

November 16, 2023

TO: Mr. Jaime Chamberlain, Chairman

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

SUBJECT: Monthly Report of Activities – October 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. USDOT announces second round of Thriving Communities Program
2. Updated Northbound Border Crossing Data
3. Arizona USMCA Trade Numbers Update
4. GSA Awards Contract for DeConcini POE Feasibility Study
5. USIBWC Announces New Members of Southeast Arizona Citizens Forum Board
6. Electric Truck Pilot Program Technical Team meets with Nikola (Oct. 11)
7. Port Authority supports BEST Act
8. Readout of the Third Meeting of the US-Mexico High Level Security Dialogue
9. Leadership meets with Senator Bennett of Colorado (Oct. 14)
10. Quarterly Update to the Santa Cruz County Board of Supervisors (Oct. 17)
11. Mexican Consulate hosts meeting on Binational Project Coordination (Oct. 17)
12. Presentation to SALC membership (Oct. 18)
13. 2023 Rural Transportation Summit in Yuma (Oct. 18-19)
14. Nogales joins border communities in dinner with NADBank
15. State Transportation Board Meeting in Yuma (Oct. 20)
16. Port Authority Presentation for ASU Cronkite Students (Oct. 24)
17. Nogales Participates in US-Mexico Binational Protocol Meeting in Tijuana (Oct. 25-26)

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. USDOT ANNOUNCES SECOND ROUND OF THRIVING COMMUNITIES PROGRAM



- As reported to the Board on October 2nd, the US Department of Transportation has announced a new round of the Thriving Communities Grant program.

- The program is the recognition by the Department that smaller communities are at a competitive disadvantage in the grant application process as larger communities usually have more resources dedicated to the grant writing process.

- “This planning, technical*

assistance, and capacity building support will enable disadvantaged and under-resourced communities to advance a pipeline of transformative infrastructure projects that will increase mobility, reduce pollution, and expand affordable transportation options, connecting communities to the essential opportunities and resources that will help them thrive.” (source: www.usdot.gov/grants/thriving-communities).

- We strongly encourage the community to apply for this assistance program. Both San Luis and Douglas were selected in the first round of the program.

2. UPDATED NORTHBOUND BORDER CROSSING DATA

- On October 2, the US Department of Transportation released the latest border crossing data. A message was sent to the Board with the following overview:

Overall, we continue to observe consistent growth for all major traffic modes in Nogales! Should the trends stay this way, Nogales may break a record for several traffic modes, such as trucks and cars. We continue to monitor the impacts of extended wait times and the temporary closure of Morley Gate. The September 2023 data should reflect those changes in the month-to-month comparisons.

Truck traffic continues to do well, too, with an additional 7,000 trucks crossing at Nogales. Many in this group have reaffirmed the strong interest by investors looking to do business in Nogales, and that is also reflected in the low vacancy rate for industrial buildings on both sides of the border. There are also reports/news articles of logistics companies looking to send their cargo through Nogales instead of other border states because of the shorter wait times and

streamlined inspection process. This bodes well for the long-term growth of truck traffic through Mariposa.

Given the growth that is occurring for all modes, this only strengthens the community's message to the federal government that the Nogales ports must remain fully operation and adequately staffed.

Nogales Totals

During the period of January to August 2023...

- **268,468 northbound trucks** crossed at Nogales, an increase of 2.7% compared to the same period in 2022.
- **6.9 million total people** crossed northbound at Nogales, an increase of 5.9% compared to the same period in 2022.
 - NOTE: There are some inconsistencies with the bus passenger data, and we believe that there are data reporting issues. While the data cannot be independently verified, the bus passenger data is likely not an accurate reflection of the situation given the increase in buses.
- **2.5 million northbound cars** crossed at Nogales, an increase of 2.9% compared to the same period in 2022.
- **1.9 million northbound pedestrians** crossed at Nogales, an increase of 16.9% compared to the same period in 2022.
- **580 northbound trains**, an increase of 9.4% compared to the same period in 2022.

Arizona Totals

During the period of January to August 2023...

- **323,025 northbound trucks** crossed at Arizona's ports of entry, an increase of 1.4% compared to the same period in 2022.
- **15.7 million total people** crossed northbound at Arizona's ports of entry, an increase of 6.2% compared to the same period in 2022.

- A copy of the latest border crossing number is provided in Attachment #1

3. ARIZONA USMCA TRADE NUMBERS UPDATE

- As a result of the Board Retreat this summer, the Port Authority has invited First Interstate Bank's Alba Quijano to sit on the Board of Directors as an Ex-Officio Board member.

