For more information on these grants please visit: https://aforarizona.org/wp-content/uploads/2022/05/Southern-Arizona-Microgrants-Round-2-Snapshot_Round-2.pdf
- An invitation has been extended to Emily Anne Gullickson, Founder and CEO to present during a future session of the Board of Directors.

3. **OFFICE OF THE GOVERNOR HOSTS ROUNDTABLE DISCUSSION ON BORDER SECURITY**



- On May 24, the Office of the Governor organized a roundtable discussion designed to share information and identify new strategies to address increasing numbers of asylum-seeking migrants with the anticipated end of Title 42.
- Title 42, a designation by the Center of Disease Control, prohibits the introduction of persons into the United States from designated countries of place for public health purposes

(source: cdc.gov).

- On April 1, 2022, the CDC announced that it would be terminating Title 42 on May 23, 2022 and border communities and states have been working to prepare for the possible impacts at the border.
- From the perspective of the border communities, once of the principal concerns is the impact that increased flow of asylum seekers could have on day-to-day operations at the ports of entry.
- During the meeting, attention was given to the possible impacts to the flow of trucks and legal tourism at the ports of entry if port operations were limited, curtailed, or even possibly shut down.
- For Customs and Border Protection, one main impact is the time it takes to process someone under Title 42 (approximately 20 minutes) versus Title 8 (over 45+ minutes, the standard provisions that allow for individuals to seek asylum at the border), thus sheer numbers would force staffing reassignments away from regular port operations.
- Among those present were representatives of:
 - Santa Cruz County
 - Cochise County
 - Pima County
 - US Customs and Border Protection
 - US Border Patrol

4. RAIL OPERATIONS AT NOGALES

- As a result of the initiative by the State of Sonora to relocate the railroad that currently crosses through the heart of Ambos Nogales to a new location to the east, we have received a number of requests for information on current operations at Nogales via a vis other rail crossing on the US-Mexico border.
- The following table provides data on the principal rail crossings and provides an average for daily operations.

Northbound Train Crossings
 Arizona and Texas Ports, 2017-2021

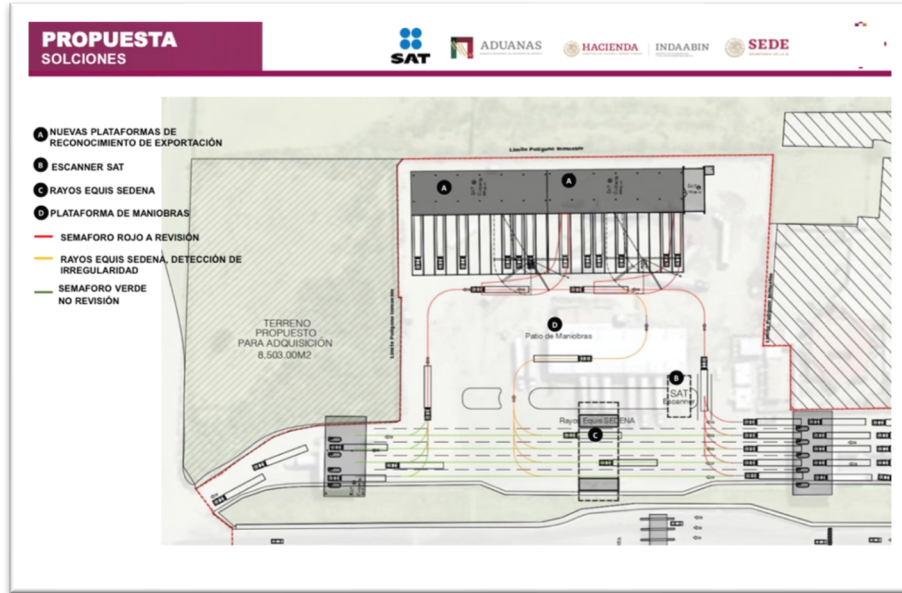
Port Name	2017	2018	2019	2020	2021	2019 Daily Average
Brownsville (TX)	829	937	999	739	752	3
Eagle Pass (TX)	3,333	3,452	3,430	3,338	2,787	9
El Paso (TX)	1,498	1,379	1,457	1,027	1,149	4
Laredo (TX)	4,252	4,251	4,587	4,078	4,330	13
Nogales (AZ)	649	737	695	612	679	2

Source: U.S. Department of Transportation, Bureau of Transportation Statistics
 Data subject to change without prior notice.

