



IMPERIAL VALLEY FOREIGN TRADE ZONE

IMPERIAL COUNTY COMMUNITY AND ECONOMIC DEVELOPMENT • 940 W. Main St., Ste. #203, El Centro, CA, 92243

MEETING MINUTES

Thursday, February 5, 2015

3:00 p.m.

Emergency Operations Center, Brawley Police Department
351 Main St., Brawley, CA 92227

PROCEEDINGS

A meeting of the Imperial Valley Foreign-Trade Zone – Joint Powers Authority (IVFTZ-JPA) was held on Thursday, February 5, 2015, at 3:00 p.m., at the Emergency Operations Center, Brawley Police Department located at 351 Main St., Brawley, CA 92227.

ATTENDEES

JPA Members

County of Imperial
City of Brawley
City of Calexico
City of El Centro

Primary

Rosanna Bayon MOORE
Ruben DURAN

Alternate

Andy HORNE
Julia OSUNA

Consultants

ITC-Diligence, Inc.

David HARLOW

Coordinating Staff

I.C. Community & Econ. Development

Esperanza Colio WARREN

Cindy PEREZ

MINUTES

I. Call meeting to order

- a. Roll call

Meeting was called to order by J. OSUNA at 3:06 p.m. Roll call was performed by J. PADILLA. With four (4) JPA members present, it was determined that quorum was met. **Present:** County of Imperial, City of Brawley, City of Calexico, City of El Centro.

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b. Approval of 12/15/2014 minutes

J. OSUNA opened discussion to approve the minutes for 12/15/2014. A. HORNE motioned to approve the minutes. R. MOORE seconded the motion. J. OSUNA put the motion to a vote.

Vote: 4 in favor, 0 against, 0 abstain at the time of the vote. **Motion passed.**

II. Discussion/action

a. Presentation for JE Exports by David Harlow

D. HARLOW explained JE exports committed to become part of the IVFTZ, some of the benefits of being a member of IVFTZ are deferral of duty and the weekly entry program. Eva ENRIQUEZ (owner of JE Exports) also commented during the presentation the positive benefits of being a member of IVFTZ. D. HARLOW explained there are two locations JE Exports wants to have designated as IVFTZ; these locations will need minor boundary modifications. Two applications are being filed for JE Exports, one is the Activation and the second one is the Minor Boundary Modification. The two locations where JE Exports will have two locations in the city of Calexico, CA, at the following addresses; 701 Cesar Chavez Boulevard, Calexico, CA and 224 Grant Street, Calexico, CA. ITC diligence will make sure these two locations are in compliance with the City and the County. JE Exports currently has a 10,000 square foot warehouse. Plans for JE Exports are to activate their two facilities in phases. The minor boundary modifications will be conducted by D. HARLOW of ITC, due diligence will be conducted. The land owner is Union Pacific Railroad. Maps will be made to show the grantee and explain to them designation of IVFTZ does not add to value to the property. The next steps are to draft the applications of the Activation and of the Minor Boundary Modification, for JE Exports to begin the process. After due diligence is conducted, the plan is to come back to the Board to review all information to approve or disapprove.

J. OSUNA recommended having a motion, to move forward with the minor boundary modification draft application and bring back to the board the proposed draft. R. MOORE motioned to approve D. HARLOW of ITC to move forward with due diligence and file a report to the Board. A. HORNE seconded the motion. J. OSUNA put the motion to a vote. **Vote:** 4 in favor, 0 against, 0 abstain at the time of the vote. **Motion passed.**

b. Extension of Operator's Agreements:

i. Coppel

E. WARREN informed that the agreement extension has been requested by Coppel for another 5 years. Coppel has submitted a letter of intent to extend their 5 year agreement. County Counsel is reviewing the extension agreement. Coppel has been very responsive in the last years and on time with the information got the annual report.

