



IMPERIAL VALLEY FOREIGN TRADE ZONE

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

MEETING MINUTES

Wednesday, November 18, 2020 @ 1:30 P.M.
Zoom Meeting

PROCEEDINGS

A meeting of the Imperial Valley Foreign Trade Zone – Joint Powers Authority (IVFTZ-JPA) was held on November 18, 2020 @ 1:30 P.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

Tyler Salcido
Miguel Figueroa

Adriana Nava
Nick Wells

Alternate

Esperanza Colio Warren

Consultants

None

Coordinating Staff

I.C. Workforce & Economic Development
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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 1:45 A.M. Roll call was performed by J. PADILLA with four (4) JPA members present; it was determined that quorum was met.

- b. Approval of 10/05/2020 minutes.

T. SALCIDO motions to approve the minutes as presented. M. FIGUEROA 2nd the motion. **Vote:** 4 in favor, 0 against, 0 abstain at the time of the vote. **Motion passed.**

II. Discussion/direction/action/update

- a. Discussion regarding corrected FY 20-21 budget

J. PADILLA presented a recap of the approval contingencies by the FTZ-JPA . She noted that the agreement was reviewed by the consultant and found to be standard and consistent with their response provided in the meeting package backup documentation. Based on their response, staff proceeded with the execution of the contract. A. NAVA inquired if no further action was needed for this item as it was previously approved. She proceeded to ask the JPA members if any further discussion was needed on the action taken. P. LOPEZ reiterated that the consultant, IMS Worldwide, reviewed the contract at the request of the JPA and their finding was that the contact was standard and nothing was out of the ordinary or seen as a liability issue. No additional comments were provided by the JPA members present. A. NAVA requested confirmation that no further action was needed; to which E.C. WARREN confirmed, clarifying direction was previously given for this action. This item was informational only.

- b. Update regarding IMS Worldwide Consulting Services Agreement

ADRIANA NAVA requests confirmation that the [consultant] agreement was signed a while ago and we are scheduling a meeting with them for a tutorial session. She also asks if all JPA members were able to respond on the item [scheduling the meeting]. J.PADILLA noted that the members have been responsive, but we were unable to get a date where all JPA members could attend. A. NAVA requested we select a date where as many members can attend and the meeting be recorded for those who can't make it. Staff accepted the direction; confirming they will schedule when most members can attend.



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c. Update regarding Coppel zone expansion

P. LOPEZ informed the JPA the Coppel expansion went forward in terms of the documentation. Coppel has chosen not to move forward with the expansion at this time due to related expenses that would be associated with activating the expanded zone, such as perimeter fencing. P. LOPEZ reiterated that everything [documents and approvals] have been completed, they are just on hold until all this [coronavirus pandemic] passes as they are concerned for their expenses. A. NAVA asked for clarification if the hold was for onsite improvements that would need to be done, to which P. LOPEZ confirmed. A. NAVA asked the JPA if they had any questions or comments. E.C. WARREN noted she had a question, but it may not pertain to this item and will ask it later in the meeting.

d. Update regarding on-call services provided by ITC Diligence

J. PADILLA reminded the JPA that the IVFTZ entered into a six (6) month contract with ITC Diligence to provide consultant services while the RFP process was being concluded and staff worked on a contract with IMS Worldwide. Ms. PADILLA noted the on-call contract expired in September and what was being presented was a summation of the expenses and services provided under the contract. A. NAVA asked if these were invoices that were already paid, if the JPA was fine with the tasks, and if the tasks were completed. J. PADILLA clarified that these were tasks that were assigned as direction given per meetings, providing examples. E.C. WARREN asks if all the activities were completed, also noting that it did not appear the allocated amount was exceeded. J. PADILLA noted \$10,000 was requested [as a not-to-exceed amount] in his contract to provide bumper space for tasks needed and only \$1,550 was expended in services provided. E.C. WARREN asked if staff intended to keep using it or not with the new consulting services. J. PADILLA noted that there was a separate budget line item for the new consultant in the approved budget; thus, the remaining amount should be going into next year's budget as unused.

e. Discussion regarding staff and JPA member training opportunities

E.C. WARREN noted this was an item that was requested to be placed on the agenda as, due to COVID-19, the annual conference was going to be online this year. This would be an opportunity to get a better understanding of the program as some members are new. She noted that there are three (3) different tracks in the training: tracks for operators, tracks for new grantees, and tracks for experienced grantees. E.C. WARREN suggested, as the fees will be cheaper and there are no other expenses, such as hotels or travel, it would be a great opportunity for everyone to attend. Staff noted that his event had already passed and the missed opportunity was the reason for the addition to the agenda. J. PADILLA mentioned that the notice for this date was received after the last meeting was held. In



