



IMPERIAL VALLEY FOREIGN TRADE ZONE

IMPERIAL COUNTY WORKFORCE AND ECONOMIC DEVELOPMENT • 2799 S. Fourth Street, El Centro, CA, 92243

MEETING MINUTES

Thursday, June 18, 2020 @ 9:30 A.M.
Zoom Meeting

PROCEEDINGS

A meeting of the Imperial Valley Foreign Trade Zone – Joint Powers Authority (IVFTZ-JPA) was held on June 18, 2020 @ 9:30 A.M. utilizing the Zoom meeting application due to the coronavirus pandemic. Members of the public were encouraged to submit their comments via email prior to the day of the meeting.

ATTENDEES

JPA Members

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

Primary

Miguel Figueroa
Romualdo Medina
Adriana Nava

Alternate

Esperanza Colio Warren

Consultants

(None)

Coordinating Staff

I.C. Workforce & Economic Development
I.C. Workforce & Economic Development

Priscilla Lopez
Jade Padilla

Other Invites

None



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MINUTES

I. Call meeting to order

- a. Roll call.

Meeting was called to order by Adriana Nava at 9:36 A.M. Roll call was performed by Jade Padilla with four (4) JPA members present; it was determined that quorum was met.

- b. Approval of 03/05/2020 minutes.

J. PADILLA noted an error was made in putting the package together as the meeting minutes were not included. A. NAVA requested verification that they will be included for approval in the next meeting, which was confirmed.

II. Discussion/direction/action/update

- a. Approval of the IVFTZ #257 FY 20-21 Budget.

J. PADILLA presented the proposed FY 2020-2021 budget, noting it was primarily consistent with previous years. It was noted that increases were made to the Consultant Fees and Salaries to cover expenses for reporting conducted by the Auditor's office. E.C. WARREN asked why there were increases to the Consultant Fee. J. PADILLA noted that, after conducting an interview per the direction of the JPA, the County has proceeded in the agreement process for IMS to provide consultant services. IMS fees are a total of \$3,000 additionally in comparison to the previous consultant; however, a benefit was that 6 hours would be dedicated to IVFTZ per month with any unused hours rolling-over to the next month. Credited hours will expire at the end of the contract year. Ms. PADILLA also explained that the On-Call Services line item was for the short-term contract with ITC Diligence. Said contract is for a period of six (6) months, which began in March, and was for a not-to-exceed amount of \$10,000. What was reflected in the proposed budget is the remaining amount left on the contract.

ADRIANA NAVA asks if there was a need to have so much allocated for Flyers and Other Marketing Materials under the Marketing Budget. J. PADILLA notes that, while marketing is an item that will be tasked to the consultant, the physical materials will be an additional expense. A. NAVA emphasized that the materials can be printed by the JPA members and asked if this line item could be eliminated to offset additional costs for the consultant. JADE PADILLA noted that it can be done as it is the JPA's decision on how the funding should be spent, but it would not be offsetting the Consultant Fee



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increase. Rather, the funds would be added to the Year End Balance; to be rolled over for next year.

R. MEDINA ask for clarification on the increase of Salaries. J. PADILLA noted that the County was contacted last year for additional reporting requirements previously unknown by the County. An employee from the County Auditor's office has been completing these reports on behalf of the IVFTZ. As such, the Imperial County Workforce and Economic Development (ICWED) Department has been billed for the Auditor's time. Thus, a line item has been added to account for salaries from the Auditor's office.

Additional inquiries were asked regarding the Year End Balance. A. NAVA asked if the balance was used for the 50% credit as in prior years. J.PADILLA clarified that the credit was from a collected balance from the original JPA members for previous years prior to the City of Holtville joining the JPA. It was decided that 50% of the original member balance would be credited to the membership fees until the funds were depleted. Ms. PADILLA noted, for this fiscal year, there was enough funds in the balance to credit 10.705% of the original membership fees, leaving a balance of \$0.01.

R. MEDINA inquired about budgeted funds not used during the fiscal year, to which J. PADILLA clarified that any allocated funds would not be lost if unused as it is funding that the JPA has already contributed. If budgeted funds were to go unused, said funds would be added to the Year End Balance and be rolled over for the following year. A. NAVA asked if it would be possible to set-aside a percentage, 25% as an example, of rolled-over funds to alleviate membership fees. ICWED staff noted that it was possible, but a decision that needed to be made by the JPA. After some discussion, the present members agreed such an action would benefit all parties.

M. FIGUEROA motioned to continue with the budget process with recommendations to provide budget scenarios. R. MEDINA 2nd the motion. **Vote:** 4 in favor, 0 against, 0 abstain at the time of the vote. **Motion passed.**

- b. Authorization to submit the Minor Boundary Modification for Coppel's FTZ expansion and execute the Concurrence Letter to the FTZ Board for Approval.

J. PADILLA reminds the members that Coppel, an existing operator, would like to submit a Minor Boundary Modification (MBM) to expand their current zone. M. FIGUEROA informed the members that Coppel is working with the City of Calexico to move forward with the plans. A. NAVA asked what the expansion was for; to which Mr. FIGUEROA noted they will be expanding their warehouse and addition additional docs. E.C. WARREN notes that Coppel is IVFTZ's best operator and has been consistent with the required practices since the beginning; a comment that is agreed upon by the other members. She proceeds in suggesting we consult with County Counsel on the expansion as fees might not be set in place for the expansion. J.PADILLA provides that, per the



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direction in the previous FTZ meeting, ICWED has consulted with the FTZ Board and was informed that there are no additional fees for expansion. E.C. WARREN notes that there will need to be a retroactive accommodations in the guidelines to do expansions. R. MEDINA emphasizes we will need to establish the guidelines and review the agreement as it may need to be modified for the expansion. E.C. WARREN recommends that we proceed with the expansion as the guidelines and agreement are being reviewed/modified so we do not stop Coppel from moving forward. The guidelines and agreement will need to be approved retroactively.