4. GSA AWARD CONTRACT FOR DECONCINI FEASIBILITY STUDY

- On September 29, the US General Services Administration (GSA) issued a press release confirming that they had selected a Tucson-based firm to conduct the Feasibility Study for the modernization of DeConcini port of entry.
- The Port Authority worked with the Arizona Congressional delegation to secure \$500,000 to help pay for this study.
- GSA indicates that this study should take approximately 12 months to complete.
- Here is a copy of the press release from GSA:



GSA awards contract for DeConcini LPOE feasibility study

September 29, 2023

By: Javier Fernandez

The U.S. General Services Administration (GSA) recently awarded a feasibility study contract to [Line and Space](#), an Arizona based small business, for the Dennis DeConcini Land Port of Entry (LPOE) in Nogales, Arizona.

"The GSA team is excited about this important study," said Anthony Kleppe, LPOE Program Manager for GSA Region 9. "Awarding the feasibility study is a major step towards developing a project that delivers major improvements to this important cross border region with modern facilities meeting the needs of Customs and Border Protection, the traveling public and the larger 'Ambos Nogales' binational community."


Since 2006, GSA has been meeting regularly with elected officials, community leaders, and binational stakeholders to discuss potential port solutions to facilitate cross-border travel in Nogales. First delivering commercial improvements at the Mariposa LPOE in 2014 and more recently commissioning a feasibility study to explore the modernization and expansion of the DeConcini LPOE. At the last meeting in August 2022, the GSA project team explained the next steps for the feasibility study that Congress had funded earlier that year. The study's technical analysis will determine the project's feasibility and formally recommend whether or not to proceed. It also provides insight into how the proposed project would better incorporate the U.S. Customs and Border Protection's (CBP) evolving mission requirements, increase port security, and improve the efficiency of travel and trade.

The DeConcini port was built in 1931 to support Prohibition-era border inspection operations. Since then, the Nogales binational region has grown significantly. In 1994, the old border station was, with the exception of the historic customs house, demolished and replaced with the current facility, which is now undersized and unable to accommodate the 2.5 million pedestrians and 7 million vehicles that cross each year. Furthermore, the port's existing footprint and configuration prevent the installation of sophisticated inspection sensors and other technology that CBP needs to carry out its mission. A new, modern, and expanded

facility would correct those limitations, enhance CBP's operational capabilities, improve the traveling public's experience, and help ease long border crossing wait times.

5. USIBWC ANNOUNCES NEW MEMBERS OF SOUTHEAST ARIZONA CITIZENS FORUM BOARD

- On September 27, the US International Boundary and Water Commission (IBWC), announced the new slate for the Southeast Arizona Forum Board which includes PA Board member Bruce Bracker.
- Congratulations to Supervisor Bracker and all the members as they play a critical role in the active cities and planning for IBWC projects.
- Port Authority Board member Bruce Bracker was named to this board, joining several local leaders as listed in the letter below.
- Congratulations to all named to this Board.



OFFICE OF THE COMMISSIONER
UNITED STATES SECTION

INTERNATIONAL BOUNDARY AND WATER COMMISSION
UNITED STATES AND MEXICO

September 26, 2023

Mr. Bruce Bracker
Environmental Protection Agency
2150 N Congress Drive
Nogales AZ, 85621

Dear Mr. Bracker:

Thank you for volunteering to serve as a member of the Southeast Arizona Citizens Forum Board of the United States Section of the International Boundary and Water Commission (USIBWC). By means of this letter, I am pleased to appoint you to a two-year term. I was impressed with the qualifications of all our applicants, and I know you will be an asset for our Citizens Forum program. The USIBWC looks forward to partnering with you over the next two years.


I have appointed the following board members:

- Bruce Bracker, EPA Local Government Advisory Committee Member
- John Combo, Chairperson of Trujillo Trail Domestic Water Improvement District
- Nohe Garcia, Member, Nogales Rotary Club
- Tim Grotheer, Citizen, Former Southeast Arizona Citizens Forum Board Member
- Ben Lomeli, President, Friends of Santa Cruz River
- Jaime Rivera, Manager, Pima County Regional Wastewater Reclamation Department
- Mark Taylor, Senior Vice President and Founder, Westland Resources, Inc
- Brian Vandervoet, Citizen, Resident Santa Cruz County

The first public meeting with the board will take place on Thursday, October 26, 2023. USIBWC will provide a board member orientation at that meeting. Further details will be announced, and an agenda provided as soon as that is scheduled. We ask that you be prepared to introduce yourself to the group by describing your background and interests.