5. GOVERNOR DURAZO ANNOUNCES MAJOR PORT OF ENTRY PROJECTS

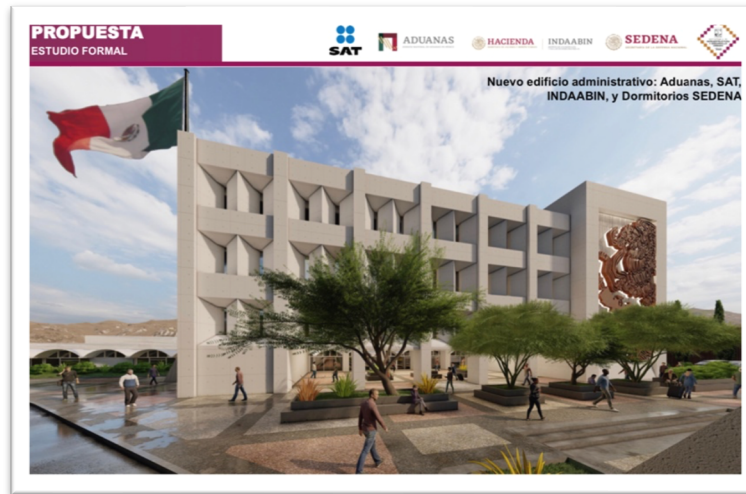
- During a visit to Nogales, Sonora, on May 26, 2022, governor of Sonora Alfonso Durazo and his team gave a presentation on proposals to modernize every port of entry on the Arizona-Sonora border, projects that total \$5,000 million pesos
- For Nogales, the proposals include \$2,252 million pesos of improvements with individual projects at:
 - The modernization of the Aduanas facilities at KM 13 of the Mariposa port of entry;



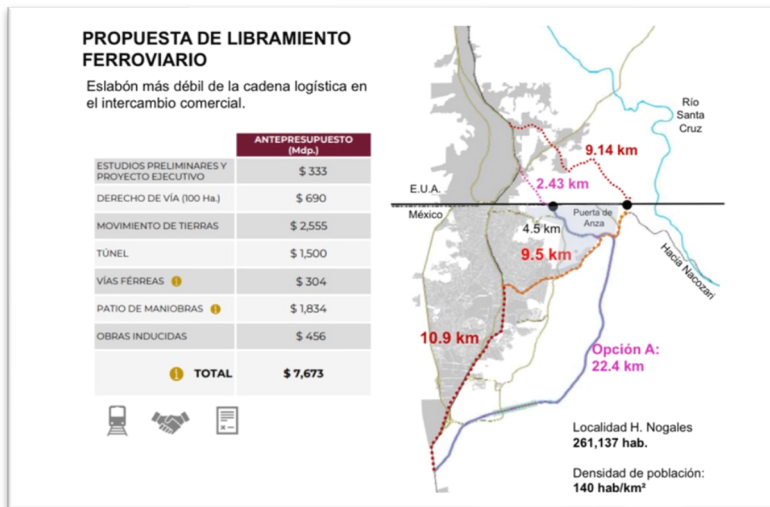


- The modernization of the DeConcini port of entry, including new offices, new pedestrian facilities, the expansion of both north and southbound vehicular traffic.





- The presentation also included the relocation of the rail crossing with an additional investment of \$7,673 million pesos (Mexican side only).
- Union Pacific has not confirmed that they will be the promoter of the project on the US side of the border.



6. PORT AUTHORITY WELCOMES NEW MEXICAN CONSUL GENERAL

- On May 27, 2022, the Port Authority officially welcomed Marcos Moreno Baez as the new Consul General of Mexico in Nogales, Arizona.
- Consul General Baez has a long and distinguished career in the Diplomatic service.
- Consul General Moreno Baez has been a career diplomat since 2012 and a human rights activist, with 14 years of experience creating partnerships between

governments, civil society organizations and the private sector, particularly in the social and economic empowerment of migrants and refugees.




