

January 21, 2020

TO: Jaime Chamberlain, Chairman

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

SUBJECT: Monthly Report of Activities – December 2019

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. **Donation Acceptance Program Update;**
2. **Monitor impact on port operations from asylum seekers at Nogales;**
3. **PA Social Media;**
4. **Ratification of USMCA;**
5. **Southwest Tourism Expansion Act;**
6. **Bill Introduced to Accelerate I-11 Project;**
7. **SR-189 Groundbreaking Ceremony; and**
8. **Representation of GNSCCPA with Key Entities.**

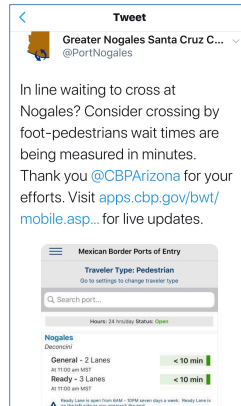
This report is not intended to be a full description of all our activities but rather, provides highlights and information on the direction of our activities to keep the Board of Directors informed and to ensure adherence to the vision and guidance imparted to RAI-N by the GNSCCPA and its leadership. 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. *DONATION ACCEPTANCE PROGRAM UPDATE*

- Dialogue between the GNSCCPA Technical Team and Customs and Border Protection and the General Services Administration continue with bi-weekly conference calls.
 - The Technical Team continues to work with CBP and GSA in advancing the project.
 - Work with a local architect is underway and CBP has indicated that the project can now forward to the design phase.
 - Port Authority is working on 50% design of the retrofit
- Reminder that the work of the Technical Committee is bound by Non-Disclosure Agreements with CBP and limited information can be provided publicly.

2. *MONITOR IMPACT ON PORT OPERATIONS FROM ASYLUM SEEKERS AT NOGALES PORTS OF ENTRY*

- In mid-December, 2019, a series of attempts to rush the border took place forcing Customs and Border Protection to deploy drastic measures to ensure the integrity of the ports of entry, resulting in severe delays for those looking to cross the border by car.
- CBP deployed physical barriers at some of the lanes at the DeConcini port of entry, greatly aggravating the situation.
- In a coordinated effort that included the US Consulate General in Nogales, Sonora, municipal, state and federal authorities, enforcement authorities were deployed on the access roads to the border in order to ascertain the intent of large groups in cars.
- While great efforts were focused on the security issues, the result was that long delays were experienced on the border for those traveling by car;
- Seeing the long delays, the Port Authority put information on social media that pedestrian crossing were far shorter.
- An extensive amount of communications took place on this issue in anticipation of the possible delays that could be experienced at the end of the *Paisano* season.
- An example of the posting is provided below:



3. USMCA RATIFICATION

- On December 10, 2019, the Addendum to the United States-Mexico Canada Agreement (USMCA) was signed by all three countries in a trilateral ceremony that took place in Mexico City;
- This brought to a close months of negotiations between the Administration and the Democrats in the House of Representatives, particularly on the environment, labor, steel and aluminum, biologic drugs and internet services;
- On December 19, 2019, the US House of Representatives ratified the USMCA, leaving the ratification by the US Senate pending;
- Due to the Impeachment process, the US Senate would not take up the vote on the USMCA until the start of 2020.

4. PA SOCIAL MEDIA

- The social media presence for the port authority continues to grow.
- In recognition of the USMCA Addendum, the PA tweeted the following:



5. *SOUTHWEST TOURISM EXPANSION ACT*

- On December 12, 2019, Senator Martha McSally and Congressman Greg Stanton, introduced the Southwest Tourism Expansion Act that seeks to secure a waiver for the I-94 for visitors from Mexico traveling to Arizona.
- Senator Kyrsten Sinema and Congressman David Schweikert joined as Co-Sponsors on this legislation.
- This proposal would mean that Mexican visitors entering through Nogales and want to travel beyond Tucson, would no longer be required to secure an I-94.
- This initiative is being promoted by the Maricopa Association of Governments.
- A copy of the press release is provided in Attachment #1.

6. *BILL INTRODUCED TO ACCELERATE I-11 PROJECT*

- On December 18, 2020, Senator Martha McSally and Congressman Greg Stanton introduced a bill that would accelerate the development of Interstate 11 (I-11).
- The bill is designed to provide new federal assistance to complete the Tier II Environmental Impact Study for segments of the project.
- A copy of the Press Release is provided in Attachment #2

7. *SR-189 GROUNDBREAKING CEREMONY*

- The Arizona Department of Transportation (ADOT) is close to finalizing the selection of the contractor that will lead the modernization project for State Route 189 (SR-189).
- In a coordinated effort with the Office of the Governor, the groundbreaking ceremony for the project is scheduled for March 4, 2020.
- Final details are being worked out, but this will mark the start of the largest transportation project in Rural Arizona in the past decade.
- A celebration is being planned for the groundbreaking.
- Strongly suggest that everyone block that day on their schedules in order to participate in the festivities.

