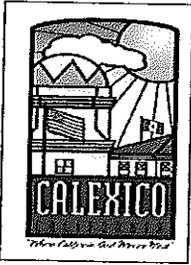


**AGENDA
ITEM**

9



AGENDA STAFF REPORT

DATE: February 15, 2017

TO: Mayor and City Council

APPROVED BY: Armando G. Villa, City Manager

PREPARED BY: Eduardo Gutierrez, Acting Finance Director 

SUBJECT: Request for Approval of an Extension of the Pun & McGeady, LLP Contract to Provide Annual Financial Audit Services for the City of Calexico for Fiscal Years Ending June 30, 2016 and June 30, 2017.

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Recommendation:

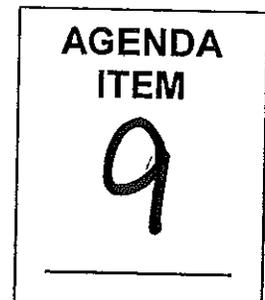
It is recommended that the City Council 1) Approve and Extension of the Pun & McGeady, LLP Contract to provide Annual Financial Audit Services for the City of Calexico for Fiscal Year 2016, and Fiscal Year 2017; 2) Authorize the City Manager to execute any and all documents necessary to complete the transaction.

Background:

Prior to June 2013, the City's financial audit was performed by the CPA firm of Caporicci & Larson, Inc., a subsidiary of Marcum LLP. During 2013, Caporicci & Larson Inc. changes ownership and becomes a new and independent CPA firm Pun & McGeady, LLP. On June 18, 2013 City of Calexico approved an agreement the CPA firm of Pun & McGeady, LLP to provide financial audit services for the fiscal years ending June 30, 2013, 2014 and 2015.

Discussion & Analysis:

At this point in time, as our City is going through a very difficult financial condition and it is our duty as staff is to look for and present you with a recommendation which will provide financial stability. City staff has made great progress in reconstructing and updating the accounting records, Basic Financial Statements (CAFR) for the year ended June 30, 2015 which was presented to City council on November 2, 2016. Due to the late presentation of the CAFR in November, the Finance Department is behind in the process of performing the annual audit for FY ending June 30, 2016. In the



best interest of the City and to attempt to stay on schedule with the audit process, staff strongly recommends extending the agreement for audit services for Fiscal Years 2016 and 2017 to the firm of Pun & McGeady, LLP.

We recommend this firm for the following reasons:

- The professional quality of this firm - All the staff who will be assigned to Calexico are Certified Public Accountants and all have participated on at least one prior audit engagement with the City of Calexico and the Successor Agency.
- Pun & McGeady LLP has the continuity, familiarity and track record with the City of Calexico. For the past years they have worked closely with the City to provide advice and assist where possible toward the improvement of the City's fiscal services function.
- Pun & McGeady LLP's years of experience in government accounting.
- Audit fees have remained the same as their original contract in FY 2013.
- The audit of the City of Calexico ranks as very difficult and the firm of Pun & McGeady LLP have assigned a staff of auditors who are very knowledgeable of both our City and its internal control systems.

Currently, finance staff is diligently working on closing the FY 2015-16. We estimate completion by end of March 2017. Once the staff completes the year end closing, the auditors will begin to perform all necessary field work to complete audit and preparation of financial statements.

Upon approval of this request for extension of auditing services, staff will begin preparation of the Request for Proposals (RFP) process for Professional Audit Services for FY 2017-18.

Fiscal Impact:

\$75,000 for FY 2015-16 and \$75,000 for FY 2016-17. This funding was budgeted in the FY 2015-2017 budget approved on June 30, 2016.

Coordinated with:

None.

Attachment:

Pun & McGeady engagement letter.



January 30, 2017

City of Calexico
608 Heber Ave.
Calexico, CA 92231

RE: Engagement of The Pun Group LLP (the "Firm")

We are pleased to confirm our understanding of the services we are to provide the City of Calexico, California (the "City") for the year ended June 30, 2016 and for the year ending June 30, 2017.

We will audit the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of the City as of and for the year ended June 30, 2016 and for the year ending June 30, 2017.

Accounting standards generally accepted in the United States of America provide for certain Required Supplementary Information (RSI), such as Management's Discussion and Analysis (MD&A), to supplement the City's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Budgetary Comparison Schedules – General Fund and All Major Special Revenue Funds
- 3) Schedules of Funding Progress – Other Postemployment Benefits
- 4) Schedule of Changes in City's Proportionate Share of Net Pension Liability and Related Ratios
- 5) Schedules of Contributions

We have also been engaged to report on Supplementary Information other than RSI that accompanies the City's financial statements. We will subject the following Supplementary Information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole:

- 1) Schedule of Expenditures of Federal Awards
- 2) Combining Financial Statements
- 3) Individual Fund Financial Statements and Schedules

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of

major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the City Council. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

Management Responsibilities

Management is responsible for (1) establishing and maintaining effective internal controls, including internal controls over federal awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are

responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon or make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related

to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and

other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City's major programs. The purpose of these procedures will be to express an opinion on the City's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Communication with Those Charged with Governance

As part of our engagement, we are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process as well as other matters we believe should be communicated to those charged with governance. Generally accepted auditing standards do not require the auditor to design procedures for the purpose of identifying other matters to communicate with those charged with governance. Such matters include, but are not limited to, (1) the initial selection of and changes in significant accounting policies and their application; (2) the process used by management in formulating particularly sensitive accounting estimates and the basis for our conclusions regarding the reasonableness of those estimates; (3) all uncorrected audit adjustments that are material in nature; (4) any disagreements with management, whether or not satisfactorily resolved, about matters that individually or in the aggregate could be significant to the financial statements or our report; (5) our views about matters that were the subject of management's consultation with other accountants about auditing and accounting matters; (6) major issues that were discussed with management in connection with the retention of our services, including, among other matters, any discussions regarding the application of accounting principles and auditing standards; (7) serious difficulties that we encountered in dealing with management related to the performance of the audit; and (8) matters relating to our independence as your auditors.

Third-Party Service Providers

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Assistance By Your Personnel

We will ask that your personnel, to the extent possible, prepare required schedules and analyses, and make selected invoices and other required documents available to our staff. This assistance by your personnel will serve to facilitate the progress of our work and minimize our time requirements.

Data Collection Form

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the Federal Audit Clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period.

Independence

Professional standards require that a firm and its members maintain independence throughout the duration of the professional relationship with a client. In order to preserve the integrity of our relationship, no offer of employment shall be discussed with any The Pun Group LLP professionals assigned to the audit, during the one year period prior to the commencement of the year end audit. Should such an offer of employment be made, or employment commences during the indicated time period, we will consider this an indication that our independence has been compromised. As such, we may be required to recall our auditors' report due to our lack of independence. In the event additional work is required to satisfy independence requirements, such work will be billed at our standard hourly rates.

Access to Working Papers

The audit documentation for this engagement is the property of The Pun Group LLP and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to the Oversight Agency for Audit or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of The Pun Group LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release or for any additional period requested by the oversight agency for audit or pass-through entity. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

The Firm is required to undergo a "peer review" every three years. During the course of a Peer Review engagement, selected working papers and financial reports, on a sample basis, will be inspected by an

outside party on a confidential basis. Consequently, the accounting and/or auditing work we performed for you may be selected. Your signing this letter represents your acknowledgement and permission to allow such access should your engagement be selected for review. As a result of our prior or future services to you, we may be required or requested to provide information or documents to you or a third-party in connection with a legal or administrative proceeding (including a grand jury investigation) in which we are not a party. If this occurs, our efforts in complying with such request or demands will be deemed a part of this engagement and we shall be entitled to compensation for our time and reimbursement for our reasonable out-of-pocket expenditures (including legal fees) in complying with such request or demand. This is not intended, however, to relieve us of our duty to observe the confidentiality requirements of our profession.

Other Services

We will also assist in preparing the financial statements and related notes of the City in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

We are always available to meet with you and/or other management personnel at various times throughout the year to discuss current business, operational, accounting and auditing matters affecting your City. Whenever you feel such meeting are desirable please let us know; we are prepared to provide services to assist you in any of these areas.

Report Distribution and Other

We will provide copies of our reports to the City; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

Most Recent External Quality Control Review

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Accordingly, our 2014 peer review report accompanies this letter.

Fee

Our fee for these services will be \$75,000 for the year ended June 30, 2016 and \$75,000 for the year ending June 30, 2017. Our fees are based on certain assumptions, including the required assistance

described above. To the extent that certain circumstances included but not limited to those listed in Appendix A, arise during the engagement, our fee estimate may be significantly affected and additional fees may be necessary. Additional services provided beyond the described scope of services will be billed separately.

Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination.

Our fees are based on certain assumptions, including the required assistance described above. To the extent that certain circumstances included but not limited to those listed in Appendix A, arise during the engagement, our fee estimate may be significantly affected and additional fees may be necessary. Additional services provided beyond the described scope of services will be billed separately.

In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination.

Planned Scope and Timing of the Audit

We expect to begin our audit on approximately March 1, 2017 and to issue our reports no later than June 30, 2017 for the year ended June 30, 2016. For the year ending June 30, 2017, we expect to begin our audit on approximately September 1, 2017 and to issue our reports no later than March 31, 2018. Kenneth Pun is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

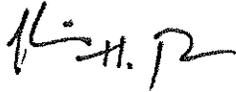
Agreement

It is hereby understood and agreed that this engagement is being undertaken solely for the benefit of the City and that no other person or entity shall be authorized to enforce the terms of this engagement.

If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

We appreciate the opportunity to be of service to the City and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



The Pun Group LLP

RESPONSE:

This letter correctly sets forth the understanding of the City of Calexico.