- Until December of last year, he served as the Coordinator of International Human Rights Affairs within the Ministry of the Interior of Mexico (SEGOB), in which he was responsible for monitoring global and inter-American human rights systems before international organizations.
- He previously served as director of International Economic Rights Policy within the Ministry of Foreign Affairs, chief of mission for the Embassy of Mexico in Ghana and chief of consular protection at the

Mexican consulate in Raleigh.

- He graduated with a bachelor's of law from the University of Hermosillo, and a master in international relations from Georgetown University and masters of international law from Indiana University.

7. UPDATE FOR BORDER CROSSING DATA

- The US Department of Transportation has released the border crossing data through April of 2022.
- With the modification of border crossing restrictions in November of 2021, non-commercial operations at Nogales have shown a remarkable recover and are quickly approaching pre-pandemic levels.
- For the period of January through April 2022, compared to the same period of 2021, cars are up by 71.8%, pedestrians are up 47.5%, trains are p 27.6% and total people are up by 83.2%
- These volumes bode well for the retail and tourism sectors, as visitors are once again coming to our stores, our restaurants, our hotels and beyond.
- We did observe a drop of 6.1% in commercial traffic, a situation we continue to monitor to see if we can identify reversals in the trend of systemic causes that may be impacting the volume of trucks.



Arizona Northbound Border Crossings

January-April 2021 vs January-April 2022

Port	Mode	Jan-Apr 2021	Jan-Apr 2022	Difference	Change
Douglas	Trucks	9,155	9,845	690	↑ 7.5%
	Personal Vehicles	327,993	461,621	154,528	↑ 47.2%
	Personal Vehicle Passengers	487,924	849,026	361,102	↑ 74.0%
	Pedestrians	160,468	218,329	57,861	↑ 36.1%
	Buses	63	25	-38	↓ -60.3%
	Total People	648,443	1,067,760	419,317	↑ 64.7%
Nogales	Trucks	153,628	144,333	-9,295	↓ -6.1%
	Personal Vehicles	693,476	1,191,401	497,925	↑ 71.8%
	Personal Vehicle Passengers	1,181,757	2,309,539	1,127,782	↑ 95.4%
	Pedestrians	531,671	794,242	262,571	↑ 47.5%
	Trains	228	291	63	↑ 27.6%
	Total People	1,754,043	3,213,873	1,459,830	↑ 83.2%
San Luis	Trucks	19,055	20,378	1,323	↑ 6.9%
	Personal Vehicles	861,903	1,073,109	211,206	↑ 24.5%
	Personal Vehicle Passengers	1,364,892	1,731,926	367,034	↑ 26.9%
	Pedestrians	618,760	760,481	141,721	↑ 22.9%
	Total People	1,983,652	2,492,427	508,775	↑ 25.6%
Lukeville	Trucks	161	263	102	↑ 63.4%
	Personal Vehicles	115,267	133,597	18,330	↑ 15.9%
	Personal Vehicle Passengers	233,870	278,783	44,913	↑ 19.2%
	Pedestrians	4,294	24,537	20,243	↑ 471.4%
	Total People	239,153	304,317	65,164	↑ 27.2%
Naco	Trucks	1,473	996	-477	↓ -32.4%
	Personal Vehicles	78,358	98,145	19,787	↑ 25.3%
	Personal Vehicle Passengers	116,777	177,265	60,488	↑ 51.8%
	Pedestrians	17,625	31,651	14,026	↑ 79.6%
	Total People	134,402	208,916	74,514	↑ 55.4%
Sasabe	Personal Vehicles	9,751	9,331	-420	↓ -4.3%
	Personal Vehicle Passengers	16,275	17,672	1,397	↑ 8.6%
	Total People	18,570	18,125	-445	↓ -2.4%

Port	Mode	Jan-Apr 2022	Jan-Apr 2022	Difference	Change
State Totals	Trucks	183,472	175,815	-7,657	↓ -4.2%
	Personal Vehicles	2,085,848	2,987,204	901,356	↑ 43.2%
	Personal Vehicle Passengers	3,401,495	5,364,211	1,962,716	↑ 57.7%
	Pedestrians	1,332,938	1,819,693	486,755	↑ 36.5%
	Total People	4,778,263	7,305,418	2,527,155	↑ 52.9%

Source: US Department of Transportation, Bureau of Transportation Statistics.
 All data provided herein subject to change without prior notice.