If you have any questions about the Citizens Forum, please contact Leslie Grijalva at 915-832-4770, leslie.grijalva@ibwc.gov.

Sincerely,



Dr. Maria Elena Giner, P.E.
Commissioner

4191 N. Mesa Street • El Paso, Texas 79902-1441
915.832.4100 • 1-800-262-8857 • <https://www.ibwc.gov>

6. ELECTRIC TRUCK PILOT PROGRAM TECHNICAL TEAM MEETS WITH NIKOLA MOTORS

- On October 10, the Port Authority and the Technical Team for the Electric Truck Pilot Program held a follow up meeting with Nikola Motors.
- Here from that meeting:
 - The Port Authority confirmed that it does not intend to purchase the trucks for the pilot program and requested that Nikola consider a short-term leasing program. Nikola indicated that are willing to develop a 12-month lease to meet the project's needs.
 - Nikola confirmed the following figures are the costs of the vehicles they currently produce.
 - Battery electric: \$425,000 (2024 model year, expected to increase next year)
 - Hydrogen fuel-cell: \$450,000 (2024 model year, expected to increase to \$480,000 next year)
 - Nikola confirmed that based on an initial determination by their legal team, Nikola can offer insurance coverage for trucks crossing into Mexico.
 - Nikola provided the following information about the hydrogen fuel cell trucks.
 - Faster charging times compared to battery electric, 4 hours.
 - 500-mile driving range
 - 4,000 lbs lighter than battery electric trucks
 - Can offer a mobile hydrogen charging station option for the pilot program.
 - Similar to the battery electric vehicles, Nikola would be able to assist with the data tracking and provide training to local emergency management agencies on how to handle incidents involving hydrogen trucks.
- The project team continues to await the response from the USDOT on the \$1 million reimbursement grant application to pay for the trucks. A response is expected in November of 2023.

7. PORT AUTHORITY SUPPORTS "BEST ACT"

- On October 11, the Port Authority sent a letter of support to Congressman Juan Ciscomani in support of the Border Enforcement, Security and Trade Facilitation Act.
- The BEST Act creates a new "image technician" position within Customs and Border Protection (CBP) to assess scans of cargo and determine whether further inspection is necessary. It also creates a "supervisory image technician" position to review images that are more difficult to assess. This position will also serve as a liaison between image technicians and the National Targeting Center.

- In the letter, the Port Authority stated that “We applaud your efforts to find ways to help facilitate trade, enhance our nation’s security, and embracing technology that makes our ports of entry more efficient.
- This legislation is a direct response to the dialogue with port officials in identifying new areas of need.
- The text of the legislation can be found at https://ciscomani.house.gov/sites/evo-subsites/ciscomani.house.gov/files/evo-media-document/ciscom_021_xml1249.pdf
- A copy of the letter of support can be found in Attachment #2.

8. READOUT OF THE THIRD MEETING OF THE US-MEXICO HIGH LEVEL SECURITY DIALOGUE

- On October 5th, top level officials from the US and Mexico met for the third meeting of the High-Level Security Dialogue.
- An email was sent to the Board of Directors with an overview of the topics discussed during the meeting that took place in Mexico City.
- As described in the official statement by the US Department of State:

Office of the Spokesperson

On October 5, Secretary of State Antony Blinken, Attorney General Merrick Garland, Secretary of Homeland Security Alejandro Mayorkas, Homeland Security Advisor Dr. Elizabeth Sherwood-Randall, Director of National Drug Control Policy Dr. Raul Gupta, and other senior U.S. government representatives met with Mexican counterparts in Mexico City, Mexico to discuss implementation of the U.S.-Mexico Bicentennial Framework for Security, Public Health, and Safe Communities.

The Bicentennial Framework, adopted at the inaugural meeting of the High-Level Security Dialogue in October 2021, continues to guide our bilateral security cooperation. The United States and Mexico remain committed to transforming our cooperation to better protect the health and safety of our citizens, prevent criminal organizations from harming our countries, and pursue criminals to bring them to justice. Our two countries will continue working together across all three goals to protect human rights in accordance with our international obligations, share information and best practices, and prosecute those who violate our laws.

Since the 2022 High-Level Security Dialogue, the United States has made significant progress under each goal of the Bicentennial Framework.