By: _____

Title: _____

Date: _____

APPENDIX A

City of Calexico

Circumstances Affecting Timing and Fee Estimate

Circumstances may arise during the engagement that may significantly affect the targeted completion dates and our fee estimate. As a result, additional fees may be necessary. Such circumstances include but are not limited to the following:

1. Changes to the timing of the engagement at your request. Changes to the timing of the engagement usually require reassignment of personnel used by The Pun Group LLP (the "Firm") in the performance of services hereunder. However, because it is often difficult to reassign individuals to other engagements, the Firm may incur significant unanticipated costs.
2. All requested schedules are not (a) provided by the accounting personnel on the date requested, (b) completed in a format acceptable to the Firm (c) mathematically correct, or (d) in agreement with the appropriate underlying records (e.g., general ledger accounts). The Firm will provide the accounting personnel with a separate listing of required schedules and deadlines.
3. Weaknesses in the internal control structure.
4. Significant new issues or unforeseen circumstances as follows:
 - a. New accounting issues that require an unusual amount of time to resolve.
 - b. Changes or transactions that occur prior to the issuance of our report.
 - c. Changes in the City's accounting personnel, their responsibilities, or their availability.
 - d. Changes in auditing requirements set by regulators.
5. Significant delays in the accounting personnel's assistance in the engagement or delays by them in reconciling variances as requested by the Firm. All invoices, contracts and other documents which we will identify for the City, are not located by the accounting personnel or made ready for our easy access.
6. A significant level of proposed audit adjustments are identified during our audit.
7. Changes in audit scope caused by events that are beyond our control.
8. Untimely payment of our invoices as they are rendered.



JOHN LERIAS, CPA
STEPHEN C. WILLIAMS, CPA
JOSEPH O. ROMERO, CPA

System Review Report

The Pun Group, LLP
Santa Ana, California;
and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of The Pun Group, LLP (the firm) in effect for the year ended December 31, 2014. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included an engagement performed under *Government Auditing Standards*.

In our opinion, the system of quality control for the accounting and auditing practice of The Pun Group, LLP in effect for the year ended December 31, 2014, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. The Pun Group, LLP has received a peer review rating of *pass*.

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800.644.0696
FAX 909.948.9633

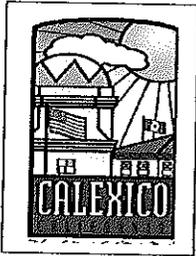
gyl@gyldecauwer.com
www.gyldecauwer.com

Gyl Decauwer LLP
Ontario, California
October 13, 2015

your
Success
is our
DESTINATION

**AGENDA
ITEM**

10



AGENDA STAFF REPORT

DATE: February 15, 2017

TO: Mayor and City Council

APPROVED BY: Armando G Villa, City Manager

PREPARED BY: Armando G Villa, City Manager

SUBJECT: Approval of Reimbursement Agreement between the City of Calexico and Corsair EEC, a Nevada Limited Liability Company and/or its Affiliates

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Recommendation:

City Council approval Reimbursement Agreement with Corsair EEC, a Nevada Limited Liability Company and/or its affiliates.

Background:

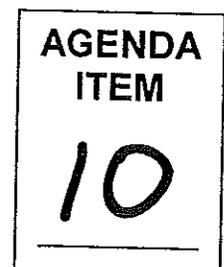
City staff has been working with the Developer and pursuant to the MOU between the City and Developer dated May 20, 2010, the Parties have agreed to work together regarding (i) the issuance of one or more additional series of bonds and/or the refunding/refinancing of the 2013 Gran Plaza City of Calexico Community Facilities District No. 2013-1 (Gran Plaza) Improvement Area No. 1 Special Tax Bonds, Issue of 2015 (collectively the "CFD"); and (ii) the formation of some form of and enhanced infrastructure financing district (EIFD) or infrastructure and revitalization financing district (IRFD).

Discussion & Analysis:

The City has requested to deposit funds with the City to ensure payment of the City's costs for the actions set out above, provided that such funds so advanced are reimbursed to the Developer from the proceeds of any bonds if and when issued by the City as permitted under the CFD Law. The Developer is willing to comply with the request.

As per previously approved MOU dated May 20, 2010, the City shall retain the services of the consultants set forth in Section 4 of the Reimbursement Agreement to provide advice regarding the tasks referenced in the recitals of said agreement.

The purpose of this Agreement is for the City and the Developer to specify the terms of that deposit and reimbursement subject to final review and amendment by the City Attorney.



Fiscal Impact:

None.

Coordinated With:

City Attorney.

Attachment:

1. Reimbursement Agreement between City of Calexico and Corsair EEC, a Nevada Limited Liability Company and/or its Affiliates.
2. MOU between the City of Calexico City of Calexico, the Community Redevelopment Agency of the City of Calexico, and Corsair EEC, a Nevada Limited Liability Company dated May 20, 2010.

REIMBURSEMENT AGREEMENT

Between

CITY OF CALEXICO
a California Municipal Corporation

and

CORSAIR EEC, A NEVADA LIMITED LIABILITY COMPANY
AND/OR ITS AFFILIATES

REIMBURSEMENT AGREEMENT

This Reimbursement Agreement ("Agreement") is made this 15th day of February, 2017, by and between the City of Calexico, a California municipal corporation (the "City"), and Corsair EEC, a Nevada Limited Liability Company (the "Developer") and/or its affiliates.

RECITALS

This Agreement is made with respect to the following facts.

WHEREAS, pursuant to the MOU between the City and Developer dated May 20, 2010, the Parties have agreed to work together regarding (i) the issuance of one or more additional series of bonds and/or the refunding/refinancing of the 2013 Gran Plaza City of Calexico Community Facilities District No. 2013-1 (Gran Plaza) Improvement Area No. 1 Special Tax Bonds, Issue of 2015 (collectively the "CFD"); and (ii) the formation of some form of and enhanced infrastructure financing district (EIFD) or infrastructure and revitalization financing district (IRFD); and

WHEREAS, the City has requested and Developer is willing to deposit funds with the City to ensure payment of the City's costs for the actions set out above, provided that such funds so advanced are reimbursed to the Developer from the proceeds of any bonds if and when issued by the City as permitted under the CFD Law and as provided herein; and

WHEREAS, the purpose of this Agreement is for the City and the Developer to specify the terms of that deposit and reimbursement.

AGREEMENT

NOW, THEREFORE, in consideration of the following mutual promises and agreements, City and Developer agree as follows:

1. Incorporation of Recitals. The parties agree that the Recitals constitute the factual basis upon which the City and the Developer have entered into this Agreement. The City and the Developer each acknowledge the accuracy of the Recitals and agree that the Recitals are incorporated into this Agreement as though fully set forth at length.

2. City to Retain Consultants. City shall retain the services of the consultants set forth in Section 4 of this Agreement ("Consultants") to provide advice regarding the tasks referenced in the recitals. The scope of work of each Consultant for the Project is attached hereto as Exhibit "A". The City reserves the right, in its reasonable and sole discretion, to amend the scope of work as it deems necessary and appropriate where such amendments are reasonably necessary and related to the City's proper review and consideration of the Developer's Project.

The Developer agrees that, notwithstanding the Developer's reimbursement obligations under this Agreement, Consultants shall be the contractors exclusively of the City and not of the

Developer. Except for those disclosures required by law including, without limitation, the California Public Records Act, all conversations, notes, memoranda, correspondence and other forms of communication by and between the City and its Consultants shall be, to the extent permissible by law, privileged and confidential and not subject to disclosure to the Developer. The Developer agrees that it shall have no claim to, nor shall it assert any right in any reports, correspondence, plans, maps, drawings, or any and all other documents or work product produced by the Consultants.

3. Parties to Cooperate. The Developer and City agree to cooperate in good faith with each other and with the Consultants. The Developer agrees that it will instruct its agents, employees, consultants, contractors and attorneys to reasonably cooperate with the Consultants and to provide all necessary documents or information reasonably requested of them by the City and/or the Consultants; provided, however, that the foregoing shall not require the disclosure of any documents or information of the Developer which by law is privileged, proprietary, confidential, and exempt from disclosure under the Public Records Act. City agrees that it will instruct its staff and Consultants to reasonably cooperate with Developer and Developer's employees, consultants, contractors and attorneys.

4. City's Selection of Consultants. The City will retain the following as Consultants who have provided their estimated costs to be billed hereunder to both City and Developer.

- (i) Bond and Disclosure Counsel – Don Hunt, Norton Rose Fulbright
- (ii) Underwriter – Ralph Holmes, Stifel, Nicolaus & Company, Inc.
- (iii) Financial Advisor – Kosmont Transactions Services
- (iv) Best Best & Krieger, City Attorney
- (v) _____, Land Appraiser – To be determined.

5. Developer's Reimbursement of Costs and Expenditures. The City and Developer have determined the estimated consultant costs; based upon that determination, within 15 business days of approval of this Agreement by the City Council, the Developer will provide to the City the sum of \$ 100,000.00 (the "Deposit"), to be used by the City to pay the costs in conducting proceedings for the formation EIFD or IRFD, and the issuance of bonds by the CFD (as more fully described below. The Deposit may be commingled with other funds of the City for purposes of investment and safekeeping, but the City shall at all times maintain records as to the expenditure of the Deposit.

City shall not exceed the estimated Consultant costs without Developer's prior written approval. The City shall use reasonable good faith efforts to consult with the Developer prior to amending the scope of services to be provided by the Consultants and incurring Costs that exceed the estimated Consultant costs. The Developer's obligation to reimburse the City for excess costs which exceed the estimated Consultant costs shall be contingent upon, the City's providing the Developer with written notice of the amendment of the scope of work to be performed by Consultants and the estimated excess costs prior to the commencement of work. The City shall not incur excess costs without the prior written approval of the Developer.

