

August 18, 2020

**TO: Jaime Chamberlain, Chairman**

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

SUBJECT: Monthly Report of Activities – July 2020

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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 (“GNSCCPA”). 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. USMCA takes effect;
3. Efforts Continue to Update Port Authority Website;
4. ADOT Releases SR-189 Project Logo;
5. Border Crossing Restrictions Continue;
6. Port Authority presents before Board of Supervisors and holds One-On-One meetings;
7. Port Authority Receives \$700,000 from State for Cold Room Project;
8. Aduanas de Mexico announces temporary closure of Unified Cargo Processing;
9. Friend of the Border Presented to Consul General Virginia Staab;
10. Progress being made on SR-189 Project;
11. Port Authority submits request to testify during USTR Virtual Hearings on Seasonality Provisions; and
12. Support for Cong. Grijalva’s efforts to Secure Funding for IOI.

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.
- Port Authority Technical team has submitted suggested revisions for the Revocable Licensing Agreement.
  - Awaiting response from GSA.

**2. *USMCA TAKES EFFECT***

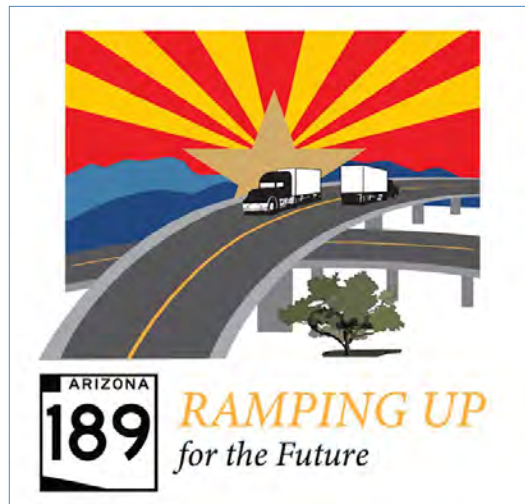
- On July 1, 2020 the United States-Mexico-Canada Agreement went into effect.
- The Port Authority was a very active supporter and advocate for the ratification of this historic agreement, including playing an active role in communicating the message of support to Arizona's Congressional Delegation and joining multiple broader initiatives, including those led by the Arizona-Mexico Commission and the US Chamber of Commerce to name a few.
- Congratulations to the Port Authority for participating in this effort!

**3. *EFFORTS CONTINUE TO UPDATE PORT AUTHORITY WEBSITE***

- RAI-N has been working with Paula Schaper on an update to the Port Authority Website.
- RAI-N has provided extensive amounts of new content and photographs to be used in the website.
- Hope to have a beta of the updated website available for review in 4-6 weeks.

**4. *ADOT RELEASES SR-189 PROJECT LOGO***

- The Arizona Department of Transportation (ADOT), with community input, has created a logo that will be used in the messaging for the construction phase of the SR-189 modernization project.
- ADOT has indicated that the Port Authority, and those pushing to leverage the investment in the project with job creation and economic development of the region are welcome to use this logo.



**5. BORDER CROSSING RESTRICTIONS CONTINUE**



Director of Field Operations Gu...  
 @DFOTucson

UPDATE: Travel restrictions have been extended until Aug. 20. We will continue with our mission of protecting the frontline, processing essential travel and legitimate trade at Arizona ports.  
 #CBP



2:31 PM · 7/16/20 · Twitter for iPad

- The Governments of Mexico and the United States, as well as Canada, have extended the border crossing restrictions through September 21, 2020.
- Additional extensions of these restrictions are expected until the situation abates on the contagion of COVID-19
- On March 21, 2020 the US and Mexican governments announced new temporary restrictions for travel across the US-Mexico border.
- It is imperative that cross-border travel be limited to essential travel in order to help eliminate the unnecessary congestion at the border.
- Who is considered an “essential” traveler?
  - Citizens and lawful permanent residents returning to the United States.

- Individuals traveling for medical purposes (e.g., to receive medical treatment in the United States).
- Individuals traveling to attend educational institutions.
- Individuals traveling to work in the United States (e.g., individuals working in the agriculture industry who must travel between the United States and Canada or Mexico in furtherance of such work).
- Individuals traveling for emergency response and public health purposes (e.g., government officials or emergency responders entering the United

States to support federal, state, local, tribal, or territorial government efforts to respond to COVID-19 or other emergencies).

- Individuals engaged in lawful cross-border trade (e.g., truck drivers supporting the movement of cargo between the United States and Canada and Mexico).
- Individuals engaged in official government travel or diplomatic travel.
- Individuals engaged in military-related travel or operations.