8. *REPRESENTATION OF THE GNSCCPA WITH KEY ENTITIES*

- Continuing efforts to maintain an on-going dialogue with various agencies, entities and organizations allows us to ensure full coordination of efforts and maximizing the impact of our limited resources.

- It is imperative to highlight the great success that has been achieved on these efforts by coordinating efforts with key stakeholders, including the FPAA, Santa Cruz County, Nogales Customs House Brokers, INDEX and others, as each has well established relationships with most of these entities.

Attachment #1

Press Release on Southwest Tourism Expansion Act

MCSALLY, STANTON INTRODUCE BILL TO EXPAND MEXICO-TO-ARIZONA TOURISM

December 12, 2019

Press Release

WASHINGTON—Sen. Martha McSally and Rep. Greg Stanton this week introduced companion bills in both the Senate and the House to expand tourism and recreation in Arizona. The Southwest Tourism Expansion Act would create a pilot program to allow certain visitors from Mexico who already have permission to enter the United States to travel throughout the state of Arizona.

Current law limits Mexican nationals with a valid Border Crossing Card from traveling outside a designated travel zone from the port of entry through which they enter without applying for an additional federal I-94 form and paying a fee. For example, a card holder entering through Nogales is only permitted to travel as far as Tucson, limiting business and recreational opportunities in the central and northern parts of Arizona. McSally and Stanton’s pilot program would waive the I-94 form, effectively expanding the travel zone statewide.

“Arizona is open for business and when we allow approved visitors into more areas of our beautiful state, we unleash the potential for greater economic growth, more jobs, and additional sales tax revenue,” **Sen. McSally** said. “Our bill would start a pilot program allowing Border Crossing Card Holders to reach popular Arizona tourist destinations and businesses, generating hundreds of millions in dollars in additional annual spending.”

“This is an economic stimulus bill—it’s a common-sense change that will open Arizona to more business, more tourism, and more economic opportunities,” said **Rep. Stanton**. “Our state benefits in so many ways from a strong relationship with Mexico—and a pilot program that invites Mexican nationals to explore and invest more throughout our entire state can only strengthen those ties.”

“Arizona’s strong relationship with our neighbors in Mexico supports jobs and economic prosperity on both sides of the border,” said **Gov. Doug Ducey**. “The

Southwest Tourism Expansion Act is a win-win that will promote tourism from Mexico and strengthen our partnership. My thanks to Senator McSally and Representative Stanton for their work to grow Arizona's tourism and economy."

Sen. Kyrsten Sinema and Rep. David Schweikert joined McSally and Stanton as an original cosponsor of the House bill.

Specifically, the Southwest Tourism Expansion Act would create a 5-year pilot program to allow pre-cleared Mexican visitors with a valid Border Crossing Card to travel statewide—to the Greater Phoenix metro and Flagstaff, for example—without having to fill out an additional paper I-94 form or pay an extra fee. The change would remove regulatory barriers that previously prevented card holders from traveling to popular tourist destinations such as Sedona and the Grand Canyon.

During Stanton's time as Phoenix mayor and chair of the Maricopa Association of Governments, expanding the Border Crossing Card program was the group's top legislative priority. The resulting legislation has been more than six years in the making.

Background

Every day, thousands of frequent, low-risk, short-term visitors travel from Mexico to Arizona to conduct business, visit family and friends, or shop—and every day they spend collectively and estimated \$7.3 million at Arizona businesses. A 2015 study from the University of Arizona projects that extending the tourism and shopping zone for Border Crossing Card holders statewide would generate an additional \$181 million in annual spending, increasing the spending total to nearly \$3.1 billion and impacting more than 31,000 jobs.

- Tourism was the top export industry in Arizona in 2018.
 - 45.5 million people visited the state and collectively spent \$24.4 billion, supporting 192,300 industry jobs and generating \$3.63 billion in tax revenue.
 - The tax revenue generated equates to an annual tax savings of \$1,360 for every Arizona household. [[Source](#)]

- Arizona's travel zone has been expanded once before in 1999, and New Mexico's travel zone was expanded in 2013—both expansions occurred without compromising the states' security or economic interests.
[\[Source\]](#)
- Travelers with valid Border Crossing Cards have been vetted at a U.S. consulate in Mexico, undergo inspection at the port of entry, and can still be referred for more involved secondary screening or denied entry at the discretion of the inspecting officers.
- Holders of Border Crossing Cards have must demonstrate ties to Mexico that would compel them to return after their temporary stay in the U.S. Penalties for abusing the Crossing Card include cancellation of the card, fines, and losing the ability to re-apply in the future.

