

August 21, 2023

TO: Mr. Jaime Chamberlain, Chairman

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

SUBJECT: Monthly Report of Activities – July 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. Mariposa Cold Rooms Update;
2. EV Truck Pilot Program Update;
3. Letter to ADOT/ECD and DPS on safety and congestion issues;
4. MAG Announces upcoming Ari-Son Council Meeting;
5. Follow-up meeting with Mexican trucking industry on enforcement issues;
6. Port Authority provides quarterly update to Santa Cruz County;
7. Letter to Rep. Grijalva on Nogales Wastewater Improvement Act;
8. Port Authority and County present in Binational Meeting in Washington, D.C.;
9. Port Authority provides Update to *Consejo Empresarial*;
10. Sen. Sinema Includes Nogales IOI Bill in the Defense Spending Bill;
11. Port Authority joins Senator Sinema in Town Hall Meeting; and
12. Port Authority sends letter to US Department of Commerce on efforts to terminate Tomato Suspension Agreement.

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. 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. MARIPOSA COLD ROOMS PROJECT UPDATE

- Cold Rooms have become operational, under the management of Port Devaning Services (PDS).
- While the “punch list” issues have been addressed, there is one remaining issue, that the General Services Administration (GSA) has informed the Port authority that there are leaks on the roof over the location of the cold rooms and that they are afraid that the water that leaks in may damage the cold rooms and the equipment.
 - GSA has indicated that since the roof was intended to leak, that if we wanted to have the leas repaired, the Port Authority would have to cover the expense of the repairs.
 - The Port Authority is working with the contractor to see what the alternatives for the repairs are.
 - This issue was not raised by GSA until after the completion of the project.

2. EV TRUCK PILOT PROGRAM CONTINUES

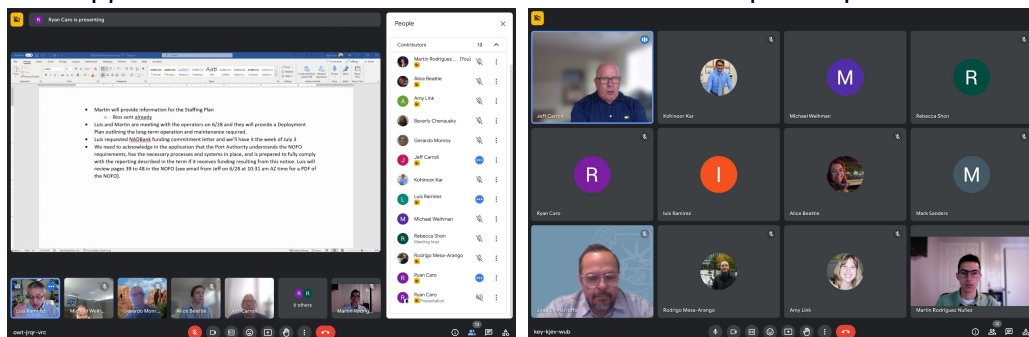
- The technical team continues to look for grant opportunities that may help defray the cost of electric trucks for the pilot program.
- The Port Authority is awaiting a response on the grant application that was submitted to the US Department of Transportation.
- At the direction of Chairman Chamberlain, several meetings and follow up were taken in order to advance the project:
 - Meeting with Nikola Motors on July 13 to discuss the possible use of Nikola trucks during the pilot program. Nikola indicated their interest in participating and felt that their trucks were ideally suited for these types of operations.



- Meeting with TEP/Unisource to discuss the deployment of charging stations and to determine if any of TEP/Unisource programs could help defray the cost of the charging stations or the electricity used during the pilot.



- With the support of the ADOT Grants writing team and after several meetings and exchanges of information, the Port Authority submitted a grant application to the US Department of Transportation on July 26. This was the culmination of many hours of work with the ADOT Grants team – great appreciation for their assistance! The grant request was for \$1 million that would be used to secure the electric trucks. The grant application is extensive but can be made available upon request.