**6. *PORT AUTHORITY PRESENTS BEFORE AND MEETS WITH BOARD OF SUPERVISORS***

- On July 17, 2020, Chairman Chamberlain, presented before the Santa Cruz County Board of Supervisors.
- During his comments, he provided broad highlights of the work that the Port Authority has done and is doing.
- A copy of his remarks is provided in Attachment #1.
- Additionally, Chairman Chamberlain held one-one-one meetings with the members of the Board of Supervisors to provide detailed updates on the activities to date for the Port Authority and discuss the current and future priority projects.
  - Unfortunately, the meeting with Supervisor Molera was cancelled at the last minute.

**7. *PORT AUTHORITY RECEIVES \$700,000 TO PAY FOR COLD ROOMS***

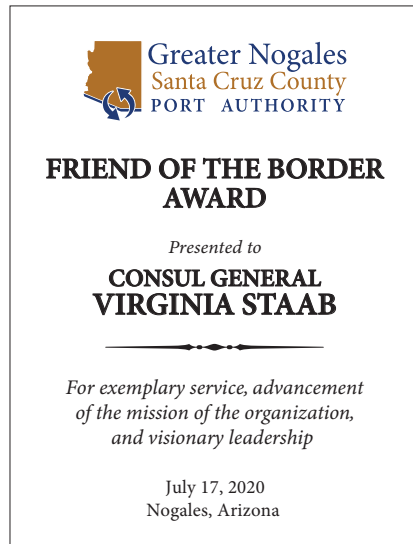
- The Arizona Department of Administration sent a check to the Port Authority for \$700,000 to help pay for the construction phase of the Cold Rooms at the Mariposa port of entry.
- Project promises to help diversify the type of commodities that require a cold-chain to ensure the integrity of their products.
- Project also contributes to the competitiveness of the Arizona-Mexico Corridor vis a vis Texas and California.
- Even Governor Ducey tweeted about this investment for Arizona's competitiveness.
- Special thanks to Juan Ciscomani, Senior Advisor from the Office of the Governor, for helping others recognize the value of this investment for Arizona.



**8. ADUANAS DE MEXICO ANNOUNCES TEMPORARY CLOSURE OF UNIFIED CARGO PROCESSING;**

- In a letter dated July 5, 2020, Aduanas de Mexico announced the temporary closure of the Unified Cargo Processing Program as part of the efforts to help prevent the continued spread of the COVID-19 virus.
- A copy of the letter can be found in Attachment #1.

**9. FRIEND OF THE BORDER AWARD PRESENTED TO CONSUL GENERAL VIRGINIA SAAB**



- The Port Authority presented the second **Friend of the Border Award** to US Consul General Virginia Staab;
- Unfortunately, because of the COVID-19 pandemic, the award was presented in a private meeting between Chairman Chamberlain and Consul General Staab.
- Recall that the previous recipient of this award was Will Brooks of Customs and Border Protection.

**10. PROGRESS ON SR-189 PROJECT**

- On July 10, 2020, the Nogales International posted a great picture and caption on the work being done for the modernization of SR-189.



**11. PORT AUTHORITY SUBMITS REQUEST TO TESTIFY DURING USTR VIRTUAL HEARINGS ON SEASONALITY PROVISIONS**

- The US Trade Representative announced a series of virtual hearings in order on “Trade Distorting Policies that may be Affecting Seasonal and Perishable Products in U.S. Commerce
- Hearings are based on contention that imports of fresh produce from Mexico and other parts of the world are having a negative impact on fresh produce producers in Florida and Georgia.
- In a coordinated effort with the Fresh Produce Association of the Americas and the Nogales US Customs House Brokers Association, the Port Authority requested to be included as those providing video testimony during the hearings.
- Chairman Chamberlain has been informed that his testimony is scheduled for August 20, 2020.
- A copy of his testimony will be provided in next month’s report.

**12. SUPPORT FOR CONG. GRIJALVA’S EFFORTS TO SECURE FUNDING FOR IOI**

- The US Trade Representative announced a series of virtual hearings in order on “Trade Distorting Policies that may be Affecting Seasonal and Perishable Products in U.S. Commerce.
- On July 24, 2020, Congressman Raul Grijalva issued a press release hailing the inclusion of an amendment in the House Appropriations Bill to address the Maintenance and Operation of the IOI.
- On July 31, the Port Authority sent a letter to Congressman Grijalva supporting these efforts.
  - A copy of the letter is provided in Attachment #3.
- Below is the text of the Press Release:

## Rep. Grijalva Hails Inclusion of Nogales IOI Amendment in House Appropriations Bill

Friday July 24, 2020

**WASHINGTON**—The House of Representatives passed Rep. Raúl M. Grijalva’s amendment that will direct \$4 million within the International Boundary and Water Commission (IBWC) budget to clarify the responsibility for the maintenance and operation of the International Outfall Interceptor (IOI). The amendment was included in the **appropriations bill** that passed the House today.