For purposes of this Section, the City shall be deemed to have consulted with the Developer when the City has provided written notice to the Developer that the City reasonably anticipates that it will incur, or has incurred, excess costs. If, after consultation, the Developer disagrees with the City's incurring of excess costs, then the Developer's may terminate this pursuant to Section below, subject to the Developer's obligation to reimburse the City for all costs incurred by the City prior to the date of termination, whether or not yet paid by the City to the Consultants or request that work be placed on hold for a specified period of time. The Developer's obligation to reimburse the City as provided in this Agreement shall survive the termination of this Agreement pursuant to Section 9.

6. Evidence of Payment of Consultant Costs. Immediately following the City's disbursement of funds to Consultants pursuant to an approved Professional Services Agreement or similar retainer agreement with the Consultant(s), the City shall provide the Developer with such reasonable documentation as the Developer may request to substantiate any demands for payment by Consultant(s).

7. Reimbursement to Developer. If the Bonds are issued under the CFD Law , the City shall provide for reimbursement to the Developer, without interest, of all amounts charged against the Deposits, said reimbursement to be made solely from the proceeds of the Bonds and only to the extent otherwise permitted under the CFD Law. On or within ten (10) business days after the date of issuance and delivery of the Bonds, the City also shall return the total unexpended Deposits to the Developer, without interest, less an amount equal to any costs incurred by the City or that the City is otherwise committed to pay under this Agreement and which were not part of those amounts paid from the Bond issue. Nothing contained herein shall prohibit reimbursement of other costs and expenses of the Developer.

8. Term. The term of this Agreement shall commence on the date that this Agreement is approved by the City Council and fully executed by the parties and shall terminate when all work required been completed to the City's reasonable satisfaction and the Developer has satisfied all of its obligations under this Agreement or the date of the issuance of bonds and reimbursement of Developer as set out in Section 7 above.

9. Early Termination. The City may terminate this Agreement prior to the term set forth in Section 8 above, without cost or liability to the City, upon thirty (30) days prior written notice to the Developer. The Developer may in its reasonable and sole discretion terminate this Agreement prior to the end of the term set forth in Section 8 above upon thirty (30) days' prior written notice to the City; provided, however, that the Developer has satisfied all of its payment obligations under this Agreement to the date of termination regarding reimbursement to the City.

Within two (2) business days following either the City's decision to terminate this Agreement or the City's receipt of written notice indicating the Developer's decision to terminate this Agreement, the City shall notify the Consultant(s) and instruct them to cease work. Consultant(s) shall be instructed to bill the City for any work completed prior to the date of termination.

10. Assignability. This Agreement may not be assigned by either party without the prior and express written consent of the other party, which consent shall not be unreasonably withheld. In

determining whether to approve a request by the Developer to assign this Agreement, the City may consider, among other things, the proposed assignee's financial status and commitment to the Project. Any attempted assignment of this Agreement not in compliance with the terms of this Agreement shall be null and void and shall confer no rights or benefits upon the assignee.

11. No Oral Modifications. This Agreement represents the entire understanding of the City and the Developer and supersedes all other prior or contemporaneous written or oral agreements pertaining to the subject matter of this Agreement. This Agreement may be modified, only by a writing signed by both the authorized representatives of both the City and the Developer. No waiver of any term or condition of this Agreement shall be a continuing waiver thereof. All modifications to this Agreement must be approved by the City Council of the City of Calexico.

12. Binding Upon Successors. This Agreement and each of its terms shall be binding upon the City, the Developer and their respective officers, elected officials, employees, agents, contractors, and permitted successors and assigns.

13. Legal Challenges. Nothing herein shall be construed to require City to defend any third party claims and suits challenging any action taken by the City with regard to any procedural or substantive aspect of the City's approval of development of the Property, the environmental process, or the proposed uses of the Property. The Developer may, however, in its sole and absolute discretion appear as real party in interest in any such third party action or proceeding, and in such event, it and the City shall defend such action or proceeding and the Developer shall be responsible and reimburse the City for whatever legal fees and costs, in their entirety, including actual attorneys' fees, which may be incurred by the City in defense of such action or proceeding. This City shall have the absolute right to retain such legal counsel as the City deems necessary and appropriate and the Developer shall reimburse the City for any and all attorneys' fees and costs incurred by the City as a result of such third party action or proceeding; provided, however, Developer may, at any time, notify City in writing of its decision to terminate such reimbursement obligation and, thereafter, in the event that the City decides to continue the defense of such third party action or proceeding, Developer shall have no further obligation to reimburse City for its attorney fees and costs.

14. Attorneys' Fees. In the event that any action or proceeding, including arbitration, is commenced by either the City or the Developer against the other to establish the validity of this Agreement or to enforce any one or more of its terms, the prevailing party in any such action or proceeding shall be entitled to recover from the other, in addition to all other legal and equitable remedies available to it, its actual attorneys' fees and costs of litigation, including, without limitation, filing fees, service fees, deposition costs, arbitration costs and expert witness fees, including actual costs and attorneys' fees on appeal.

15. Jurisdiction and Venue. This Agreement is executed and is to be performed in the City of Calexico, Imperial County, California, and any action or proceeding brought relative to this Agreement shall be heard in the appropriate court in the County of Imperial, California. The City and the Developer each consent to the personal jurisdiction of the court in any such action or proceeding.

Dated: _____

CITY OF CALEXICO
a California Municipal Corporation

By: _____
Armando Real, Mayor

ATTEST:

By: _____
Gabriela T. Garcia, Deputy City Clerk

APPROVED AS TO FORM:

Carlos Campos, Interim City Attorney

Dated: _____

DEVELOPER

By:

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING ("MOU") is made this 20th day of May, 2010 ("Effective Date"), by and between the City of Calexico, a California municipal corporation (the "City"), the Community Redevelopment Agency of the City of Calexico, a public body, corporate and politic (the "Agency"), and Corsair LLC, a Nevada limited liability company, (the "Developer"). Further, City, Agency and Developer are sometimes individually referred to hereinafter as a "Party" and, together, as the "Parties."

WITNESSETH THAT:

WHEREAS, City plans to realign and reconstruct a portion of West 2nd Street in the City of Calexico in the general area that is bounded on the east by California State Route 111 and on the west by the All American Canal (the "2nd Street Realignment Project"), all as more specifically described within the City's plans for the 2nd Street Realignment Project; and

WHEREAS, City's plans for the 2nd Street Realignment Project also provide residual real property for the purpose of a future expansion of the Calexico International Airport (the "Airport Expansion Project"); and

WHEREAS, Implementation of the 2nd Street Realignment and the Airport Expansion Projects (collectively, the "City Projects") will require City and the Developer to agree on the exchange of certain real property as generally described in this MOU; and

WHEREAS, City and Developer are amenable to exchanging certain real property for the purpose of assisting the City Projects, subject to further negotiations as provide for in this MOU and ultimately jointly confirmed within a future exchange agreement (the "Exchange Agreement"); and

WHEREAS, City is the present owner of certain real property consisting of approximately, 13.44 acres generally located between the International Border and the proposed 2nd Street Realignment Project (APN: 058-824-032), that could be included within a future Exchange Agreement (the "City Exchange Property"); and

WHEREAS, Developer is the present owner of certain real property consisting of approximately, 20.68 acres generally located on the east and west sides of the proposed 2nd Street Realignment Project (APN: portion of 058-824-033 and 058-180-020), that could be included within a future Exchange Agreement (the "Developer Exchange Property"); and

WHEREAS, The City Exchange Property is approximately 7.24 acres smaller than the Developer Exchange Property; and

WHEREAS, Among other things, the future Exchange Agreement will require City and Developer to agree on a monetary value to be paid or credited to the Developer for the difference in value between the Developer Exchange Property and the City Exchange Property; and

WHEREAS, Subsequent to the close of the exchange of the Developer Exchange Property and the City Exchange Property as contemplated by the Exchange Agreement, the City

will use certain grant funds it has obtained from the U. S. Federal Aviation Administration (the "FAA") to develop the 2nd Street Realignment Project, that will primarily include street and appurtenant improvements within the northern portion of the West 2nd Street right-of-way; and

WHEREAS, The Agency is organized and existing pursuant to the California Community Redevelopment Law (Health and Safety Code § 33000, *et seq.*; hereinafter, the "CCRL") and is responsible for the administration of redevelopment activities within the City of Calexico; and

WHEREAS, The Redevelopment Plan for the Merged Central Business District and Residential Redevelopment Project Area was adopted and approved by Ordinance No. 864 of the City of Calexico adopted on July 20, 1982 and subsequently amended by Ordinance Nos. 905 (on July 18, 1989), 920 (on June 30, 1992) and 930 (on December 29, 1993) (as so amended, the "Redevelopment Plan"); and

WHEREAS, The redevelopment project area for the Redevelopment Plan as so amended constitutes the "Project Area"; and

WHEREAS, Consistent with the Redevelopment Plan, Developer proposes to develop an approximately 487,600 square foot retail shopping center (the "Shopping Center Project") within the Project Area in two approximately equally-sized phases on an approximately 53.5 acre site located between the realigned West 2nd Street and the International Boarder (the "Shopping Center Site"); and

WHEREAS, The Shopping Center Site consists of: i) an approximately 52.2-acre portion of Developer's property that is residual to the exchange of property with the City pursuant to the Exchange Agreement; and ii) an approximately 1.3-acre parcel owned by the Agency located at 270 West Second Street, Calexico (APN 058-400-039), commonly called the Horatio Luna Gun Club site (the "Gun Club Site"); and

WHEREAS, The Gun Club Site is surrounded on three sides by property owned by Developer and on one side by West 2nd Street; and

WHEREAS, Developer has proposed to purchase the Gun Club Site from the Agency for its fair market appraised value; and

WHEREAS, Developer has requested financial assistance in the amount of up to \$7,000,000 from the Agency for the purpose of funding the cost of developing certain community-benefitting public infrastructure improvements (the "Shopping Center Project Infrastructure") that would be a condition of development of the Shopping Center Project (the "Proposed Agency Assistance") that are not otherwise funded by the FAA grant; and

WHEREAS, Developer has proposed entering into an Owner Participation and Disposition and Development Agreement (the "OP/DDA") with the Agency with respect to the purchase and sale of the Gun Club Site and formalizing the Proposed Agency Assistance; and

WHEREAS, the Parties are desirous of entering into this MOU for the purpose of pursuing and completing negotiations in good faith with respect to the Exchange Agreement and OP/DDA consistent with the obligations and conditions defined herein.