3. LETTER TO ADOT/ECD AND DPS ON SAFETY AND CONGESTION ISSUES

- On July 3, and as follow up to their visit, the Port Authority sent a letter to the new directors of the Arizona Department of Transportation (ADOT) Enforcement and Compliance Division (ECD) Wade Webb, and the Ports of Entry for the Department of Public Safety, Daniel Lugo, addressing several issues regarding current and future congestion and safety in local roads and highways.
- Among the issues mentioned were:
 - Southbound backups at the DeConcini and Mariposa ports of entry;
 - The need to new traffic and speed controls on SR-189
 - Funding for road projects on I-19 and SR-83
 - Anticipated growth in truck traffic in coming years
 - Efforts to make Mariposa a 24-hour port.
 - And the deployment of key programs that may impact traffic patterns such as the new cold rooms at Mariposa.
- A copy of the letter is provided in Attachment #1.

4. MAG ANNOUNCES UPCOMING ARI-SON COUNCIL MEETING

- On July 11, the Maricopa Association of Governments announced that they will once again be hosting a meeting of the Ari-Son Council.
- The meeting will take place on August 31, 2023, in Tucson alongside the Arizona League of Cities and Towns Annual meeting at the Marriot Star Pass.
- This meeting is typically well attended by participants from both Arizona and Sonora and the Port Authority should consider attending this event.
- Here is a copy of the flyer that was distributed. For additional information please visit <https://azmag.gov/Programs/Economic-Development/Ari-Son-Council>

10th Annual Ari-Son Council Meeting
Thursday, August 31, 2023, 2:00 p.m. MST

10ª Reunión Anual del Consejo Ari-Son
Jueves, 31 de agosto de 2023, 14:00 h. MST

Join us for our 10th Annual Ari-Son Council Meeting on Thursday, August 31 in Tucson!

Connecting Regionally, Growing Globally

An insightful in-person event on cross-border collaboration for shared prosperity. Explore cross-border opportunities and engage with elected officials and experts as they delve into strategies for regional growth and fostering partnerships between Arizona and Sonora. Don't miss this opportunity to gain valuable insights and contribute to the dialogue on enhancing prosperity through cross-border collaboration.

[Register Today](#)

By Invitation Only - Stay tuned for upcoming updates on the agenda and registration information.

5. MEETING WITH MEXICAN TRUCKING INDUSTRY ON ENFORCEMENT ISSUES

- On July 10, the Mexican Consulate General in Nogales, Arizona, hosted a follow up meeting with local stakeholders and representatives of the Mexican trucking industry.
- This meeting served to continue the discussion on the increase of fines to truckers for safety violations, particularly for those that do not secure an overweight permit and still attempt to enter Arizona and are out of compliance.



- This is a recurring issue, and the Port Authority once again stressed the need to ensure the safety of the roads and making sure that this does not jeopardize the overweight permit program.
- In addition to the Port Authority, the meeting included representatives of the State of Sonora, the City of Nogales, ADOT, the US Consulate General in Nogales, Sonora, and a number of trucking industry representatives.
- The Consulate General of Mexico agreed to send out minutes with action items from the meeting and to continue to facilitate the dialogue to find solutions that ensure an

uninterrupted flow of commerce at Nogales.

6. PORT AUTHORITY PROVIDES QUARTERLY UPDATE TO SANTA CRUZ COUNTY



- On July 18, and in compliance with the newly executed Service Agreement with Santa Cruz County, Chairman Chamberlain gave an update of activities to the Board of Supervisors.
- During the session, Chairman Chamberlain provided an update of activities over the past three months, and highlighted some of the more significant ongoing activities, responding to various questions from the members of the Board of Supervisors.

- Special thanks to Port Authority board members Guillermo Valencia and Pat Risner for attending the meeting.
- A copy of the comments by Chairman Chamberlain can be found in Attachment #2.

7. LETTER TO REP. GRIJALVA ON NOGALES WASTEWATER IMPROVEMENT ACT

- In a letter dated June 20, 2023, the Port Authority sent a letter to Congressman Raul Grijalva expressing support for the Nogales Wastewater Improvement Act.