- Among the major areas addressed during the meeting, there appeared to be extensive discussion on the use of Non-Intrusive Inspection Technologies to help combat the flow of illicit drugs.

Secure Modes of Commerce

- *State INL supported the Government of Mexico's launch of the Port Container Control Program (CCP) with the United Nations Office on Drugs and Crime at Manzanillo, Mexico's busiest maritime port. Implemented in more than 70 countries, the CCP enhances port security processes and technology to identify and interdict illicit shipments, including synthetic drugs and their chemical precursors. The program is part of broader bilateral cooperation to strengthen security at air, sea, and land ports of entry to interdict synthetic drugs and precursors.*
- *INL and CBP supported training for 2,091 Mexican military, customs, and migration personnel at air, land, and maritime ports of entry to improve border security while facilitating secure trade and travel, including for 810 officials since October 2022.*
- *INL supports the Government of Mexico with non-intrusive inspection equipment (NIIE) donations to improve Mexico's capacity to seize illicit goods, including at ports of entry. Since October 2022, NIIE donations have contributed to the seizures of 437,426 fentanyl pills; 2,800 kilograms of crystal/methamphetamine; \$314,000 worth of illicit bulk cash; and 477 arms, including ammunitions, firearms, and magazines. CBP works closely with the Government of Mexico to coordinate NIIE efforts under the 21st Century Border Management Process.*

Source: US Department of State

9. LEADERSHIP MEETS WITH SENATOR BENNETT OF COLORADO



- On October 13, US Senator Michael Bennett from the State of Colorado, visited Nogales and met with key stakeholders in a meeting hosted by the US Consulate General in Nogales, Sonora.
- Chairman Chamberlain joined Consul General Michelle Ward, Mayor Jorge Maldonado, Chamber President Olivia Ainsa-Kramer, Georgina Felix of the Fresh Produce Association of the Americas, and Martha Rascon of the Safe Border Trucking Association for the meeting.
- Senator Bennett heard from all stakeholders on the realities of the border.
- Special thanks to Consul General Ward for setting up the meeting.

10. QUARTERLY UPDATE TO SANTA CRUZ COUNTY BOARD OF SUPERVISORS

- On October 17th Chairman Chamberlain gave the second quarterly update to the Santa Cruz County Board of Supervisors.
- This is a requirement by the County as part of their annual sponsorship of the Port Authority.
- A copy of the statement by Chairman Chamberlain is provided in Attachment #3.

11. MEXICAN CONSULATE HOSTS BINATIONAL MEETING ON PROJECT COORDINATION



- On October 17, the Mexican Consulate General in Nogales, Arizona hosted a meeting with binational authorities to help ensure coordination on both sides of the border on projects that affect the ports of entry and may end up impacting throughput at any one of the ports of entry, as was the case with the closing of the Morley Gate with little prior notification to the US side.
- The meeting was attended by representatives of US Customs and Border Protection as well as the US

Consulate General in Nogales, Sonora, Mexican Aduanas and the Mexican Department of Defense, representatives from the City of Nogales, Arizona and the Municipality of Nogales, Sonora, and the State of Sonora.

12. PRESENTATION TO SALC MEMBERSHIP



- On October 18, Chairman Chamberlain joined Director of Field Operations Guadalupe Ramirez and Luis Ramirez of Ramirez Advisors in a presentation to the membership of the Southern Arizona Leadership Council.
- This was an opportunity to present the realities of the border, the opportunities for growth and investment, and to highlight the impacts of the border for southern Arizona.

- Special thanks to Ted Maxwell, President and CEO of SALC for the invitation to present to the membership.

13. 2023 RURAL TRANSPORTATION SUMMIT IN YUMA

- On October 18th and 19th, the Yuma Metropolitan Planning Organization hosted the 2023 Rural Arizona Transportation Summit in Yuma.
- This forum brought together close to 400 local and county leaders from Arizona’s 13 rural counties to discuss transportation needs, trends, and challenges.
- Common themes were growing need for investment in road infrastructure but with the anticipated budget shortfall of 2024, funding will be even harder to secure.
- Among the participants were:
 - The Honorable Jorge Maldonado, Mayor
 - The Honorable Bruce Bracker, Supervisor
 - The Honorable Rosana Gabaldon



14. NOGALES JOINS BORDER COMMUNITIES IN DINNER WITH NADBANK



- On October 18, the City of San Luis hosted a dinner with the John Beckham, Deputy Director of the North American Development Bank.
- It offered an opportunity for the border communities to spend some quality time in an open dialogue with Mr. Beckham.
- NADBANK has been a strong partner on many issues and projects in Nogales.