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A. HORNE motioned to approve the Extension Agreement for Coppel. R. DURAN seconded the motion. J. OSUNA put the motion to a vote. **Vote:** 4 in favor, 0 against, 0 abstain at the time of the vote. **Motion passed.**

ii. Margarita Pimentel

E.C. WARREN explained Pimentel is in the same situation as Coppel with an expired agreement.

R. DURAN drew attention to the language of the court documents referring to the Extension Agreement specifically in Exhibit 2. J. OSUNA suggested making this issue an action item for the next meeting.

PIMENTEL discussed the reviewing and reconsidering the Errors & Omissions Policy of the IVFTZ as this is very expensive. E.C. WARREN explained this item was already discussed with County Counsel and it was decided by the Board, that in order to protect the life of the IVFTZ, the Errors & Omissions Policy should remain in place. R. DURAN discussed a possible way to have this policy removed is by looking at the history of the company with IVFTZ and for the company to be owned by the same operator.

E.C. WARREN exposed the possibility (at the direction of the Board) consult with County Counsel and invite them to the next IVFTZ meeting to discuss the Error & Omissions Policy. A. HORNE proposed to have this Errors & Omissions Policy for discussion item on the next agenda.

E.C. WARREN requested PIMENTEL to provide notice of current addresses and telephone numbers. There seems to be a problem with receiving current addresses and telephone number updates from PIMENTEL.

R. MOORE suggested that the Agreement Extension make reference to mailing addresses updates and incorporate section 13. R. MOORE made a motion to approve the extension with the addition of section 13 reference that includes instructions for making a notice of mailing addresses updates and request that legal counsel review elimination of references to the RDA in the updated agreement. J. PADILLA commented this would have to be done for both contracts.

J. OSUNA commented that was the motion for M. PIMENTEL to approve the extension agreement. A. HORNE seconded the motion. J. OSUNA put the motion to a vote. **Vote:** 4 in favor, 0 against, 0 abstain at the time of the vote. **Motion passed.**

J. OSUNA put the motion to a vote for revisiting the Coppel Agreement. A. HORNE seconded the motion. **Vote:** 4 in favor, 0 against, 0 abstain at the time of the vote. **Motion passed.**

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A. HORNE added to his motion that we add same conditions as PIMENTEL towards Coppel contract, and that we have updated contact information and the review of the RDA reference in the original contract. R. DURAN seconded the motion. J. OSUNA put the motion to a vote. **Vote:** 4 in favor, 0 against, 0 abstain at the time of the vote. **Motion passed.**

c. ASF Application Agreement with Miller & Company

E.C. WARREN explained approval is needed to proceed with the contract of \$9,500.00 for Miller & Company. A. HORNE requested background as to what is the scope of work for this contract. E.C. WARREN discussed ASF is the Alternative Site Framework which changes the designation of IVFTZ not the whole purpose. The ASF creates a bank of 500 acres for anyone who wants to go into IVFTZ. E.C. WARREN discussed that at the request of the JPA Board we went ahead and did an RFP and four proposals were received, Miller & Company was chosen by the committee designated by the Board. An addendum was made to the original contract by Miller & Company where timeframe is clearly stated. The grantee (County) needs to be notified as part of the application process.

J. OSUNA motioned to approve the ASF Application Agreement with Miller & Company. A. HORNE seconded the motion. J. OSUNA put the motion to a vote. **Vote:** 4 in favor, 0 against, 0 abstain at the time of the vote. **Motion passed.**

d. Revised IVFTZ Budget

E.C. WARREN discussed IVFTZ committee members approved to move \$5,000 out of contingency expenses for the IVFTZ. Membership for National Association Foreign Trade Zone was already purchased, which has many benefits.

III. Future agenda items and other business

- a. Errors and Omissions Policy
- b. Update on applications currently in process. Daniel ROMERO is in the process of acquiring insurance information. Construction is ongoing, unsure if construction is started. An update needs to be provided at the next IVFTZ meeting.

IV. Next meeting date

- a. March 26, 2015.

V. Meeting adjourned

- a. Meeting was adjourned at 4:07 p.m.