WHEREAS, the City, as the lead agency under CEQA, is prohibited under applicable law from making a binding commitment to approve or carry out a proposed project prior to the completion of the environmental and public review process (including but not limited to the approval of the City Council and the Agency) ("Required Approvals") which would include the written certification of the City for the Final EIR or other environmental document for the Exchange Agreement and the OP/DDA (Proposed Projects), and accordingly, may approve or not approve the Proposed Projects or may select any alternatives, including the "No Project" alternative of not going forward with the Proposed Projects, or adopt an mitigation measure or condition which the City determines is necessary and appropriate to reduce or avoid any potential environmental impact of the Proposed Projects or to comply with any applicable law or regulation; and

NOW THEREFORE, in consideration of the foregoing recitals, which are incorporated herein, and the mutual covenants listed herein, the Parties agree as follows:

1. **City/Agency Obligations.** City/Agency, as applicable, shall use its best efforts to achieve the following:
 - a. City/Agency shall cooperate with Developer to ensure that the environmental impacts of the City Projects and the Shopping Center Project are managed in full accordance with the California Environmental Quality Act (the "CEQA") and, as applicable, the National Environmental Policy Act (the "NEPA"). The schedule of environmental review and entitlements is attached hereto as Exhibit "A".
 - b. The Agency will sell to the Developer, the Gun Club Site at a fair market price as defined in item Section 3, paragraph h, of this MOU. In addition, the Agency shall enter into an Agreement to Negotiate Exclusively (the "ANE") with the Developer, in accordance with the Schedule of Performance, Exhibit "B", attached hereto, which shall also include the action steps, timeframe and responsible parties with respect to negotiating, drafting and processing for approval consideration the OP/DDA.
 - c. Upon the full execution of the OP/DDA, the City/Agency will cooperate with the Developer for the construction of the Shopping Center Project Infrastructure consistent with the provisions of the OP/DDA.
 - d. The City/Agency will work as quickly and as expeditiously as possible to secure the FAA grant needed for the 2nd Street Realignment Project.
 - e. The Proposed Agency Assistance provided for the Shopping Center Project Infrastructure shall be in such a form that is most beneficial to the Agency/City; however, such assistance shall be no more than \$7,000,000. The Developer shall be responsible for all costs associated with the Shopping Center Project Infrastructure exceeding \$7 million.

- f. Upon the full execution of the OP/DDA, the Agency will immediately commence its program to secure financing for its obligations related the Shopping Center Project Infrastructure, which shall include, but not be limited to the issuance of its first series of tax allocation bonds and notes. In that regard, the Agency intends to authorize the issuance of its 2010 Tax Allocation Bonds immediately subsequent to the Agency's approval and the Developer's execution of the OP/DDA.
 - g. Upon the issuance of building permits to the Developer for the first phase of the Shopping Center Project, the Agency intends to immediately commence the issuance of its 2010 Tax Allocation Notes.
 - h. The Exchange Agreement will include a provision that provides the Developer a 36-month long "First Right of Refusal" to purchase at fair market appraised value the approximately ___-acre parcel located at ___ West 2nd Street (APN 058-400-0___), commonly referred to as the "Finnigan Property". The First Right of Refusal to purchase the Finnigan Property shall not be a part of the 2nd Street Realignment Project and not involve the FAA. If the First Right of Refusal to purchase the Finnigan Property is ultimately consummated, the Parties would enter into a separate purchase and sale agreement.
 - i. The City shall fully cooperate with the Developer in the fulfillment of the Exchange Agreement once entered into.
2. Conditions of Agency Funding. The provision of funding by Agency for the Shopping Center Project Infrastructure will be conditioned upon the following:
- a. The total assistance by the Agency will not exceed \$7 million (the "Maximum Agency Assistance").
 - b. Use of any Agency funds committed to the Project will be limited to direct project related costs. "Project Related Costs" shall mean all construction costs and soft costs related to construction such as architectural design and engineering work. Project Related Costs shall not include Developer's overhead.
 - c. The schedule and method of distribution of Agency funds will be set forth in the OP/DDA.
 - d. The Agency's agreement to provide assistance will be contingent upon the Developer demonstrating that it has secured the necessary non-City/Agency financing or funding capability for the Shopping Center Project, Developer submitting to the Agency its detailed construction budget to the Agency and the Developer ensuring that the Shopping Center Project Infrastructure is developed in full accordance with all applicable sections of the California Labor Code.
 - e. The amount contributed by the City/Agency, will be dependent upon the actual construction costs for the Shopping Center Project Infrastructure.

- f. The Agency will pursue and negotiate the OP/DDA with Developer in good faith and complete it as soon as possible. The OP/DDA, including the procedure and processes required for its consideration by the Agency Board, shall conform to the applicable provisions of the CCRL.
3. **Developer's Obligations.** Developer shall use its best efforts to achieve the following:
- a. Developer shall cooperate with Agency/City to ensure that the environmental impacts of the City Projects and the Shopping Center Project are managed in full accordance with CEQA and, as applicable, NEPA. The schedule of environmental review and entitlements is attached hereto as Exhibit "A".
 - b. Developer will pursue and negotiate the OP/DDA and Exchange Agreement with City/Agency in good faith and complete it pursuant to the schedule in Exhibit "B". Pursuant to the OP/DDA, Developer shall develop the Shopping Center Project, which shall consist of an approximately 487,600 square foot retail shopping center (in two approximately equally-sized phases).
 - c. It is understood that, due to the uncertainty of the market place and the economy, Phase 2 may be delayed. However, the OP/DDA shall provide that construction of the Shopping Center Project's Phase 2 shall begin no later than 60 months after the issuance of a Certificate of Completion for Phase 1.
 - d. The OP/DDA shall provide that if the construction of Phase 2 is delayed past the 60 month period for any reason other than *Force Majeure*, and provided the Agency and Developer do not agree, in writing otherwise prior to the expiration of such sixty (60) month period, the Developer will reimburse the Agency a portion of the Agency's ultimate assistance with respect to the Shopping Center Project Infrastructure (the "Reimbursement") in an amount not greater than \$2,700,000. If the Agency assistance is less than \$7 million, then such Reimbursement shall be proportionately adjusted. The Maximum Agency Assistance represents funding intended to benefit the entire Shopping Center Site (i.e., Phases 1 and 2). The Reimbursement payment to the Agency shall be made from the Developer's net operating income from the operation of the Shopping Center Project and shall be payable from 5% of the Developer's net operating revenues for Phase 1, on an annual basis, until the full Reimbursement is paid, plus interest. Interest shall be assigned at the rate of the cost of Agency funds, not to exceed 5%.
 - e. The Developer shall acquire the Gun Club Site at the price determined as set forth in Section 3 of this MOU as a prerequisite to the Agency's provision of the Proposed Agency Assistance and shall otherwise confirm that it owns the entire Shopping Center Site.
 - f. The Developer will construct all "on-site" improvements to include electricity, water, gas, sewer and storm drains, landscaping, lighting, striping, paving, etc.

- g. The Developer shall fully cooperate with the City in the fulfillment of the Exchange Agreement.
- h. The Developer will acquire from the Agency, the Gun Club Site at a fair market price in accordance with the procedure described in Section 3, paragraph I of this MOU. In addition, the Agency shall enter into an Agreement to Negotiate Exclusively (the "ANE") with the Developer, in accordance with the Schedule of Performance, Exhibit "A", attached hereto.
- i. The Developer shall purchase the Gun Club Site from the City at its fair market value. In the event that there is disagreement over the value of the property, the Developer shall have the right to obtain its own independent appraisal. If the two appraisers are unable to agree upon a value, then the appraisers will mutually agree upon a third appraiser to perform an appraisal. If the three appraisers are still unable to agree upon a market value, then the average of the three appraisals shall be used to determine the fair market value of the Gun Club Site. In all cases, appraisers must hold a Member American Institute "MAI" designation.
- j. The Developer shall make its best efforts to "open" Phase I of the Shopping Center Project within twelve (12) months of the initiation of construction of improvements.
- k. Subject to paragraph d above, the Developer will initiate construction of Phase 2 of the Shopping Center Project upon its receipt of letters of intent from prospective tenants of no less than 50% of the square footage planned for Phase 2 or within 60 months of completion of Phase I.
- l. Developer shall cooperate and coordinate with the City/Agency with respect to the development of the Shopping Center Project Infrastructure and the 2nd Street Realignment Project.
- m. In the event that the FAA funding is insufficient to develop the 2nd Street Realignment Project (i.e., predominately the northern half of West 2nd Street), then Developer and Agency shall cooperate to develop the Shopping Center Project Infrastructure (i.e., predominantly the southern half of West 2nd Street) on a stand-alone basis. In such an event, and further assuming that Developer's Phase 2 improvements are delayed beyond the 60-month time frame, as described in paragraph d of this Section 3, then the 60-month time frame shall automatically be extended on a month-for-month basis until the 2nd Street Realignment Project is completed.
- n. The City/Agency shall cooperate with Developer to the fullest extent possible to ensure the most effective and efficient use of the FAA funding to develop the 2nd Street Realignment Project.