Attachment #2

Copy of Press Release on Acceleration of I-11

MCSALLY, STANTON INTRODUCE BILL TO ACCELERATE DEVELOPMENT OF I-11

December 18, 2019

Press Release

WASHINGTON, D.C. - U.S. Senator Martha McSally (R-AZ) and Representative Greg Stanton (D-AZ) today introduced a bill to accelerate the development of Interstate 11 (I-11) in Arizona.

The legislation would provide new federal assistance to complete the required Tier II Environmental Impact Study for segments of the project.

“Cross-border and interstate commerce are a major driver for job creation in Arizona. In order to keep up with our state’s rapid growth, we must modernize our infrastructure. Currently, Phoenix and Las Vegas are the only two major cities in America not connected by a highway,” **said Sen. Martha McSally.** “When this project is completed, the I-11 corridor will provide a direct route from our southern border to Phoenix to Las Vegas. I am glad to work with Sen. Sinema and Rep. Stanton to ensure the project is completed in a timely manner in order to meet the growing need for quality infrastructure in our state.”

“We’re working together on this bipartisan bill to advance a project that could create enormous economic potential in our state,” **said Rep. Greg Stanton.** “I-11 would open up a new transportation corridor in Arizona, leading to new jobs and increased trade with our partners in Mexico and Canada. I’m encouraged by this next step forward to accelerate I-11.”

I-11 offers a unique opportunity to stimulate job growth not only in the important areas of tourism and travel, but in other major industry sectors such as health care, aerospace, logistics, distribution, and technology. These industries need a dependable, reliable and efficient transportation corridor to be successful. Another major benefit of I-11 will be reduced traffic congestion in key areas.

In addition to I-11 being vital to the overall economic success of our region, this project will bolster the nation's options for additional trade routes and trading opportunities with Mexico and Canada. I-11 would be a vital segment to the

CANAMEX Corridor, as this project has the potential to connect the U.S. to emerging economies in Latin America.

At the completion of I-11, the region is estimated to generate \$24 billion in economic impact and approximately 24,000 jobs.

U.S. Senator Kyrsten Sinema (D-AZ) is a co-sponsor of the Senate legislation.

The text of the bill is available [here](#).

Multiple state and local leaders expressed their support for the bill.

Arizona Governor Doug Ducey wrote: "I am writing in support of your proposed legislation to provide additional technical and financial assistance to advance one of those key routes, Interstate 11. Interstate 11 will be a significant improvement to Arizona's system of high-priority, high-capacity, access-controlled transportation corridors in the state. Specifically, Interstate 11 will increase capacity for trade and commerce with Mexico and Canada throughout the Intermountain West, and is expected to relieve congestion in downtown Phoenix."

Arizona Department of Transportation Director John Halikowski wrote: "I am writing to express my appreciation for your efforts to acquire additional technical and financial assistance for transportation infrastructure projects in Arizona. Any additional resources that state receives will be helpful in building out Arizona's transportation infrastructure."

The Board of Directors of The Interstate 11 Coalition wrote: "The development of Interstate 11 is crucial to economic viability of Arizona and Nevada, as well as the entire Intermountain West. Completion of Interstate 11 will enhance the commerce connectivity with Mexico and the growing industrial markets of both states."

Goodyear Mayor Georgia Lord wrote: "The city of Goodyear is grateful for your leadership in drafting legislation to ensure the development of Interstate 11 continues to progress. The growth in the West side of Maricopa County is undeniable and the new Interstate 11 corridors will enhance the quality of life for our region by reducing congestion on Interstate 10 and providing alternative routes for traffic."

Casa Grande Mayor Craig McFarland wrote: "On behalf of the City of Casa Grande and my fellow AZ Cities, I offer our thanks and express our full support for the legislation drafted to advance the development of Interstate 11 and

bring the resources of the U.S. Department of Transportation (USDOT) into the process at such a critical time.”

Maricopa Mayor Christian Price and Pinal County Supervisor for District 4

Anthony Smith wrote: “On behalf of the Pinal County I-11 Coalition, we express our support of the legislation to advance the development of Interstate 11. We are pleased that the legislation includes a requirement that the funds provided to the state for Interstate 11 are supplemental to any funds routinely allocated by the United States Department of Transportation to our regional metropolitan planning organizations.”

The Arizona Rock Products Association wrote: “Construction of Interstate 11 will generate thousands of construction jobs and open new opportunities for expanding existing business and attracting new industry to our state. It will greatly improve public safety and reduce travel time between the two largest cities in the country connected by an Interstate: Phoenix and Las Vegas.”

The Nevada Economic Development Council wrote: “Las Vegas and Phoenix are the two (2) largest cities in the nation without an interstate highway connection. The construction of Interstate 11 is critical to the economic viability of Arizona and Nevada as well the connectivity of the Intermountain West.”