15. STATE TRANSPORTATION BOARD MEETING IN YUMA



- On October 20th, the State Transportation Board held its monthly meeting in Yuma.
- The Honorable Bruce Bracker testified during Call to the Public on the need to modernize the Ruby Road and Rio Rico Drive Interchanges on I-19 and emphasized that the County had

just submitted a \$3.5 million State Match Advantage for Rural Transportation Fund (SMART) Grant Application to the Arizona Department of Transportation.

- This grant would help pay for the final design for the interchanges.
- Santa Cruz County would provide a \$500,000 match for the grant, using funds that were appropriated for these interchanges in the 2023-24 State Budget.
- A copy of Supervisor Bracker’s testimony is provided in Attachment #4.

16. PORT AUTHORITY PRESENTATION WITH ASU CRONKITE STUDENTS

- Special thanks for the invitation by US Consul General Michelle Ward for the Port Authority to participate in one of her first official community events in Nogales, Sonora.
- Chairman Chamberlain, Vice Chair Rubin, and Board Member Valencia joined about 40 local leaders in this open dialogue with CG Ward.

17. NOGALES PARTICIPATES IN US-MEXICO BINATIONAL PROTOCOL MEETING IN TIJUANA



- On October 25th and 26th, the Mexican Ministry of Foreign Affairs (SRE) and its US counterpart, the US Department of State, hosted the US-Mexico Binational Bridges and Border Crossings Meeting -West Regional Meeting in Tijuana.
- The meeting brought the US and Mexican federal and state agencies with purview over port of entry projects, with the meeting focused on the Arizona and California

- projects in the US and Sonora and Baja California projects in Mexico.
- The Arizona delegation, which also included the border communities of Douglas and San Luis, held a preparatory meeting the night before with US and Mexican authorities to ensure a coordinated message during the plenary sessions and the government only meetings.
 - Representing Nogales were:
 - Chairman Chamberlain
 - The Honorable Jorge Maldonado, Mayor
 - The Honorable Bruce Bracker, Supervisor
 - During the presentation, the Nogales delegation stressed the importance of the modernization of the DeConcini port of entry, and stressed the need to coordinate projects that stand to impact port operations, as was the case with the Morley Gate project by Mexico.
 - A copy of the presentation can be found in Attachment #5.



Attachment #1

Border Crossing Data distributed in October 2023.



Arizona Northbound Border Crossings(*)
 January-August 2022 vs January-August 2023

Port	Mode	Jan-Aug 2022	Jan-Aug 2023	Difference	Change
Douglas	Trucks	20,200	18,484	-1,716	-8.5%
	Personal Vehicles	1,005,426	1,088,402	82,976	8.3%
	Personal Vehicle Passengers	1,789,226	1,970,067	180,841	10.1%
	Pedestrians	432,838	472,915	40,077	9.3%
	Buses	75	121	46	61.3%
	Bus Passengers (*)	973	3,318	2,345	241.0%
	Total People (*)	2,223,037	2,446,300	223,263	10.0%
Nogales	Trucks	261,453	268,468	7,015	2.7%
	Personal Vehicles	2,431,817	2,501,294	69,477	2.9%
	Personal Vehicle Passengers	4,671,298	4,825,838	154,540	3.3%
	Pedestrians	1,632,400	1,907,534	275,134	16.9%
	Trains	530	580	50	9.4%
	Buses	4,566	5,771	1,205	26.4%
	Bus Passengers (*)	176,506	128,084	-48,422	-27.4%
Total People (*)	6,482,232	6,861,456	379,224	5.9%	
San Luis	Trucks	34,322	33,552	-770	-2.2%
	Personal Vehicles	2,199,201	2,241,107	41,906	1.9%
	Personal Vehicle Passengers	3,575,703	3,705,414	129,711	3.6%
	Pedestrians	1,294,980	1,430,477	135,497	10.5%
	Buses	48	73	25	52.1%
	Bus Passengers (*)	48	73	25	52.1%
	Total People (*)	4,870,731	5,135,964	265,233	5.4%
Lukeville	Trucks	551	539	-12	-2.2%
	Personal Vehicles	304,069	299,805	-4,264	-1.4%
	Personal Vehicle Passengers	670,743	682,791	12,048	1.8%
	Pedestrians	46,174	51,563	5,389	11.7%
	Buses	394	397	3	0.8%
	Bus Passengers (*)	2,124	2,170	46	2.2%
Naco	Trucks	2,011	1,982	-29	-1.4%
	Personal Vehicles	203,540	215,809	12,269	6.0%
	Personal Vehicle Passengers	367,085	397,076	29,991	8.2%
	Pedestrians	59,613	52,917	-6,696	-11.2%
	Total People	426,698	449,993	23,295	5.5%
Sasabe	Personal Vehicles	17,823	18,304	481	2.7%
	Personal Vehicle Passengers	33,691	34,783	1,092	3.2%
	Pedestrians	673	335	-338	-50.2%
	Total People	34,364	35,118	754	2.2%