- Congressman Grijalva has introduced similar version of this bill for several years now, and in a coordinated effort with Senator Sinema, this year offers a great opportunity for this bill to move forward.
- As stated in the letter “The IBWC, with its expert staff, its resources, and its ability to work on both sides of the border through its sister agency in Mexico, CILA, is ideally positioned to be the owner and operator of the IOI - not the City of Nogales. Yet, as residents of the community, we are seriously concerned that without the IBWC at the helm, we will continue to live with the uncertainty of the safe maintenance and operation of the IOI.”
- A copy of the letter to Congressman Grijalva can be found in Attachment #3.

8. PORT AUTHORITY AND COUNTY PRESENT DURING BINATIONAL MEETING IN WASHINGTON, D.C.



- On July 21, 2023, the Port Authority and Santa Cruz County participated in the US-Mexico Binational Bridges and Border Crossings that was hosted by the US Department of State and its Mexican counterpart, the Ministry of Foreign Affairs.

- Vice Chairman Rubin and Supervisor Bracker gave a presentation on the urgent need to modernize DeConcini and requested greater coordination with Mexico on the planning to maximize the impacts

of the anticipated investments.

- The presentation garnered a lot of attention and even drew comments from the Mexican delegation as the anticipated Feasibility Study that the General Services Administration is expecting to commence in August of this year took some by surprise.
- Continuing efforts include the need to schedule technical meetings to ensure that projects are aligned on both sides of the border.

9. PORT AUTHORITY PROVIDES UPDATE TO *CONSEJO EMPRESARIAL*

- On July 26, 2023, the Port Authority gave an update on activities to the *Consejo Empresarial* of Nogales Sonora.
- This is part of the Port Authority’s efforts to ensure greater coordination on economic development and infrastructure efforts with Nogales, Sonora.



- Vice Chairman Rubin gave the presentation that provided an overview of the Priority Issues and responded to several questions regarding the broad spectrum of activities by the Port Authority that include:
 - Modernization of DeConcini port of entry
 - Road improvements on I-19
 - Stormwater and IOI issues
 - Interaction with federal agencies in both countries
 - And more

10. SEN. SINEMA INCLUDES NOGALES IOI IN THE NATIONAL DEFENSE SPENDING BILL



- On July 26, 2023, Senator Krysten Sinema issued a press release confirming that she had been able to work with her colleagues in the Senate to include the Nogales Wastewater Modernization Act into the National Defense Spending bill, a great towards ensuring approval of this critical item for Nogales.

- The language that was included in the bill transfer ownership of the International Outfall Interceptor to the federal government under the umbrella of the International Boundary and Water Commission, includes the funding for the maintenance and

operation of the IOI and includes the funding for the deployment of the mesh to capture drug bundles.

- As quoted in the press release, “This agreement has been decades in the making – and I’m incredibly proud that it is moving forward to become law. Our legislation delivers a permanent solution to the Nogales International Outfall Interceptor dilemma and provides long-awaited relief to Nogales families’ health and safety,” said Sinema.
- This is a major step forward in this effort and the bill is now before the House of Representatives before it is sent to the President for his signature.
- A copy of the press release can be found in Attachment #4.

11. PORT AUTHORITY JOINS SEN. SINEMA FOR TOWN HALL MEETING SUSPENSION

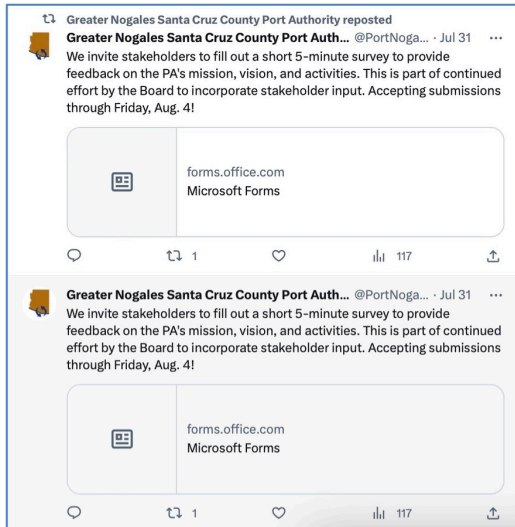


- On July 24, Chairman Chamberlain, and Vice Chairman Rubin, traveled to Phoenix to participate in a town hall meeting hosted by Senator Sinema and the US Hispanic Business Council.
- During the meeting, the Port Authority raised the concern over staffing at the ports of entry, in particular as the mission continuously changes and new demands are imposed on existing ports without new staffing.