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lieu of being able to present this at a meeting, and email was sent to the JPA members for interest of those who wanted to attend so staff could try to make arrangements. It was further noted that PRISCILLA LOPEZ wanted to keep this item on the agenda to discuss how we can go about providing these opportunities in the future. P. LOPEZ noted that there is a line item that is already approved and passed in the budget for training. She proceeds to pose a discussion, to avoid any issues such as the missed annual training, is if we are able to sign-up so long as it does not go over the line item without pre-approval. A. NAVA noted she was unaware pre-approval was needed as it's already in the budget. E.C. WARREN noted that staff would take the item to the JPA Board to advise who they would like to attend the conference. In the past, it has been the chairman and one of the staff members, just the staff, or just the Board. E.C. Warren further noted, although there is an allocation, direction from the JPA members was still needed to see their desires for attendance as well as review the expenses as they may exceed the allocation. A. NAVA noted that approach makes sense, but where we are virtually it really has decreased the costs. With that said, A. NAVA suggested that if these opportunities arise that staff should attend. She noted staff attendance would provide the Board with the ability to make the most informed decisions or an emergency meeting could be held to get the appropriate permissions to proceed if needed. P. LOPEZ mentioned that the notices are received periodically and believes their may be more upcoming opportunities as everything appears to be going virtual. A. NAVA asks if the National Foreign Trade Zone Board was contacted to see if we still have access to recorded trainings. P. LOPEZ said we can contact them and find out if it is still available. A. NAVA asked if there were any other comments from the JPA Board. T. Salcido shared his opinion that he is in concurrence with the training and suggestions made by A. NAVA. M. FIGUROA also expressed his agreement with the proposal. Results of the discussion are that there is agreement for attending in affordable and justifiable opportunities.

N. WELLS joined the meeting. A. NAVA provided a quick recap of the meeting thus far.

III. Future agenda items and other business

f. IVFTZ-JPA membership forms

J.PADILLA mentioned that the membership forms are received annually. A. NAVA asks if the City of El Centro provided theirs. J. PADILLA mentioned that none had been received thus far. It was noted that the form may have been presented first at the July FTZ meeting as well as sent via email. M. FIGUROA asks if staff is sure the City of Calexico hasn't been received. P. LOPEZ recalls seeing a few forms come in and staff will double check. J. PADILLA notes she hasn't seen any come in. M. FIGUROA noted he will double check. J. PADILLA noted that she will double check as well. She also noted she didn't recall seeing any sent to her email and none have been saved in the folder. If JPA members haven't done so already, they have been requested to send them in.



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A. NAVA asked how much was owed for membership fees. P. LOPEZ and J. PADILLA noted that the membership fees due were a part of the approved budget. Staff is currently tied up at the moment, but invoices will be sent out as soon as possible. E.C. WARREN noted that the JPA does not have the authority to operate without a budget. J. PADILLA noted that there is an approved budget that was originally approved in July. She also noted there was a typo and the budget went back in September in which the error and correction were presented and the revised budget was approved. Clarification was made that an approved budget exists, but the invoices for the membership fees had not been sent yet. A. NAVA clarified that the JPA members needed to submit the forms and staff needed to send the invoices. J. PADILLA noted that staff will do their best to have the invoices sent as soon as possible before the year end. P. LOPEZ recalls seeing the forms in the office and will double check. She noted J. PADILLA is telecommuting and there may be some disconnect as to what has been received in the office. J. PADILLA notes that they may also have been for the previous year as those were also submitted late in the previous fiscal year.

IV. Next meeting date

January 20, 2021 at 1:30 PM in the City of Holtville or on Zoom.