- o. In the event that construction of Phase 2 Shopping Center Project improvements are not commenced within the 60 month period, as described in paragraph d of this Section 3, but are subsequently commenced by Developer (subject to the approval of the Agency) before the Reimbursement is fully paid, then such Reimbursement shall terminate as of the date of the commencement of construction of the Phase 2 Shopping Center Project improvements and that portion of the Reimbursement that has previously been paid by the Developer to the Agency shall be refunded to the Developer.

4. Special Provisions.

- a. **Term of MOU.** The term of the MOU shall be from the Effective Date to September 7, 2010 (the "Term"). The Parties concur that it is their goal that the proposed Exchange Agreement and OP/DDA are to be considered for approval by the City Council of the City and the Agency Board of the Agency on or before September 7, 2010, unless prerequisite CEQA/NEPA compliance requires a later date of consideration. If it is required that the proposed Exchange Agreement and OP/DDA be considered on a date later than September 7, 2010 due delays in completing the prerequisite CEQA/NEPA compliance, then the Term shall automatically be extended to such later date, but in any event not later than December 31, 2010 (the "Outside Date"). Any extensions in the Term beyond the Outside Date will require a written amendment to the MOU approved by the Parties.
- b. **Real Estate Commissions.** The City/Agency shall not be liable for any real estate commission or brokerage fees that may arise. The City/Agency represents that it has engaged no broker, agent or finder in connection with this transaction, and Developer shall hold the City/Agency harmless from any claim by any broker, agent or finder retained by Developer.
- c. **Press Releases.** Developer shall discuss any press releases with a designated City/Agency representative before disclosure in order to assure accuracy and consistency of the information.
- d. **Non-liability of Officials and Employees.** No City Council member, Agency Board member, official, consultant, attorney or employee shall be personally liable to Developer, or any successor, assign or any person claiming under or through them, in the event of any default or breach by the City/Agency or for any amount which may become due to Developer or to its successor, or on any obligations arising under this MOU. No Developer official, consultant, attorney or employee shall be personally liable to the City, or any successor, assign or any person claiming under or through them, in the event of any default or breach by Developer or for any amount which may become due to the City or to its successor, or on any obligations arising under this MOU.
- e. **Conflicts of Interest.** No City Council member, Agency Board member, official, consultant, attorney or employee of the City shall have any personal interest, direct or indirect, in this MOU nor shall any such member, official or employee participate in

any decision relating to this MOU which affects his or her personal interests or the interests of any corporation, partnership or association in which he or she is, directly or indirectly, interested.

- f. **Hold Harmless.** Developer hereby agrees to, and shall defend, save and hold City and Agency and its elected and appointed boards, commissions, officers, agents, and employees harmless from, any and all claims, costs and liability for any damages, personal injury or death, which may arise, directly or indirectly, from Developer's or Developer's contractors', subcontractors', agents or employees' operations under this MOU, whether such negligent operations be by Developer or by any of Developer's contractors, subcontractors, agents or employees. City shall retain the right to select the attorney of its choice to defend any action requiring a defense under this section.
- g. **Indemnification.** Developer shall defend, indemnify and hold harmless City and Agency and its agents, officers and employees against and from any and all liabilities, demands, claims, actions or proceedings and costs and expenses incidental thereto (including costs of defense, settlement and reasonable attorneys' fees), which any or all of them may suffer, incur, be responsible for or pay out as a result of or in connection with any challenge to the legality, validity, adequacy, or performance of the obligations of any of the following: (i) this MOU; (ii) the environmental impact reports prepared in connection with the adoption of the City Projects and the Shopping Center Project; and (iii) the proceedings undertaken in connection with the adoption or approval of any of the above. City shall retain the right to select the attorney of its choice to defend any action requiring a defense under this section.
- h. **Waiver.** No failure on the part of either party to exercise any right or remedy hereunder shall operate as a waiver of any other right or remedy that party may have hereunder.
- i. **Warranty Against Payment of Consideration for MOU.** Developer represents and warrants that it has not paid or given, and will not pay or give, any third party any money or other consideration for obtaining this MOU, other than payments to consultants and legal counsel retained by Developer to assist it in the negotiation of this MOU, excepting however, any payments or expenditures which this MOU requires Developer to make.
- j. **No Third Party Beneficiaries.** This MOU is for the sole and exclusive benefit of the Parties. No other persons or entities are intended to be, or shall be considered, a beneficiary of the performance of any of the Parties' obligations under this MOU.
- k. **Integration.** This MOU constitutes the entire understanding and agreement of the Parties, and supersede all negotiations or previous agreements between the Parties, with respect to all or any part of the subject matter hereof.
- l. **Titles and Captions.** Titles and captions of this MOU are for convenience of reference only and do not define, describe or limit the scope or the intent of this MOU

or any of its terms. References to section numbers are to sections in this MOU unless expressly stated otherwise.

- m. Interpretation. This MOU is the product of mutual arms-length negotiation and drafting and each Party represents and warrants to the other that it has been represented by legal counsel in the negotiation and drafting of this MOU. Accordingly, the rule of construction which provides that ambiguities in a document shall be construed against the drafter of that document shall have no application to the interpretation and enforcement of this MOU. In any action or proceeding to interpret or enforce this MOU, the finder of fact may refer to such extrinsic evidence not in direct conflict with any specific provision of this MOU to determine and give effect to the intention of the Parties hereto.
- n. Termination. If Developer fails to complete any of the obligations under Section 3 above or if the City/Agency is unable to secure the necessary financing to meet its fiduciary responsibilities described in Sections 1 and 2 above, then the City/Agency reserves the right to terminate this Agreement with 10 days notice to Developer. If Developer has completed all of its obligations under Section 3 above and the conditions of Section 2 above have been fulfilled and Agency/City finds that it has a reasonable basis not to fulfill its obligations under this MOU, then Developer's exclusive remedy for an uncured City/Agency default is to terminate this MOU with 10 days notice. If an Exchange Agreement and an OP/DDA have not been entered into by the Outside Date of this MOU, either party may terminate this MOU with 10 days notice to the other party. This MOU can also be terminated at any time upon mutual agreement of the parties.
- o. Severability. Each provision, term, condition, covenant and/or restriction, in whole and in part, of this MOU shall be considered severable. In the event any provision, term, condition, covenant and/or restriction, in whole and/or in part, of this MOU is declared invalid, unconstitutional or void for any reason by a court of competent jurisdiction, such provision or part thereof shall be severed from this MOU and shall not affect any other provision, term, condition, covenant and/or restriction of this MOU, and the remainder of this MOU shall continue in full force and effect unless to do so would deprive one of the Parties of a material benefit of its bargain.
- p. Nondiscrimination. With respect to Developer' obligations and performance hereunder, Developer shall not discriminate in any matter on the basis of race, creed, color, religion, gender, material status, national origin or ancestry.
- q. Notice. All notices given or required to be given hereunder shall be in writing and addressed to the Parties set out below, or to such other address as may be noticed under and pursuant to this paragraph. Any such notice shall be considered served when actually received by the Party intended, whether personally served or sent postage prepaid by registered or certified mail, return receipt requested.

City/Agency: City of Calexico/Calexico Redevelopment Agency
608 Heber Avenue

Calexico, California 92231
Attn: City Manger/Executive Director

Developer: Corsair, LLC
9034 West Sunset Boulevard
West Hollywood, California 90069
Attn: President-CEO

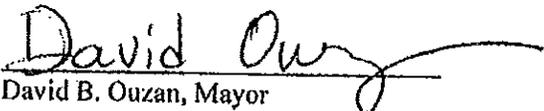
With copies to: Office of the Calexico City Attorney
c/o McDougal, Love, Eckis, Boehmer & Foley
8100 La Mesa Boulevard, Suite 200
La Mesa, California 91942
Attn: Jennifer M. Lyon, Esq.

- r. Warranty of Signators. The signatories to this MOU represent and warrant that they have the authority to execute this MOU on behalf of the principals they represent.
- s. Limitations of this MOU. By its execution of this MOU, the City/Agency is not committing itself (themselves) to or agreeing to undertake: (a) the disposition of land to Developer; or (b) any other acts or activities requiring the subsequent independent exercise of discretion by the City, the City Council, the Agency, the Agency Board or any entity or department thereof. This MOU does not constitute a disposition of property or exercise of control over property by the City/Agency. Execution of this MOU by the City/Agency is merely an agreement to enter into a period of negotiations according to the terms hereof, reserving final discretion and approval by the City/Agency as to any Exchange Agreement and OP/DDA and all proceedings and decisions in connection therewith.
- t. Exemption from CEQA. The City Council of the City and the Agency Board of the Agency, in connection with its approval of this MOU, hereby determines that the action of such approval is not a project, and exempt from review, under the California Environmental Quality Act ("CEQA") because such action does not cause either a direct change in the environment, or a reasonably foreseeable indirect change in the environment (Public Resources Code Section 21065).
- u. Entire Agreement. This MOU constitutes the complete and exclusive statement of Agreement between the City, Agency and Developer with respect to the subject matter of this MOU. All prior written and oral communications, including correspondence, drafts, memoranda, and representations, are superseded in total by this MOU.
- v. Counterparts. This MOU may be executed in counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same instrument.
- w. Amendments to MOU. Any amendment to this MOU shall be in writing and signed by the appropriate authorities of the Parties.

- x. **Public Meeting.** Any Exchange Agreement and OP/DDA resulting from the negotiations hereunder shall become effective only after and if such Exchange Agreement and OP/DDA have been considered and approved by the City Council of the City and Agency Board of the Agency after a public hearing called for such purpose.
- y. **No Limitation on the City's Discretion.** The City reserves all discretion to take or not take any discretionary action upon completion of the environmental and public review process and prior approval of the Exchange Agreement and OP/DDA. In particular, the City, in its sole and absolute discretion, may certify or not certify the Final EIR for the proposed projects, may approve or not approve the proposed projects, and may adopt any mitigation measures or may approve any alternative, including the "No Project" alternative, which the City deems necessary and appropriate to reduce any environmental impact or comply with any applicable law or regulation. Nothing in this MOU limits the City's discretion or commits the City to take any course of action that would result in the approval of or commitment to the Exchange Agreement or OP/DDA or any aspect thereof. Accordingly, the City's approval of this MOU would not in any way commit the City to carry out or approve the Exchange Agreement or OP/DDA or any aspect thereof prior to approval of such agreements.