12. PORT AUTHORITY SENDS LETTER TO US DEPARTMENT OF COMMERCE AGAINST EFFORTS TO TERMINATE TOMATO SUSPENSION AGREEMENT

- On July 26, 2023, the Port Authority sent a letter to Secretary Gina Raimondo of the US Department of Commerce urging the department reject the petition by the Florida Tomato Exchange to terminate the Tomato Suspension Agreement with Mexico.
- Following the lead of the Fresh Produce Association of the Americas on this issue on behalf tomato producers in Mexico and the distributors in Arizona and other parts of the United States, the letter stresses the impacts not just to industry but also to the consumer.
- Imports from Mexico supplement US production, offer a great quality product at a competitive price throughout the year, greatly contributing to the US food supply and food security.
- “For more than 25 years, American businesses throughout the fresh produce supply chain have come to depend on agreements with Mexican growers to ensure price predictability and stability and ensure that the products meet the needs of the US consumer in both availability and quality at an affordable price. The supply chain extends throughout the United States, contributing more than \$8 billion annually to the U.S. economy, supporting tens of thousands of American jobs, and ensuring that the American public has year-round access to fresh, high-quality produce,” stated Chairman Chamberlain in the letter.
- A copy of the letter can be found in Attachment #5.

13. PORT AUTHORITY CONDUCTS STAKEHOLDER SURVEY



- On July 31, 2023, the Port Authority sent out a survey to close to 200 stakeholders asking for input on several areas, including key issues, operational questions, and other areas to ensure that the Port Authority remains a valuable contributor to the community.
- The survey was sent out several times and the findings will be presented during the August board meeting.
- Additionally, the results of the survey will be posted on social media and the Port Authority's web site.

Attachment #1

Copy of Letter to ADOT/ECD and DPS on congestion and safety issues



July 3, 2023

Wade Webb
Deputy Director
Arizona Department of Transportation
Phoenix, Arizona 85007
Via electronic mail: wwebb@azdot.gov

Daniel Lugo
Assistant Director
Arizona Department of Public Safety
Phoenix, Arizona 85007
Via electronic mail: dlugo@azdps.gov

RE: Follow up to visit to Nogales

Dear Deputy Director Webb and Assistant Director Lugo,

On behalf of the Greater Nogales Santa Cruz County Port Authority, I wanted to express our appreciation for taking the time to meet with the members of the Port Authority as you step into your new functions at your respective agencies to oversee Arizona port of entry operations.

To be clear, we share your vision that the number one goal is the safety of our roads. The partnership we have been able to forge with the enforcement authorities at Arizona's ports of entry has not only resulted in effective and efficient operations, but it has also set the Arizona border with Mexico separate from the other border states.

I did want to take this opportunity to highlight some of the items we discussed during the meeting. Some of these items require actions to be taken in the short-term while others are part of our long-term planning efforts.

- We have growing need of support for traffic management for southbound traffic operations at both the DeConcini and the Mariposa ports of entry. In particular, the back-ups on Interstate 19 heading into the DeConcini port of entry are creating significant traffic safety issues due to the topography and curves as the freeway comes to an end. As you heard, Nogales Police is very much hands-on on this matter but additional resources, and possible signage deployment and other traffic control measures would greatly contribute to the effort. We will work with the City of Nogales to provide you with relevant accident and incident data to support these efforts.

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Deputy Director Wade Webb
Assistant Director Daniel Lugo
July 3, 2023