Port	Mode	Jan-Aug 2022	Jan-Aug 2023	Difference	Change
State Totals	Trucks	318,537	323,025	4,488	1.4%
	Personal Vehicles	6,161,876	6,364,721	202,845	3.3%
	Personal Vehicle Passengers	11,107,746	11,615,969	508,223	4.6%
	Pedestrians	3,466,678	3,915,741	449,063	13.0%
	Buses	5,083	6,362	1,279	25.2%
	Bus Passengers(*)	179,651	133,645	-46,006	-25.6%
	Total People(*)	14,756,103	15,665,355	909,252	6.2%

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

(*) NOTE: Total People is comprised of the number of passengers for buses, cars, trains, and pedestrians.

Ramirez Advisors does not have the ability to verify the accuracy of the data published by USDOT.

We have observed some unexplained variances that we believe impact our analysis of the data trends.

Updated 09/28/2023

Attachment #2
Copy of letter of support for BEST Act



October 11, 2023

The Honorable Juan Ciscomani
US House of Representatives
1429 Longworth HOB
Washington, D.C. 20515

RE: Support for Border Enforcement, Security, and Trade Facilitation Act of 2023

Dear Congressman Ciscomani,

On behalf of the Greater Nogales Santa Cruz County Port Authority, I write to express our support for the Border Enforcement, Security, and Trade (BEST) Facilitation Act of 2023. We applaud your efforts to find ways to help facilitate trade, enhance our nation's security, and embracing technology that makes our ports of entry more efficient.

The Port Authority has been a stalworth advocate for the need to ensure that our ports of entry are the best that they can be. To that end, it is our hope that with the creation of the Image Technician along with the Supervisory Image Technician, will bring dedicated personnel that is specifically trained for these functions, will permit Customs and Border Protection to take those officers that currently perform those monitoring functions, out to the inspection booths and docks to enforce all applicable laws. We believe this to be a more efficient use of current staffing.

The BEST Act is an additional reason why we continue to advocate for a complete overhaul of the staffing model for ports of entry. The mission continues to change, as new technologies are deployed, new mandates are applied, and new requirements are imposed that impact both operations and throughput.

We thank you for working with your colleagues in Congress to help pass the BEST Act and for the continued fight to get the necessary resources to our ports of entry.

Respectfully,

Chairman

Attachment #3

Copy of Port Authority Quarterly Report to County

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

October 17, 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 the second quarterly update on our activities and our ongoing efforts on behalf of Nogales and Santa Cruz County.
- I want to remind you that while I am here to report before you, our monthly reports are emailed to you and are also made available to anyone through our website.
- On behalf of the Board of Directors, which consist of the City of Nogales, the Fresh Produce Association of the Americas, Index Nogales, Nogales Community Development, Nogales Economic Development Foundation, Nogales Customs Brokers Association, the Nogales Mining Cluster and, of course, Santa Cruz County, I want to thank you for your contribution and continued support.
- I also want to reflect that since I last reported to you, we have added two Ex-Officio Board members to the Port Authority:
 - Roberto Guevera of Tucson Electric Power/Unisource
 - Alba Quijano of First Interstate Bank.
 - I think you will agree that the reliability of our electric grid and the strength of our local financial infrastructure are two critical areas of interest for our community.
- I plan on only hitting on some highlights to keep my presentation brief but now that much more detail is available in the monthly reports.
- In July, the Port Authority participated in a meeting with the Arizona Department of Transportation's Enforcement Division and the Arizona Department of Public Safety to touch on several transportation and road safety issues, including:
 - The improvements at Ruby Road and Rio Rico Interchanges on I-19,
 - Long southbound queues at both Mariposa and DeConcini ports of entry,
 - Safety challenges on SR-189, particularly near the roundabout and the need to enforce speed limits to help avoid accidents.
 - Work with Customs and Border Protection (CBP) to look at staging opportunities that could help reduce congestion.
 - Compliance with weight requirements for trucks.
 - Updates on the electric truck pilot program.
 - Anticipated growth in truck traffic from the startup of operations from the mine in Patagonia.