IN WITNESS WHEREOF, the Parties hereto, through their duly authorized officers, have caused this MOU to be executed as of the Effective Date.

CITY OF CALEXICO
a California Municipal Corporation

By: 
David B. Ouzan, Mayor

COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF CALEXICO, a public body,
corporate and politic

By: 
David B. Ouzan, Chairman

ATTEST:

By: *Lourdes Cordova*
Lourdes Cordova,
City Clerk/Agency Secretary

APPROVAL AS TO FORM:

By: *Jennifer M. Lyon*
Jennifer M. Lyon
City Attorney/Agency Counsel

CORSAIR LLC,
a Nevada limited liability company, ("

By: John J. Carroll IV, Inc.

Its: Managing Member

By: _____

Its: *John J. Carroll IV*

By: John Carroll, Its President

*Notes: If the Developer is a Corporation, then this document must be executed by the Corporation's Chief Executive Officer, President or Vice-President, on the one hand, and the Corporations' Chief Financial Officer, Treasurer, Assistant Treasurer or Secretary on the other hand. Developer's signature must be notarized.

EXHIBIT "A"**Calexico Gran Plaza (EIR and Entitlements) Schedule**

Proposed EIR and Entitlements Schedule as of Tuesday, May 4, 2010

No.	Task	Date to Begin Task	Time Frame	Date to End Task	Responsible Party/Comments
1	Complete DEIR	5/3/10	4 weeks	5/31/10	Environmental Consultant to complete DEIR and City to review and approve for release
2	Release DEIR	6/1/10	45 days	7/16/10	DEIR released for 45 day review period
3	PC Hearing	6/28/10	1 day	6/28/10	PC Hearing (Scoping) on DEIR
4	FEIR Preparation	7/19/10	2 weeks	8/2/10	Environmental Consultant to prepare Final EIR to include City review
5	Release FEIR	8/3/10	10 days	8/13/10	The City publishes FEIR and mails to State Clearinghouse
6	PC Hearing	8/23/10	1 day	8/23/10	Public Hearing held by Planning Commission
7	CC Hearing	9/7/10	1 day	9/7/10	City Council/CRA Public Hearing to Certify Final EIR, approve entitlements and agreements
8	NOD	9/8/10	30 days	10/8/10	NOD Filed with County Clerk

Total Time Frame: Approximately 4.5 months from May 3, 2010

Source: MG Resolutions, Inc., for consideration and acceptance based on conference call of May 3, 2010

EXHIBIT "B"**SCHEDULE OF PERFORMANCE
MEMORANDUM OF UNDERSTANDING****Owner Participation/Dispositions and Development Agreement(OP/DDA)**

<u>Task No.</u>	<u>Start</u>	<u>End</u>	<u>Elapsed</u>	<u>Description</u>
1.	5/20/10	5/20/10	1 day	CC & RDA consider MOU
2.	5/21/10	5/21/10	1 day	Agency and Developer exchange appraisals relative to Gun Club Site
3.	5/22/10	6/4/10	14 days	Agency and Developer arrive at value of Gun Club Site per MOU procedures
4.	5/18/10	6/7/10	20 days	Developer and Agency finalize ANE
5.	6/15/10	6/15/10	1 day	Agency Board considers ANE
6.	6/16/10	6/25/10	10 days	First draft of OP/DDA is prepared and promulgated
7.	6/26/10	7/8/10	12 days	First set of comments on draft OP/DDA are submitted
8.	7/9/10	7/15/10	7 days	Second draft of OP/DDA is drafted and promulgated
9.	7/15/10	7/15/10	1 day	All-hands meeting to review draft OP/DDA
10.	6/16/10	7/22/10	7 days	Second set of comments on draft OP/DDA are submitted
11.	7/23/10	7/29/10	7 days	Final draft of OP/DDA is drafted and promulgated
12.	7/30/10	8/5/10	7 days	Final set of comments on draft OP/DDA are submitted
13.	7/30/10	8/5/10	7 days	33433 Report prepared
14.	8/18/10	8/20/10	3 days	Public Hearing notice prepared and submitted to newspaper
15.	8/24/10	8/31/10	7 days	Public Hearing notice publication dates (no later)
16.	8/23/10	8/23/10	1 day	OP/DDA and 33433 Report are made available for public review
17.	8/23/10	8/23/10	1 day	Reports and documents are filed with City Clerk/Agency Secretary
18.	9/7/10	9/7/10	1 day	OP/DDA and related documents considered by Agency Board and City Council

Tax Allocation Bonds (TAB)

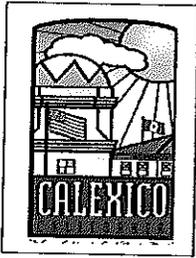
<u>Task No.</u>	<u>Start</u>	<u>End</u>	<u>Elapsed</u>	<u>Description</u>
1.	5/20/10	7/20/10	56 days	First Draft of TAB documents are prepared by finance team
2.	7/12/10	7/12/10	1 day	First draft of TAB documents are distributed for review
3.	7/13/10	7/19/10	7 days	Comments received on first draft of TAB documents
4.	7/20/10	7/26/10	7 days	Second Draft of TAB documents are prepared by finance team
5.	7/27/10	7/27/10	1 day	Second draft of TAB documents are distributed for review
6.	7/28/10	8/2/10	6 days	Comments received on second draft of TAB documents
7.	8/3/10	8/6/10	4 days	Final Draft of TAB documents, Including first draft of POS are prepared by finance team
8.	8/7/10	8/12/10	6 days	Comments received on first draft of POS
9.	8/13/10	8/18/10	6 days	Final Draft of POS prepared by finance team
10.	8/19/10	8/23/10	5 days	Final comments submitted on TAB documents
11.	8/23/10	8/23/10	1 day	Reports and documents are filed with City Clerk/Agency Secretary
12.	9/7/10	9/7/10	1 day	City Council and Agency Board consider TAB documents
13.	9/9/10	9/9/10	1 day	Distribute POS
		9/15/10	2 days	Pre-pricing and pricing of TABs
		9/29/10	2 days	Pre-closing and Closing

I matters related to the OP/DDA, the responsible parties are the (including their attorneys and consultants) and the Developer (attorneys and consultants).

II matters related to the TABs, the responsible parties are the (its finance team).

**AGENDA
ITEM**

11



AGENDA STAFF REPORT

DATE: February 15, 2017

TO: Mayor and City Council

APPROVED BY: Armando G Villa, City Manager *Armando G. Villa*

PREPARED BY: Armando G Villa, City Manager

SUBJECT: Consider Membership in the Calexico Chamber of Commerce for 2017.

=====

Recommendation:

Consideration by Council.

Background:

The Calexico Chamber of Commerce has been providing services to the City of Calexico for events such as the Calexico Christmas Parade, Mariachi Festival, Fourth of July celebration, Mexican Independence Day celebration plus various other events. The Chamber has provided services with funding from the Calexico General Fund and from the former Redevelopment Agency in an effort to bring people to the City.

Discussion & Analysis:

The Calexico Chamber of Commerce is currently requesting the City of Calexico consider a \$5,000 Chairman's Circle Level membership. This membership will provide the City with benefits such as connections to potential new customers, educational services, becoming informed about your place of business and free resources such as community profiles, mentoring services and bi-national partnerships (see attached detailed membership benefits page).

Fiscal Impact:

\$5,000 (General Fund)

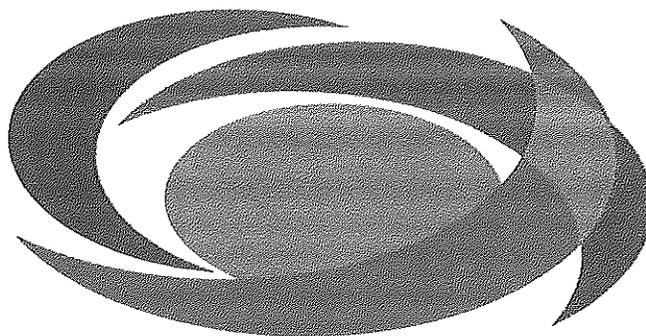
Coordinated With:

None.

Attachment:

1. Chamber of Commerce Membership Request Package.





CALEXICO Chamber Of Commerce

February 8, 2017

Mr. Armando G. Villa
Calexico City Manager

RE: Calexico Chamber of Commerce Membership Request

Dear Mr. Villa:

I hope this letter finds you well and busy with your endeavors to keep the City of Calexico "moving forward". We see that you are doing a great job and we totally support your efforts.

On behalf of the Calexico Chamber of Commerce Board of Directors I am requesting that the City of Calexico join our Chamber under the \$5,000 "Chairman's Circle" Level. The City Council and administration has in the past been a supportive member of the chamber and we hope to get you back on board this year.

I have attached the following:

- 1) What the Calexico Chamber of Commerce does for our business partners.
- 2) A recent list of the new members that have enrolled as of January 2017
- 3) A list of events that bring guests from Imperial County, San Diego, Los Angeles, Arizona and Mexico to the City of Calexico.
- 4) The \$5,000 Chairman's Circle Level itemized list of benefits.
- 5) A Membership Application.

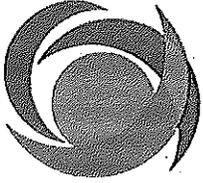
If you should have any questions, please call me or e-mail and I will attempt to respond to whatever inquiry you might have.