- We stand proud of our support of the modernization of SR-189, but a few safety items have emerged since its completion. For instance, north- and south-bound access on the roundabout on SR-189 is a growing concern. Additional traffic and speed controls could enhance the safety of this corridor.
- The Governor's budget included substantial funding to key projects, including \$9 million for SR-83 and \$8.6 million for the interchanges at I-19 that are greatly needed in our community. The I-19 interchanges at Ruby Road and Rio Rico Drive at I-19 are a critical need. The back-ups for both south-and north-bound traffic exiting at Ruby Road are a major safety hazard. Additionally, major investments in truck stops, distribution centers, residential developments, and growing high school, are all indicators that the current concerns are only going to get worse. We are working with our Congressional delegation to secure additional funding for this project, with Senator Sinema leading the charge on a \$50 million Congressional Directed Spending request to help pay for these improvements.
- We also mentioned that major mining investments in our community stand to greatly increase truck traffic once the mine is operational.
- We have been working with US Customs and Border Protection to expand the hours of operation at Mariposa Road, with the goal of converting this to a 24-hour port, greatly enhancing our region's competitiveness.
- We recently completed the construction of cold rooms at the Mariposa port of entry so that CBP could conduct inspections without breaking the cold chain for temperature sensitive commodities.
- In a close partnership with the Arizona Department of Transportation and over two dozen stakeholders, we are working on conducting a pilot program that will look at the deployment of electric trucks at Nogales. We recognize the electric mobility is coming and we want to do everything we can to prepare our binational community for this trend.

We are grateful for the open-door policy you have offered in your new duties and are excited to continue our close working relationship with your agencies to ensure that our regional supply chains, trade, and tourism continue to flow safely and effectively through the ports of entry at Nogales. Know that you are always welcome in Nogales!

Respectfully,

Respectfully,



Jaime Chamberlain
Chairman

Attachment #2

Copy of comments by Port Authority to Santa Cruz County

Quarterly Update before Santa Cruz County

**By: Jaime Chamberlain, Chairman
Greater Nogales Santa Cruz County Port Authority**

**July 18, 2023
Nogales, Arizona**

- Good morning, Chairman Bracker, Vice Chair Ruiz, and Supervisor Molera.
- For the record, my name is Jaime Chamberlain, and I stand before you as the Chairman of the Greater Nogales Santa Cruz County Port Authority.
- As requested, I am here today to provide a quarterly update on our activities and our ongoing efforts on behalf of Nogales and Santa Cruz County.
- The County has been an integral partner of our organization since its founding 18 years ago. We are grateful that the County continues to recognize the return on the investment that the Port Authority offers to the community.
- We have worked out a schedule to appear before on a quarterly basis to provide you with an update of our activities. I want to remind you that the Port Authority provides a monthly written report of activities, so I apologize if you have already heard or read all of this information.
 - By the way, all of our reports are also posted on our website in case anyone wants to read them.
- Allow me start with a project that we are very proud of, and one that the County was instrumental in making a reality and that is the cold rooms at the Mariposa port of entry.
- The project took far longer than anyone of us wanted, but your contribution, along with the funds from the State of Arizona and the Customs Brokers Association, helped make our ports of entry more competitive.
- But we don't rest on our laurels.
- We recently met with the new director of the Arizona Department of Transportation during her visit to Nogales. We highlighted the importance of the border region to the state and the nation and discussed priority projects such as the modernization of the I-19 interchanges at Ruby Road and Rio Rico Drive.
- The Port Authority participated in a stakeholder roundtable the new director of the Arizona Department of Environmental Quality, Karen Peters, during her first visit to the region. Several key issues were raised, including the IOI and Nogales Wash Rehabilitation Project, stormwater issues in Ambos Nogales, and several others. Thank you, Supervisor Bracker, for joining us for that discussion.
- We also participated, in the border briefing for our Congressional Offices. Representatives from 8 out of the 11 offices were present, offering us an essential

opportunity to brief them on many of our key issues, particularly our infrastructure needs.