- The success of the touchless permit program.
 - The need to maintain a working dialogue between industry and the enforcement agencies.
-
- One item of great excitement for us is the progress being made on the IOI. 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. Congressman Raul Grijalva has also been a champion for this bill in the House of Representatives
 - 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.
 - In August, we were happy to join with the County in discussions with ADOT on the possible application for an AZ-SMART Grant, that is the Arizona State Match Advantage Rural Transportation Fund Grant, to help pay for the design phase of the projects to modernize the I-19 Interchanges at Ruby Road and Rio Rico Drive, including the frontage roads between the two ports. I want to make it clear that for the frontage roads, the project is looking at the interaction between the frontage roads and the interchanges, not the complete frontage road.
 - Recall that we worked with the County on helping to secure \$8.6 million from the legislature to help pay for these improvements.
 - Also in July, Supervisor Bracker and Port Authority Vice Chair Josh Rubin, travelled to Washington, D.C. to present during the US-Mexico Binational Bridges and Border Crossings Regional. This is the official protocol meeting that brings all federal, state, and local entities from both countries to talk about port of entry projects.
 - And next week, Chairman Bracker, Mayor Jorge Maldonado and I will be traveling to Tijuana to present during the Regional Meeting of this Binational Group. As always, it is not just the actual presentation but all the discussions that take place before, during and after the meeting in the hallways or every opportunity to bring attention to our projects.
 - The three of us will be presenting on the start of the Feasibility Study for the modernization of the DeConcini Port of Entry, the need to ensure binational coordination on these improvements. We will also be raising our concerns over the unannounced and unplanned closing the Morley Gate by Mexico, asking the appropriate federal authorities that any project that impedes the flow at any port must be done in a coordinated manner.
 - Over the past several weeks, we have dedicated tremendous amount of time and effort responding to the Washington, D.C. mandate that took customs officers, our

- blue uniforms, out of the ports of entry, to support Border Patrol operations, the green uniforms, in locations outside the ports of entry. To be sure, the Border Patrol needs the necessary staffing and resources to fulfill their mandate, but it should not be done at the expense of our ports of entry, our trade, our tourism, and our security.
- Tied in with this effort is the need to update the staffing model for ports of entry to ensure that the model reflects the current needs at the ports.
 - I would be remiss if I did not thank you and the County for all the work to address the migrant situation. The federal government needs to allocate additional funding and resources to completely address the situation.
 - Last month, we participated in the first meeting of the three border port authorities. Thank you, Supervisor Bracker, for participating in this session that we hope to be the first of many that will help the three port authorities identify issues of common interest as we jointly advocate in Washington, D.C. and Mexico City as well as in Phoenix and Hermosillo.
 - We signed a Joint Resolution, that focuses on the following areas:
 - The Port Authorities agree to unite their voices to advocate for the needs of the border communities and for the betterment of the Arizona-Sonora Megaregion.
 - Ports of entry and their connectivity to the highway system in both countries need to be recognized as state and national priorities.
 - That the model that is utilized to determine the staffing needs at each port of entry be updated to reflect the new realities of the border.
 - That a pilot program be created to promote local hiring of sworn officers and clerical/logistical support staff at ports of entry.
 - The governments of the United States and Mexico create regional technical mechanisms that ensure the proper alignment and development of ports of entry to maximize the return on federal, state, and local investments.
 - Request that US Customs and Border Protection look for ways to streamline the recruitment process for new personnel which currently exceeds 12 months.
 - The Port Authorities establish a working dialogue with local electric, water, and broadband service providers to ensure that they consider the sustainable growth of the communities. Request that the federal government create a priority funding program for infrastructure projects that are necessary and essential for the safe and efficient operation of ports of entry, including funding for water, wastewater projects to be administered by the North American Development Bank.
 - Finally, let me give you an update on the latest border crossing numbers, as they are very clear indicators of the activity in our community:
 - From January through August of this year, compared to last year,
 - Trucks are up by 2.7% from 261 to 268,000, that is 7,000 trucks more than the same period last year. And if this trend continues, we stand to set a record for total trucks in 2023!