“It’s ridiculous that the people of Nogales and Santa Cruz County live under the constant threat of a dire public health emergency if the IOI bursts,” said Rep. Grijalva. “Clarifying the responsibility of the IOI to the IBWC will mean we can begin necessary repairs to the aging infrastructure with more certainty as we protect the public health of the those who live along the border. For far too long, my constituents have waited for action. It’s time for the Senate take their concerns seriously.”

*Prior to the ban on earmarks, Rep. Grijalva worked each year since 2004 to secure funding for the Nogales Wash / Chula Vista and International Outflow Interceptor projects through the appropriations process. He requested \$10 million for the project in fiscal year 2009 and \$19.7 million in fiscal years 2010 and 2011. His Border Infrastructure and Jobs Act, first introduced in 2011, included an additional authorization of appropriations.*

*Additionally, Rep. Grijalva filed **an amendment** to the Water Resources Development Act of 2016 to require the United States Section of the International Boundary and Water Commission to provide resources for the Nogales Sanitation Project. Rep. Grijalva had **requested** additional funding for IBWC for the IOI.*

*Last year he **passed** an amendment to direct \$4 million within the IBWC to clarify the responsibility for maintenance and operation of the IOI. Additionally, he introduced **H.R.3204**, the Nogales Wastewater Fairness Act to clarify the issues of responsibility of the IOI.*

**Attachment #1**

Copy of Chairman Chamberlain's Comments during Call to the Public for Board of Supervisors

**Santa Cruz County Board of Supervisors  
Call to the Public**

**Comments by Jaime Chamberlain  
Chairman**

**Nogales, Arizona  
July 21, 2020**

Chairman Bracker and members of the Board of Supervisors, good evening. 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.

On behalf of the Port Authority, I want to thank you for the continued support and funding for the organization. Over its 15 years of existence, the Port Authority has had an unprecedented record of success in raising the level of local, regional, national and binational attention to the issues impacting our community. At last tally, more than \$470 million have been invested in the community as a result of our advocacy efforts; our work with vested stakeholders such as the County; and a commitment to focusing on issues that improve our ports of entry and the quality of life for our residents.

I am the fifth Chairman of this organization, following the steps of great leaders like Terry Shannon, JB Manson, Supervisor Bracker, and Guillermo Valencia. All have set a high standard and I am committed to upholding that tradition. I also want to recognize the Supervisor Ruiz was one of the original founders of the organization.

Last week I requested a meeting with each of you to make sure that you were aware of the day to day work of the Port Authority, as well as to hear from you how we can best improve our information flow. Thus, my standing before you tonight.

Through the end of 2019 and the start of this year, Nogales was on a path for tremendous growth, new investment and job creation in our community. The global pandemic has had a major impact on business and our regional economy, but I remain very optimistic that we will gradually defeat this disease and return to growth rates that set Nogales apart from the rest.

We are active supporters of our Provisional College District and are looking for ways to increase the interaction between local business and students.



We continue to advocate on behalf of our community on such key issues as the fight against COVID-19, by supporting efforts to secure additional resources to conduct more tests throughout the County. We hold regular meetings that include both the public and private sector to ensure that we all have the same information and are coordinated in our efforts to fight COVID-19.

We have moved our Board meetings to a virtual format to allow continued participation and that we continue to push out relevant information to our stakeholders.

Among the top issues on our agenda are:

- The completion of the SR-189 modernization project
- Advocating for the inclusion of the improvements on I-19 at the Ruby Road and Rico Drive Interchanges, along with the frontage roads
- Supporting the efforts to conduct a feasibility study for the modernization of the DeConcini Port of Entry
- Working to improve the state and federal agriculture inspection requirements that affect the importation of fresh produce from Mexico
- Exploring ways to improve the retention ponds in Nogales, Sonora to help us deal with stormwater flows during the monsoon season
- Advocating for the construction of a multimodal, back to back facility near the Rio Rico Rail Yard,
- And much more.