- In the past few months, we also hosted delegations from Arizona State University, *the Instituto Tecnológico Autónomo de México*, Valley Leadership, among others who visit to learn about the opportunities and challenges that border communities face.
- The Port Authority is spearheading a Pilot Program to evaluate the use of Electric Trucks for cross-border drayage operations. We are working with ADEQ, NADBank, ADOT, the State of Sonora and about 25 other industry and agency stakeholders to develop the program, identify and secure funding opportunities, and identify partners for the procurement of trucks and charging stations. The University of Arizona has been selected to gather, analyze, and report on the data to be gathered during the pilot program. Just last week we received the letter from NADBank notifying us that they have approved a \$350,000 grant to help pay for the pilot program. We are also working with the ADOT Grants team to apply for a \$1 million grant to help pay for the electric trucks to be used during the test. There is a lot of attention on electric mobility, but it is focused on cars. With over 750,000 trucks crossing at Nogales in two-way traffic, we need to pay attention to truck traffic to have a real impact on our environment and our cross-border logistics.
- We continue to track and monitor several issues. From cross-border trade data to northbound border crossings, the status of the congressionally directed spending requests selected by the Arizona congressional delegation, and other state and federal developments that could impact the flow of cross-border trade and travel at our ports of entry.
- Let me give you some of the latest numbers.
 - From January through May of this year, compared to last year,
 - Trucks are up by 0.2% from 186,655 to 186,971
 - Cars are up by 1.4%, that is an additional 21,664 cars over last year (1,529,102 cars)
 - Trains are up by 4.6%, an increase of 16 more trains for a total of 366 trains.
 - Total people are up by 4.1%, an increase of 164,568 to 4,206,687 people in just 5 months.
 - All these numbers are pointing to possible new records for all modes by the end of the year and we need to be ready.
- And this coming Friday, our Vice Chair, Josh Rubin, and Supervisor Bracker will be representing us during the US-Mexico Binational Bridges and Border Crossing Plenary Meeting in Washington, D.C.
 - This is the official, binational protocol meeting for the U.S. and Mexican governments to discuss border infrastructure projects where we will be presenting on the Nogales DeConcini modernization and the need for Mexico to engage with us in the binational planning process.

- There are a lot more activities that we can discuss but I want to be respectful of your time. Please know that we are always available to answer any questions you may have on any of our activities.
- Again, thank you for your contribution and I would be happy to address any questions you may have.

Attachment #3

Copy of letter to Congressman Grijalva on Nogales Wastewater Improvement Act



July 20, 2023

The Honorable Raul Grijalva
US House of Representatives
1511 Longworth HOB
Washington, D.C. 20515

RE: Support for the Nogales Wastewater Improvement Act of 2023

Dear Congressman Grijalva,

On behalf of the Greater Nogales Santa Cruz County Port Authority, I write to express our support for H.R. 4643, the Nogales Wastewater Improvement Act (NWIA) of 2023.

While the International Boundary and Water Commission (IBWC) is spending some \$38 million for the cure-in-place for the International Outfall Interceptor, or IOI, the issues of the ownership and ongoing maintenance and operation of the IOI remain. The NWIA represents the solution to this long-standing issue.

When the City of Nogales, Arizona entered into an agreement with the federal government over the ownership of the IOI several decades ago, no one imagined that the IOI would become the conduit for tens of millions of gallons of wastewater from Nogales, Sonora. With a population that by some estimates exceeds 450,000 people, Nogales, Sonora is almost 20 times larger than Nogales, Arizona, that according to the latest census, has a population of approximately 24,000.

The IOI is an essential component of our binational community, ensuring that the sewage is transported and treated to protect our regional water sources. But the very fact that it is binational, mandates that it should be the federal government, through the IBWC, that owns and operates this facility that serves such a critical function for the binational environment.

The IBWC, with its expert staff, its resources, and its ability to work on both sides of the border through its sister agency in Mexico, CILA, is ideally positioned to be the owner and operator of the IOI - not the City of Nogales. Yet, as residents of the community, we are seriously concerned that without the IBWC at the helm, we will continue to live with the uncertainty of the safe maintenance and operation of the IOI.

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The Honorable Raul Grijalva
US House of Representatives
July 20, 2023

The Board of Directors of the Port Authority includes the City of Nogales, Santa Cruz County, the Fresh Produce Association of the Americas, INDEX – Nogales, Nogales Customs Brokers Association, Nogales Community Development, the Santa Cruz County Mining Cluster, and the Nogales Economic Development Foundation.

We are grateful for your leadership on this effort and for the work to get your colleagues in Congress to support the NWIA. It is not an exaggeration to say that the future of our community depends on it.