E.C. WARREN mentioned during one of the recent County Board meetings, IVEDC made a presentation to the Board of Supervisors where it was stated they referred seven (7) companies to the Foreign Trade Zone in their report. A NAVA notes that seven (7) could have possibly just been referred, but not actually followed through. E.C. WARREN notes that their report implied that they were completely referred as new clients. She would like to know if a call was ever received by IVEDC and if there were any clients that had been referred from IVEDC. Additionally, she would like to know if any of the companies we have been working with right now have been referred by IVEDC. P. LOPEZ noted that the JPA is aware of all the companies staff is currently working with. E.C. WARREN asked how staff got a hold of the companies. She recalls that the existing companies reached out directly via email and were not referred by IVEDC. E.C. WARREN recalls only receiving one referral from IVEDC during her time working with the IVFTZ. She proceeds to ask staff who the seven (7) companies were and if they were received. She suggests that maybe they have been buried in emails and may be something staff missed. Also noting the possibility that IVEDC may be claiming they have done the marketing, but the IVFTZ-JPA has not been moving forward with the referred clients. E.C. WARREN notes that it could work both ways, but she needs to know if the referrals have been made and if we have followed-up with them. If they did not make the referrals, she will need to know that as well. P. LOPEZ notes that staff will review the issue and check emails. She also suggests that when we are contacted by businesses we also ask how they discovered IVFTZ. E.C. WARREN notes that companies familiar with FTZ will go onto the Foreign Trade Zone Board [website] and can find the contact information there. J. PADILLA noted that there was a company who expressed their interest and, upon providing the company's information to ITC Diligence as



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the on-call consultant at the time, ITC Diligence the company was his client and was working with them on the benefit solver. She noted that was the only email she recalls seeing regarding any potential clients and no additional emails have been received since. A short discussion took place regarding the work claimed by IVEDC and the work performed by the IVFTZ-JPA and staff as well as potential operator challenges. E.C. WARREN wants to ensure that the referrals have not been overlooked and clear the IVFTZ-JPA of failing to reach out to those referrals. P. LOPEZ states that staff hasn't received any referrals for IVFTZ that have not been addressed. M. FIGUROA asks if this was said [by IVEDC] in a public setting to which E.C. WARREN confirms.

M. FIGUROA presented the City of Calexico's 2019-2020 IVFTZ Membership Form, which he noted was completed and submitted in the month of September. J. PADILLA apologized for the oversight, noting they will need to double check the mail that has been received in the office.

E.C. WARREN used the incident of the membership form of an example that IVEDC may have sent referrals and they were missed, resulting in the IVFTZ-JPA failing. A. NAVA noted that it would have been likely emails would have been sent as a follow-up to referrals. J. PADILLA presented the only email she claims receiving regarding a potential client and the response from ITC Diligence. They note the company, Albany Farms, LLC, was in contact with IVEDC and ITC Diligence already initiated the cost/benefit analysis. A. NAVA suggests IVEDC may have referred the clients to ITC Diligence rather than IVFTZ staff as they were our previous consultant. P. LOPEZ suggests IVEDC be reached out to for the seven (7) names. E.C. WARREN notes she will make the request, noting the IVFTZ-JPA would like to follow-up with them. J. PADILLA notes there is a difference between referring clients to the IVFTZ and ITC Diligence consultants, David Harlow, as they are their own company. Thus, if IVEDC refers clients to David Harlow, it is not the same as referring them to IVFTZ. N. WELLS notes the possibility that a company may have been referred to IVFTZ and staff was never told they were referred. E.C. WARREN notes, if that was the case, we would have more than seven (7) companies to work with at this point. E.C. WARREN hints at the importance of recollecting these issues in case claims are made later that no follow-up has been made. M. FIGUROA agrees that there is a valid point in making sure that we verify and there is no harem in verifying. E.C. WARREN notes it is to safeguard ourselves in the future against such claims. P. LOPEZ notes there is also concern on the County's side as IVEDC receives funding from the County for economic development and they must report their activity. E.C. WARREN clarifies IVEDC has a contract with the County to promote. J.PADILLA suggests IVEDC may be under the impression that referring clients to ITC Diligence is the same as referring them to IVFTZ. As we know have a different consultant, if they keep referring clients to ITC Diligence the JPA will be completely unaware that there was ever an interested company. A. NAVA agreed and also noted during the last RFP response IVEDC submitted a proposal that included David Harlow as a sub-consultant. J. PADILLA then asks if there would have been a conflict of interest as the County already pays IVEDC to promote the County. E.C. WARREN state that would not necessarily be the case as the County is a part of the Foreign Trade Zone. J. PADILLA asks



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if IVEDC could have potentially been double dipping on the marketing side, to which E.C. WARREN notes, should they have been awarded, they would have been double dipping with the contract from IVFTZ and the County. E.C. WARREN notes they did not get the contract. J. PADILLA agrees it is a moot point, only asked for curiosity and future reference.

V. Meeting adjourned

- a. Meeting adjourned at 2:24 P.M.