E.C. WARREN motions, contingent to coming back to the JPA Board to retroactively amend the Coppel contract to allow expansions, authorize to submit the MBM and execute the concurrence letter to the FTZ Board for their approval. R. MEDINA 2nd the motion. **Vote:** 4 in favor, 0 against, 0 abstain at the time of the vote. **Motion passed.**

- c. Approval of the short-term contract ratification with ITC Diligence, Inc. to provide on-call services for IVFTZ #257

J. PADILLA reminded the JPA members of direction given at the previous meeting to ratify a contact with ITC Diligence to provide on-call services while in the process of selecting a consultant through the RFP process. The contract with ITC Diligence is for a period of 6 months for a not-to-exceed amount of \$10,000. Ms. PADILLA also notes that three tasks have been completed to date: the Annual Report, responses to Vertiv questions, and review of the MBM for Coppel.

R. MEDINA motioned to approve the short-term contract with ITC Diligence, Inc. A. NAVA 2nd the motion, but requested a typo in the word “manager” needed to be corrected. **Vote:** 4 in favor, 0 against, 0 abstain at the time of the vote. **Motion passed.**

- d. Approval of the FY 20-21 Meeting Calendar.

J. PADILLA presented the proposed meeting calendar as scheduled per the direction given during the last FTZ meeting. Said schedule was for the third Wednesday of every month at 9:30 AM. A. NAVA suggests, with the current COVID-19 pandemic, to continue with Zoom meetings for the time being. The present members agreed with her suggestion. E.C. WARREN then requested the meeting time be changed from 9:30 AM to 1:30PM. After continued discussion with time options, it was decided to hold meetings on the third Wednesday of the month at 1:30 PM. E.C. WARREN requested the schedule be revised and sent to the JPA members. R. MEDINA requested the calendar be brought back at the next meeting.



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- e. Discussion regarding question responses provided to Vertiv and operator proceedings.

Per the request of the JPA members from the previous meeting, ITC Diligence was tasked to respond to Vertiv questions and ICWED staff was to provide the responses to the JPA. Said responses were provided and included as such. J. PADILLA mentions that the Vertiv Corporation has also contacted ICWED to proceed with the operator's agreement; however, they did include edits. Discussion then took place on the suggested edits to the agreement made by Vertiv. E.C. WARREN stated that we should not give operator's the luxury to revise the standard agreement. She notes the JPA should not allow for such changes in order to keep the agreement a standard agreement. P. LOPEZ recommended that the standard language be kept as is and only cleanup the agreement where needed. J. PADILLA informed the JPA that ICWED recently participated in a grantee webinar to which it was emphasized that consistency in the process of acceptance and treatment of operators is essential. E.C. WARREN sums that there shall be no substantial changes while only fixing cosmetic issues and recommends the contract be reviewed by two (2) members prior to sending it to Vertiv. A. NAVA and M. FIGUROA volunteered to review the grant agreement.

- f. Discussion regarding the submission of the annual report.

The Annual Report was included for the JPA members to reference and was noted as submitted on time. The JPA members acknowledge the receipt of the report.

- g. Approval of the revised IVFTZ-JPA Bylaws.

Upon reaching this item, R. MEDINA recommended that we hold this item and bring it back for the next meeting. A. NAVA agreed, noting that there needs to be some drafted language for the requested scenarios with the budget in relation to the membership fees. ICWED staff noted they will included language options consistent with the budget.

III. Future agenda items and other business

- h. Pending contract with IMS Worldwide, Inc. to provide consultant services

The JPA Members acknowledged that this item was primarily covered during the budget conversations. It was noted that E.C. WARREN had some concerns regarding the six hour allocation per month proposed by IMS Worldwide as any hours over the allotted amount may cause higher costs. J. PADILLA reiterated that any hours unused in a month will rollover to the next month as a credit, which will reset at the beginning of every contact year. If there isn't any existing hours of credit, then the hourly rate will apply to work done over the six hours.



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i. IVFTZ-JPA Membership Forms

The JPA Members were informed that membership forms were needed for the FY 20-21 and the forms were provided in the package. R. MEDINA asked for clarification on the membership forms; to which ICWED noted they were requested annually to update membership information. It was confirmed that electronic forms would be accepted.

j. City/County insurance policy language required by County Council

J. PADILLA noted, to date, insurance language has only been received from the City of Holtville and the City of El Centro. M. FIGUROA noted that he had previously given direction to the City of Calexico HR department to contact us and will follow-up with them on this matter. R. MEDINA noted that the City of Calipatria may have their insurance provider contact us directly. A. NAVA offered to provide R. MEDINA with the City of El Centro insurance language pertaining to errors and omissions and requested ICWED staff provide it.

IV. Next meeting date

Originally, the next meeting date and time was scheduled for July 15, 2020, at 9:30 A.M. to be held either in the City of Calipatria or on Zoom. Based on the discussions of the day, the next meeting will be on July 15, 2020, at 1:30 P.M. As we will still be adhering to social distancing measures, it was determined that the meeting will be held on Zoom.

V. Meeting adjourned

- a. Meeting adjourned at 10:36 A.M.