Respectfully,



Jaime Chamberlain
Chairman

CC: Arizona Congressional Delegation
Maria Elena Giner, Commissioner, International Boundary and Water Commission
Karen Peters, Director, Arizona Department of Environmental Quality

Attachment #4

Copy of Press Release from office of Senator Sinema on IOI

**SINEMA SECURES HISTORIC NOGALES WASTEWATER
PIPELINE LEGISLATION IN ANNUAL DEFENSE BILL**

Jul 26, 2023

The Nogales Wastewater Improvement Act represents a historic agreement transferring ownership, operations, and maintenance responsibilities of the Nogales International Outfall Interceptor to the U.S.

WASHINGTON – Arizona senior Senator Kyrsten Sinema successfully secured her Nogales Wastewater Improvement Act — legislation transferring the ownership, operations, and maintenance of the International Outfall Interceptor (IOI) to the U.S.-section of the International Boundary and Water Commission — in the National Defense Authorization Act (NDAA).

Sinema’s legislation represents a historic agreement between the City of Nogales and the federal government.

“This agreement has been decades in the making – and I’m incredibly proud that it is moving forward to become law. Our legislation delivers a permanent solution to the Nogales International Outfall Interceptor dilemma and provides long-awaited relief to Nogales families’ health and safety,” said Sinema.

For years, the City of Nogales has **continually tried to seek federal funds and additional ownership responsibility** from the U.S. International Boundary and Water Commission (IBWC) for **necessary infrastructure improvements** on an international sewage pipe that flows from Mexico through Nogales, Arizona to the Nogales International Wastewater Treatment Facility in Rio Rico, Arizona.

Families in Nogales have faced challenges with untreated wastewater coming from Mexico and overflowing into streets during storm events. Sinema’s legislation will streamline the ability for the government to respond to crises on the US-side of the border and authorizes full funding for operations and maintenance into the future.

Additionally, drug smugglers in Mexico use the IOI to send narcotics and other illicit goods through the pipeline from the Mexico-side of the border to be retrieved on the U.S.-side. This pipeline is being used as a tunnel for illicit trafficking – directly below the Customs and Border Protection DeConcini Port of Entry. Sinema’s bill authorizes the construction of a drug screen at the border to catch the illicit materials cartels are sending into Arizona communities before they can be retrieved.

More than half of all the fentanyl seized by CBP and DEA in the entire United States is seized in Arizona. Sinema's bill better prevents these drugs from entering the country. Transferring the ownership of the pipeline, and authorizing the construction of a critical drug screen at the border, would rectify what amounts to an immediate risk to the local community, but also address nationwide security concerns as Sinema focuses on combating cartel trafficking.

Attachment #5

Copy of letter to Secretary Raimondo on Tomato Suspension Agreement



July 26, 2023

The Honorable Gina M. Raimondo
Secretary of Commerce
1401 Constitution Avenue, NW
Washington, DC 20230

Dear Madam Secretary:

On behalf of the Greater Nogales Santa Cruz County Port Authority, I write to urge you and the Department of Commerce to reject the request by the Florida Tomato Exchange ("FTE") to terminate the 2019 Agreement Suspending the Antidumping Duty Investigation on Fresh Tomatoes from Mexico ("2019 Agreement").

For more than 25 years, American businesses throughout the fresh produce supply chain have come to depend on agreements with Mexican growers to ensure price predictability and stability, and ensure that the products meets the needs of the US consumer in both availability and quality at an affordable price. The supply chain extends throughout the United States, contributing more than \$8 billion annually to the U.S. economy, supporting tens of thousands of American jobs, and ensuring that the American public has year-round access to fresh, high-quality produce.

The industry relies on the 2019 Agreement to provide the financial predictability and economic stability needed for new and recurring investments in U.S. businesses, jobs and the communities that depend on this supply chain, as well as to contribute to the economic growth of the cities and states where we operate. Without the 2019 Agreement, the sector would suffer tremendously under the weight of market uncertainty, just as we attempt to emerge from the economic upheaval wrought by the COVID-19 pandemic and inflation. For those reasons, and those recently provided by the industry representatives, we request that you reject the petition to terminate the 2019 Agreement.

Respectfully,

A handwritten signature in blue ink, appearing to read "Jaime Chamberlain".

Jaime Chamberlain
Chairman