I do want to close by mentioning that there are times that we work on issues that draw little attention but that could have major impacts on our communities. One recent example is the notification by the General Services Administration that they are no longer proposing the construction of standalone facilities for truck safety inspection and are now committed to a co-locating strategy with the Arizona Department of Transportation. But if the Port Authority had not led the charge on behalf of our community on this effort, with great support from the County, our border would have become more congested and less efficient.

We are here for the long haul and have never wavered from our commitment to making Nogales and Santa Cruz County the best that they can be. I am confident that over the past 15 years we have fulfilled that mission but there is still a lot of work to be done. I thank you for your support and look forward to our continued work together.

Thank you!

**Attachment #2**  
Aduanas temporary suspension of UCP



**HACIENDA**  
SECRETARÍA DE HACIENDA Y CRÉDITO PÚBLICO



**Administración General de Aduanas**  
Administración Central de Operación Aduanera  
Administración de Aduana de Nogales  
Administración

**BOLETIN INFORMATIVO**

Nogales, Sonora 05 de julio de 2020.

Estimados Usuarios:

Por este conducto se hace del conocimiento que, como una consecuencia de prevención que ha girado el SAT a nivel Nacional en relación con la contingencia sanitaria del COVID-19, y con la finalidad de contribuir al fortalecimiento de las medidas implementadas por la Secretaría de Salud, a partir del próximo Lunes 06 de julio del presente año, se suspende temporalmente el servicio del Programa de Inspección Conjunta Carretero, hasta nuevo aviso.

Los embarques de Exportación e Importación se estarán atendiendo en los carriles de operación normal dentro de los horarios establecidos.

En este sentido, el servicio de Ferrocarril, tendrá un horario de Lunes a Sábado de 09:00 a 17:00 horas; el domingo permanecerá CERRADO.

Por lo anterior, agradeceremos compartir con sus agremiados el presente Boletín, a fin de prever que sus operaciones por esta Aduana no se vean afectadas.

Agradezco de antemano la atención brindada al presente, aprovechando la oportunidad para enviarle un cordial saludo.

Administración de la Aduana de Nogales.



**2020**  
LEONA VICARIO

**Attachment #3**

Copy of letter of Support for Maintenance and Operation of IOI



July 31, 2020

The Honorable Raul M. Grijalva  
US House of Representatives  
1511 Longworth House Office Building  
Washington, DC 20515

RE: Nogales International Outfall Interceptor (IOI)

Dear Congressman Grijalva,

On behalf of the Greater Nogales Santa Cruz County Port Authority, I write to express our appreciation for your continued efforts to address the long-standing environmental and operational issues surrounding the Nogales International Outfall Interceptor (IOI). We humbly request your support to ensure that the final version of the Fiscal Year 2021 Federal Budget includes the funding necessary for the International Boundary and Water Commission (IBWC) to fully assume the maintenance and operation of the IOI.

According to the Arizona Department of Environmental Quality (ADEQ), the IOI handles approximately 12 million gallons of wastewater per day that originates from Nogales, Sonora. The treated wastewater that flows into the Santa Cruz River benefits the native plant and animal wildlife and the local community in terms of jobs and recreational activities. However, the IOI pipeline is well over 50 years old and in a dire state of disrepair. Recent breaches in the pipeline have discharged thousands of gallons of sewage water into the Nogales Wash, posing a public health risk to the local community.

On June 30th, the IBWC and ADEQ announced a settlement agreement after nearly 3 years of negotiations to address the aging pipeline infrastructure. The agreement includes \$38.8 million in funding from federal, local, and non-profit partners to pay for a cure-in-place pipe solution that will be completed in the next 2-3 years. This is a major win for the community and a positive first step towards achieving a long-term solution.

While we are pleased to hear of this outcome, other issues remain unresolved. The settlement agreement does not provide clarification as to which entity will ultimately be responsible for the operation and maintenance of the IOI. That is why we are encouraged to hear that your amendment to include \$4 million for the IBWC was approved in the House version of the FY 2021 Federal Budget. We remain hopeful that this will also be included in the Senate version of the spending bill.

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The Honorable Raul M. Grijalva  
US House of Representatives  
July 31, 2020

Given the progress made so far, it is imperative that Congress provide certainty to the Nogales community on this jurisdictional question. We thank you for your continued support in this request and for your work with your colleagues in Congress to make sure that this funding stays in the final version of the Federal Budget.

Respectfully,

Jaime Chamberlain  
Chairman

cc: Arizona Congressional Delegation  
Misael Cabrera, Director, Arizona Department of Environmental Quality