Sincerely,

Hildy

Hildy Carrillo
Chief Executive Officer

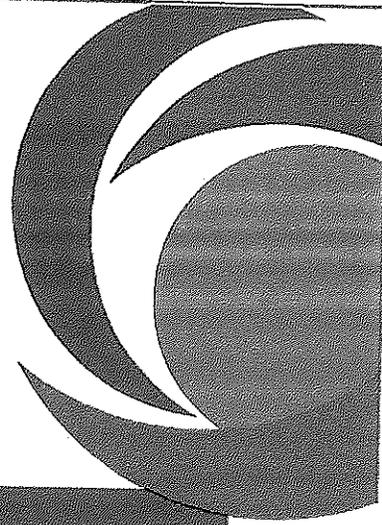
Cc: Board of Directors



CALEXICO
Chamber Of Commerce

Membership Benefits

Phone: 760.357.1166 / 760.562.4435
 Fax 760.357.9043
 www.calexicochamber.net
 calexicochamber@yahoo.com
 1100 Imperial Avenue – P.O. Box 948 Calexico, CA 92231



Become a Member!

CONNECTIONS TO POTENTIAL NEW CUSTOMERS

- Business promotion opportunities
 - Website presence and individual link to your website
 - Facebook Page presence
 - Listing in our annual Chamber Directory and Business Guide that is given out to our customers, and is included in relocation packets and visitor packets
 - Visitor Information Center located at the Chamber that allows you to have business cards and literature
 - Customer referrals to your business from the Chamber
- Networking Opportunities
 - Ribbon cutting ceremonies and receptions for new or re-opening of businesses
 - Groundbreaking ceremonies for new projects
 - Mixers allowing you to network with the business community
 - Bi-Weekly Chamber Meetings allowing you to meet and network with business representatives
 - Community events
 - Luncheon/Receptions held for elected officials from Federal, State & County, City
- Advertisement Opportunities
 - Chamber display in the Visitor Information Center
 - Community events – invitations, flyers, radio, television
 - Chamber events – invitations, flyers, radio, television

EDUCATIONAL SERVICES

- Workshops to help your business such as:
 - Business practices
 - Sales
 - Customer Service
 - International Business
 - Small business resources

BECOME INFORMED ABOUT YOUR PLACE OF BUSINESS

- Business round tables
 - Workforce Investment Board
 - Border Trade Alliance
 - Ad Hoc on Border Issues
- Chamber Meetings
 - Updated reports from: Elected officials including Federal, State, County, and City Representatives
 - Discuss: Business Issues, Local Trends, & Informational Presentations
 - Upcoming community events throughout the Imperial County/Mexicali Region

FREE RESOURCES

- Community profiles
- Mentoring Services
- Bi National partnerships
- Liaison between Chamber Members, consumers, tourist, and International neighbors
- Demographic information, tracking the trends in the Imperial County
- Small Business Development Center (SBDC) access to computer, printer, and programs (Quick Books, Publisher, Excel etc.)

FRIDAY, FEBRUARY 24, 2017

19th Annual Mardi Gras A Beer Tasting Xperience & Business Expo

The event will be held at the Carmen Durazo Cultural Arts Center

There will be food, beverages, business expo tables and seven (7) King & Queen Candidates.

Live Music will be provided by "The Alamo River Band" headed by Jeff Magin (includes members from Holtville and El Centro.)

DJ Service by DEPO PRODUCTIONS-Calexico

The seven King & Queen Candidates are:

- 1) Jason & Alma Wells representing the San Ysidro Chamber of Commerce (Bringing in the San Diego crowd)
- 2) Belinda & Scott Mills from the Imperial Valley Press (guaranteed good press)
- 3) Lewis & Anna Lisa Pacheco (representing City and School District)
- 4) Angel Esparza & Melissa Ruiz representing MI CALEXICO...(social media covered & Millennial attendance)
- 5) Maritza Hurtado & Joseph Guilin representing Barron's Enterprises (downtown business and first Mother & Son team)
- 6) Andres & Claire Luken representing Daniel Romero Custom House Brokers (another Calexico Business)
- 7) Valentina Estes & David Canez representing Benchmark Mortgage (El Centro, Brawley & Imperial)

People from all over Imperial County as well as San Diego and Mexicali will be attending this annual Calexico event.

Saturday, March 25, 2017

***The Calexico Chamber of Commerce will host a
WOMEN'S LEADERSHIP SOIREE***

CDCultural Art Center. Event begins at 1:00 p.m. and will feature Women Leaders-Speakers from Imperial County, San Diego, Los Angeles and Mexicali. It will be followed by a Wine*Women & Art Mixer from 5:00 to 7:00 p.m.

Some of the speakers include:

Belinda Mills-Imperial Valley Press

Angie Marie Pena-Warriors Positive Power Talk & Exercise

Diana Moreno-Inman-Accion Business and SDSU Higher Education

Bel Castillo-Latin Heat Television & Magazine Los Angeles

Rosalind Guerrero-City of Calexico/Community

**The list continues but can't announce until confirmed.

May 15 to May 20, 2017

Calexico's Signature Event

UETA Presents the 26th Annual Mariachi Festival Sin Fronteras "VIVA CALEXICO"

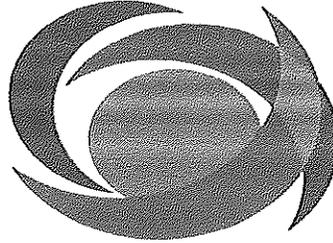
Week-long festivities celebrating our Mexican Culture.

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**CALEXICO
Chamber Of Commerce**

*Chairman's Circle \$5,000
Special Yearly Assessment for 2017-2018*

CHAIRMAN'S CIRCLE DUES will include the following:

- 1) **MEMBERSHIP DUES** per year
- 2) Sponsorship Level high visibility on Calexico Chamber of Commerce Facebook Page, Flyers, Invitations and Events. **Electronic Newsletter** , **NEW Web Page** and **Calexico Chamber Business Directory** (April 2017)
- 3) Display and Promotional opportunities at most or all Calexico Chamber of Commerce Business meetings, Mixers, Conferences and Events.
- 4) **Sponsorship Level MARDI GRAS (February 24, 2017)**
Your company will receive 10 tickets to the 2017 Mardi Gras " BUSINESS EXPO" & Beer Tasting Xperience. Also includes Larger Logo for Power Point Presentation. A rectangular table will be provided to be used for Display and Promotion. Your company logo will be included on all promotional material.
- 5) **Sponsorship Level Women's Leadership Conference. In recognition of Women's History Month (March 25, 2017)**
The event will be held at the Carmen Durazo Cultural Arts Center from 12 Noon to 4 p.m. followed by a wine & cheese Business Mixer. You will receive recognition during event and logo in printed program. Level includes 10 event tickets and reserved table. Table for Display and Promotion will be provided.
- 6) **Sponsor Level 26th Annual Mariachi Festival (May 15 – May 20, 2017)**
10 VIP tickets and invitations will be given to you for SPONSOR RECEPTION -TEQUILA TASTING and CONCERT. Sponsorship includes recognition during event and Logo placement on advertising materials and program. Display and Promotional space available.

7) Sponsor Level Calexico Chamber of Commerce Annual Membership Dinner & Lava Lamp Awards (June 29, 2017)
Company logo on event invitations and printed program as Chairman's Circle Member. Recognition plaque presented during event. Ongoing power point logo display. Reserved Seating for ten (10) guests. Table available for Display and Promotion of your business.

8) Sponsor Level Business Promotions Newspaper Print Ads (Approximately not Less than twelve (12) Ads and invitations to Mixers and Events)

***10) A position as a Director on the Calexico Chamber of Commerce Board of Directors.**

This is a non-elected position to serve year of membership at Chairman's Circle Level on the Board of Directors of the Calexico Chamber of Commerce.

HILDY CARRILLO

Chief Executive Officer

Calexico Chamber of Commerce

1100 Imperial Avenue

Calexico, CA 92231

chamberexecutive@hotmail.com

760-357-1166 * 760-562-4435

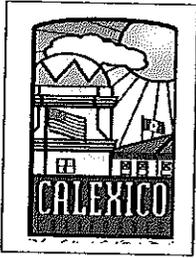
New members of the **Chamber of Commerce of Calexico 2017:**

- **CAPP Business Services**, Address: 337 Paulin Ave. Suite 3, Calexico, CA. 92231, website: <http://www.cappbusiness.com/>, Phone: (760) 768 0909, Fax: (760) 768 0920, email: info@cappbusiness.com
- **Antojitos Estilo Mexicali**, Adress: 741 Cesar Chavez Blvd, Calexico, CA. 92231, Facebook: <https://www.facebook.com/Antojitos-Estilo-Mexicali-1868239053402311/>, Telephone: (760) 618-9180, email: zarina.ruiz@gmail.com
- **Pollos Mis Pollos**, Address: 1074 E. Cole Road, Suite 10, Calexico, CA. 92231, Facebook: https://www.facebook.com/pg/pollosmispollos/about/?ref=page_internal, Phone: (760) 768-9088
- **Rios Auto Sales**, Address: 316 W Birch St., Calexico, CA. 92231, website: <http://www.riosauto.net/>, Phone: (760) 357-6210, Facebook: <https://www.facebook.com/RiosAuto/>
- **Neighborhood Meat Market**, Address: 751 Cesar Chavez Blvd., Calexico, CA. 92231, Phone: (760) 357-0890, Facebook: <https://www.facebook.com/neighborhoodmeatmarket/>
- **Studio Fit**, Address: 1074 E Cole Blvd. Suite 8, Calexico, CA. 92231, phone: (760) 595-1306, email: ivanolea44@hotmail.com, website: <http://i23583.wixsite.com/micalexico/studio-fit>, Facebook: <https://www.facebook.com/Studio-Fit-1397618510485976/?f=602585149796302>,
- **Professional Packaging Advertising Specialties**, Address: 103 N 21st Street, El Centro, CA. 92243, phone: (760) 353-6329, Website: <http://www.ppasadspecialties.com/mugstumpers.htm>
- **Rosie Fernandez**, Associate Member, email: fernandez_rosie@yahoo.com
- **360 Business Products**, Address: 569 W. Main Street, El Centro, CA. 92243, phone: (760) 352-3383, email: mibarra@360-bp.com, website: www.36-bp.com
- **Ben Horton**, phone: (760) 42-7198, email: benhorton@live.com
- **Coppel Corporation**, Address: 503 Scaroni Road, Calexico, CA. 9231, email: a.gomez25@gmail.com
- **Victoria Homes**, Address: 179 Sylvia Ct. Imperial, CA. 92251, phone: (619) 993-6391, email: michelle@victoriahomesimperial.com