- Cars are up by 2.9%, that is an additional 69,000 cars over last year, we have already processed 2.5 million cars in 2023!
- Trains are up by 9.4%, an increase of 50 more trains for a total of 580 trains.
- And perhaps more importantly, total people are up by 5.9%, an increase of just under 380,000 people more over the same period of last year.
- All these numbers are pointing to possible new records for all modes by the end of the year and we need to be ready.
- 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.
- On a personal note, this will be the last time that I will appear before you as Chairman of the Port Authority. After 4 years as the Chair, it is time for new leadership. I am happy to announce that Josh Rubin, our current Vice Chair. The next update by the Port Authority will be by Josh.
- Again, thank you for your contribution and I would be happy to address any questions you may have.

Attachment #4

Copy of Supervisor Bracker's Testimony before State Transportation Board

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

By: Bruce Bracker, Supervisor
Santa Cruz County

Yuma, Arizona
October 20, 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 #5

Copy of Presentation before US-Mexico Binational Protocol Meeting

Binational Bridges and Border Crossings
 Tijuana, Baja California
 October 26, 2023

- Jaime Chamberlain, Chairman
- The Honorable Jorge Maldonado, Mayor, City of Nogales
- The Honorable Bruce Bracker, Supervisor, Santa Cruz County

1

MEMBERSHIP:

The Port Authority is tasked with advancing strategies to improve the ports of entry at Nogales and the quality of life for our residents.

- City of Nogales
- Santa Cruz County
- Fresh Produce Association of the Americas
- Nogales US Customs House Brokers Association
- Nogales Community Development Corporation
- INDEX – Maquila Association of Sonora
- Nogales Economic Development Foundation
- Santa Cruz County Mining Cluster

2

NOGALES BY THE NUMBERS

- 2023 January – August, in two-way traffic:
 - 1,028 trains, 8.4%
 - 494,000 trucks, 2.9%
 - 4.3 million cars, 2.3%
 - 11.9 million people, 5%
- Back to pre-pandemic levels
- On track to set new records on all modes
- US Department of Commerce estimates \$29.2 billion of trade through Nogales
- 6.5 billion pounds of fresh produce/yr

3

BORDER WAIT TIMES – CBP ESTIMATES

DECONCINI: Hourly Wait Times (Hours to Contact)

MARIPOSA: Hourly Wait Times (Hours to Contact)

Source: EndoLogix

BORDER WAIT TIMES HAVE INCREASED:

- The temporary reassignment of Customs personnel to support Border Patrol operations has resulted in lane closures
- Advocating for the revision of the staffing model for ports of entry given new mission requirements and changing dynamics at the border

4

Urgent Need to Modernize DeConcini

- Last Improvements in early 1990's
- Numerous Safety and security needs for CBP personnel and traveling public
- Continuous impacts from rains/monsoons
- Primary lanes immediately adjacent to the border/CBP offices directly above creating a security risk
- No space to deploy technology, i.e.: License plate readers, radiation portals, etc.

5

Additional Challenges at DeConcini

- Rail Crossing that runs through the heart of downtown
- IOI (Sewage) Pipeline That flows under Port of Entry
- Underground Stormwater Tunnels Directly Underneath

6

NEED TO MODERNIZE DECONCINI

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7

Temporary Closure of Morley Gate

- Applaud efforts to improve facilities but request binational coordination
- Unannounced closure of the Morley Gate
- Took Arizona by surprise
- Significant impact to retailers on Morley Avenue that depend on pedestrian traffic through Morley Gate
- Prepare our retailers for the closure and help them minimize impacts
- Create programs to promote retailers after re-opening

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8

Support Nogales Wastewater Improvement Act

- \$38 million Cure-In Place project underway, but there remain some pending issues
- Senator Sinema included NWIA in Defense Reauthorization
- Support from Congressman Grijalva
- Solves long term maintenance and operations by transferring ownership to International Boundary and Water Commission

Smugglers can create blockades

Repair of international trench to get drugs

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9

Conclusion:

- Need to modernize DeConcini Port of Entry
- Deploy Drug-bundle Screen
- Enhance binational coordination and planning

- GSA to complete DeConcini Feasibility Study in 2024
- Urban Design study with EPA/GSA to leverage anticipated federal investment
- Deploy drug screen on IOI to prevent future breaches and drug smuggling
- Request coordination/joint planning on projects that interfere with port operations
- Asking for Mexico to participate in the planning process for a seamless flow of tourism and vehicular traffic

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10

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Jaime Chamberlain, Chairman
The Honorable Jorge Maldonado, Mayor, City of Nogales
The Honorable Bruce Bracker, Supervisor, Santa Cruz County

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11