



# IMPERIAL VALLEY FOREIGN TRADE ZONE

Imperial County Community & Economic Development • 940 W. Main Street, Ste. 203, El Centro, CA, 92243

## Meeting Minutes

Wednesday, July 3<sup>rd</sup> at 1:00 p.m.

### Proceedings

The Imperial Valley Foreign Trade Zone, Joint Powers Authority (IVFTZ-JPA) meeting was held on Wednesday, July 3<sup>rd</sup> at 1:00 p.m. at the Community Valley Bank, 310 Main Street Brawley, CA.

### Attendees

#### JPA Members

Andy Horne (alternate)	Imperial County Executive Office
Julia Osuna	City of Calexico
Rosanna Bayon Moore	City of Brawley
Marcela Piedra	City of El Centro
Rom Medina	City of Calipatria

#### Other Attendees

Esperanza Colio	Imperial County Community & Economic Development
Jennifer Clunn	Imperial County Community & Economic Development

- I. Call meeting to order
  - a. IVFTZ JPA meeting was called to order by Julia Osuna. Roll call was performed by Jennifer Clunn. Quorum was met.
  - b. Ms. Osuna opened discussion regarding approval of April 17, 2013 meeting minutes. Mr. Horne motioned to approve the April 17, 2013 minutes. Ms. Moore abstained from the vote because she was not at the last meeting.
  
- II. Discussion/Action
  - a. 2013 – 2014 proposed budget

Ms. Osuna opened discussion regarding the 2012-2013 budget and expenses. Ms. Piedra went line item through the budget and remaining expense to see what amount in the budget would be carried forward. It

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was agreed that an estimated amount of \$12,000 would be carried forward to the 2013-2014 budget.

Ms. Piedra inquired as to the membership fee. She stated the City of El Centro budgeted the same amount as last year for membership dues.

Ms. Colio brought up the Contingencies and stated that the proposed budget for 2013-2014 had contingencies estimated at \$17,853.01.

Mr. Medina asked that the budget be reviewed and at the next meeting we look at reducing the membership dues with part of the Contingencies. Ms. Moore stated that a normal contingency is 15% of the operating budget and once the budget is final the excess in the contingency fund can be used reduced the membership dues.

Ms. Colio requested the board to approve the IVFTZ to operate without a budget. Mr. Horne stated that we could adopt a draft budget and at the next meeting approve the final budget.

Ms. Piedra asked to revisit the Marketing Plan and asked that the contingency fund to remain the same and the next year we can look at reducing the membership fees. Stated that she will bring back a budget with a 15% contingency set aside at the next meeting.

Ms. Moore motioned to adopt a draft giving direction that the revised budget come back at the next meeting with a 15% contingency set aside. Mr. Horne seconded the motion. All were in favor of the motion none opposed.

Ms. Colio stated in the packet there were photos of Imperial County Community and Economic Development's (ICCED) website. Ms. Colio stated the website has a page exclusively for IVFTZ. Ms. Piedra stated that IVFTZ page should have pictures of the FTZ sites.

### b. ITC Consultants Contract/David Harlow

Ms. Colio stated the original contract in 2011 was approved with the consultant amount of \$34,000 per year and in 2012 the contracted amount was reduced to \$24,000 per year. Ms. Colio opened discussion regarding ITC Consultants Contract. Mr. Horne stated we need to prepare a letter from IVFTZ to ITC-Diligence, Inc. to extend the contract for one year ending May 31, 2014. Mr. Horne motioned to prepare and execute a contract extension letter similar to the one dated April 30, 2012. Ms. Bayon seconded the motion with a consideration for a start date of June 1, 2013. All were in favor and none opposed.

Mr. Horne inquired as to the term of the contract for ITC-Diligence, Inc. He inquired if the contract could extend more than one year. Mr. Horne

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stated that IVFTZ should continue with the one year contract and next year look at extending the term of the contract.

### III. Discussion/Action – Potential Activations

- a. Oasis Growth Partner, LLC – site plans/David Harlow, ITC Consultants  
Ms. Osuna gave the floor to Summer Strange from ITC-Diligence, Inc. Summer stated that Mr. Chiu is interested in moving forward with the activation. Mr. Chiu has encountered problems with his investors and is requesting a letter from the board. Ms. Osuna requested clarification on what the letter was to address. Ms. Strange stated that the letter was to address the FTZ site and the fact that other FTZ sites have office building located on site. Ms. Osuna advised Ms. Strange the board will not provide Mr. Chiu a letter at this time because the board does not know what Mr. Chiu's project is. The board is asking Mr. Chiu to identify the location of the property he wants to utilize. Ms. Osuna is also requesting Mr. Chiu to come to a meeting and present his project, send a representative or send a written project description.

Mr. Horne stated the board could at a minimum provide Mr. Chiu with a letter stating the property is within the FTZ. Ms. Strange stated the site that Mr. Chiu wants to utilize is partially in the FTZ site. A Minor Boundary Modification would be needed for Mr. Chiu's property; the City of Calexico would process the Minor Boundary Modification. Ms. Osuna advised that a Minor Boundary Modification is a simple process to complete.

Ms. Piedra inquired as to why Oasis Growth Partner, LLC and Mr. Chiu are back on the agenda if we are not moving forward at this point. Ms. Osuna advised Ms. Strange that we will not put Oasis Growth Partner, LLC on the agenda until Mr. Chiu has presented his project in front of the board.

### IV. Update

- a. IVFTZ JPA Bylaws

Ms. Colio presented the draft IVFTZ JPA Bylaws to the board and opened up discussion. Mr. Horne stated there should be another article addressing the member contributions and how the contributions are calculated. Mr. Horne also stated that there should be a section regarding contracting with consultants under articles four.

Ms. Piedra inquired as to who has the authority to sign contracts. She stated that executive director should be addressed in the by-laws and she requested Mr. Cordova to be the executive director.

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Ms. Piedra asked that we pose the question to County Counsel as to who should have authority to sign contracts.

b. MyDistribution Center

Ms. Strange advised the board that MyDistribution Center has been approved and are pending back ground investigation. She advised the back ground check could take from six months to a year.

c. Operator's Agreement w/ changes from County Counsel

Ms. Piedra inquired as to why these changes are now being made. Ms Colio stated last year when she attended the NAFTAZ, a recommendation was made to revise the operator's agreement that each entity has to decrease the liability.

Ms. Piedra inquired who verifies the operator's insurance and who is named Additional Insured. Ms. Colio stated the operator's send a Certificate of Insurance to ICCED and IVFTZ - JPA is named additional insured. Ms. Piedra inquired as to who verifies the bond each operator obtains. Ms. Colio stated ICCED receives a copy of the bond and maintains the records.

V. Public comments, reports and discussion items

Ms. Colio stated at the last NAFTAZ conference an Alternative Site Frame Work plan was presented. An amount of acreage is put aside into a "bank" and to avoid the process of Minor Boundary Modification. Ms. Strange stated that there is a cost with the becoming an Alternative Site Frame Work and a lengthy application.

VI. Future Agenda Items/Other business

Budget, by-laws, Operator's agreement, Marketing plan with David Harlow, Alternative Site Frame Work

VII. Next meeting date

Wednesday, August 28, 2103 at 3:00 p.m.

VIII. Meeting Adjourned

Meeting was adjourned at 2:42 p.m.