- **Imperial Valley Wellness Center**, Address: 801 E. Birch Street, Suite 2, Calexico, CA. 92231, phone: (760) 357-0337, email: ivw.center@gmail.com
- **Hector A. Villarreal DDS**, Address: 2300 N. Imperial Avenue, Ste. E, Calexico, CA. 92231, phone: (760) 357-1632, email: hectordds2300@hotmail.com
- **Peñasco del Sol Hotel and Conference Center**, email: ventaspsds@hotelrockypoint.com, webpage: www.penascodeelsolhotel.com
- **Imperial Valley Mall** (this week)
- **Salad 2 Go** (next week)
- **Hope Coffee** (this month)
- **Americas SBDC California** (this month)

**AGENDA
ITEM**

12



AGENDA STAFF REPORT

DATE: February 15, 2017

TO: Mayor and City Council

APPROVED BY: Armando G Villa, City Manager *Alipho*

PREPARED BY: Armando G Villa, City Manager

SUBJECT: Consider an Ad-Hoc Committee to Review the New River Improvement Projects

=====

Recommendation:

Consideration by Council to form an Ad-Hoc Committee to Review New River Improvement Projects.

Background:

At the meeting of February 1, 2017, Council brought up the possibility of forming an Ad-Hoc Committee to review New River Projects.

Discussion & Analysis:

Council is requested to make appointments of two Council Members to serve on an Ad-Hoc Committee to work with City staff in the review of the various New River Improvement Projects. This committee would report to the Council with updates on the New River Improvement Projects.

Fiscal Impact:

None.

Coordinated With:

None.

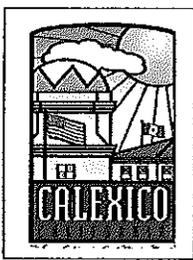
Attachment:

None.

<p>AGENDA ITEM <i>12</i></p>

**AGENDA
ITEM**

13



AGENDA STAFF REPORT

DATE: February 15, 2017

TO: Mayor and City Council

APPROVED BY: Armando G Villa, City Manager *Armando G Villa*

PREPARED BY: Ralph B. Morales, Building/Planning/Code Enforcement Manager

SUBJECT: Approval of Reimbursement Agreement with Trinity Realty Property, LLC and Consulting Services Proposal with Duane Morita Planning and Environmental Proposal

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Recommendation:

City Council approve a one action item with two agreements

1. Reimbursement Agreement with Trinity Realty Property LLC
2. Consulting Services with Duane Morita Planning & Environmental

Background:

On January 25, 2017 the City Council approved the first reading of an Ordinance to amend Chapter 5.96 allowing Regulatory Permits for cannabis cultivation, manufacturing, distribution, testing, and transportation facilities.

Discussion & Analysis:

If the above ordinance is approved, the preparation of the Cannabis Ordinance relating to operations and locations of future cannabis businesses and the associated CEQA documentation will be required. With the execution of the Reimbursement Agreement, the applicant agrees to reimburse the city 100% of the actual cost and expenditures incurred by staff and the city's planning and environmental consultant.

The city will also be required to execute a Professional Service Agreement with Duane Morita, Planning and Environmental to prepare and analyze the establishment of a zoning and overlay district, required CEQA documentation as well as a cannabis ordinance outlining the parameters, requirements, locations and operations of businesses.

AGENDA
ITEM
13

Fiscal Impact:

No direct impact to the city's General Fund. The applicant Trinity Realty Property LLC will reimburse the city for all costs associated with the creation of documents including the Consulting agreement of \$38,000.

Coordinated With:

City Attorney's Office
City Manager's Office

Attachment:

- 1) Reimbursement Agreement between City of Calexico and Trinity Realty Property LLC
- 2) Professional Service Agreement and Proposal Duane Morita Planning & Environmental

REIMBURSEMENT AGREEMENT

Between

CITY OF CALEXICO
a California municipal corporation

and

[TRINITY REALTY PROPERTY LLC]

REIMBURSEMENT AGREEMENT

This Reimbursement Agreement ("Agreement") is made this 9th day of February, 2017, by and between the City of Calexico, a California municipal corporation (the "City"), and Trinity Realty Property LLC (the "Applicant").

RECITALS

This Agreement is made with respect to the following facts.

A. The Applicant is the owner of that certain real property ("Property") located within the City of Calexico, County of Imperial, California. The Property is more particularly described in the legal description attached hereto as Exhibit "A".

B. The Applicant is contemplating the development of the Property as indoor cultivation and manufacturing of cannabis and subsequent testing, distribution and transportation. The Applicant has submitted applications for various discretionary land use approvals for the development of the Property including, without limitation, indoor cultivation and manufacturing of cannabis and subsequent testing, distribution and transportation and environmental documents pursuant to the California Environmental Quality Act ("CEQA"). All of the above shall be referred to collectively as the "Project."

C. To provide the City with the planning, environmental and legal services, and other expertise and information necessary to the City's review process concerning the development of the Property, it is necessary for the City to access the services of Duane Morita Planning & Environmental for the Project ("Consultants").

D. As a condition to the City's completion of the review process, the Applicant has agreed to reimburse the City for the Consultants' costs and expenses related to the City's review process in the manner and amounts set forth in this Agreement. The Applicant's reimbursement of City under this Agreement will ensure that the City has the necessary resources to diligently and efficiently process the Applicant's Project.

AGREEMENT

NOW, THEREFORE, in consideration of the following mutual promises and agreements, City and Applicant agree as follows:

1. Incorporation of Recitals. The parties agree that the Recitals constitute the factual basis upon which the City and the Applicant have entered into this Agreement. The City and the Applicant each acknowledge the accuracy of the Recitals and agree that the Recitals are incorporated into this Agreement as though fully set forth at length.

2. City to Retain Consultants. As a necessary and indispensable part of its fact finding process relating to the review and processing of the Applicant's proposed uses of the Property and Project, the City shall retain the services of Consultants as set forth in Section 4 of this Agreement to provide advice as the City may deem necessary in its reasonable and sole discretion. The scope of work of each Consultant for the Project is attached hereto as Exhibit "B". The City reserves the right, in its reasonable and sole discretion, to amend the scope of work as it deems necessary and appropriate where such amendments are reasonably necessary and related to the City's proper review and consideration of the Applicant's Project.

The Applicant agrees that, notwithstanding the Applicant's reimbursement obligations under this Agreement, Consultants shall be the contractors exclusively of the City and not of the Applicant. Except for those disclosures required by law including, without limitation, the California Public Records Act, all conversations, notes, memoranda, correspondence and other forms of communication by and between the City and its Consultants shall be, to the extent permissible by law, privileged and confidential and not subject to disclosure to the Applicant. The Applicant agrees that it shall have no claim to, nor shall it assert any right in any reports, correspondence, plans, maps, drawings, news releases or any and all other documents or work product produced by the Consultants.

3. Applicant to Cooperate with Consultants. The Applicant agrees to cooperate in good faith with the Consultants. The Applicant agrees that it will instruct its agents, employees, consultants, contractors and attorneys to reasonably cooperate with the Consultants and to provide all necessary documents or information reasonably requested of them by the City and/or the Consultants; provided, however, that the foregoing shall not require the disclosure of any documents or information of the Applicant which by law is privileged, proprietary, confidential, and exempt from disclosure under the Public Records Act.

4. City's Selection of Consultants. The City has retained the following as Consultants pursuant to this Agreement:

(i) **Land Use & Environmental Consultant – Duane Morita Planning & Environmental**

(ii) Legal Counsel – Best Best & Krieger LLP

(iii) [LIST ALL CONSULTANTS – EXAMPLES:

Traffic Engineering Review - _____

City Surveyor/Plan Checker - _____]

5. Applicant's Reimbursement of Costs and Expenditures. The Applicant shall reimburse the City for one hundred percent (100%) only of the actual costs and expenditures incurred by the City relative to the Consultant costs ("Costs".) The City has preliminarily reviewed the scope of work required and has estimated the Costs to be approximately Thirty-Eight Thousand Dollars (\$38,000.00) ("Estimated Costs"). Within ten (10) calendar days of the execution of this Agreement, the Applicant shall submit a deposit in the amount of \$38,000.00 Dollars to cover the Estimated Costs.

Prior to the Effective Date of this Agreement, the Applicant reimbursed the City for portions of certain costs associated with certain Consultant work which the City incurred prior to the Effective Date of this Agreement, which costs and work are more particularly described in Exhibit "C" ("Prior Reimbursement Payments"). The Applicant shall receive a credit against the Consultant Costs in an amount equal to the Prior Reimbursement Payments made to the City.]

City shall not exceed the Estimated Consultants Costs without Applicant's prior written approval. The City may incur aggregate Costs up to the Estimated Costs, subject to the reasonable approval of the Applicant. The City shall use reasonable good faith efforts to consult with the Applicant prior to amending the scope of services to be provided by the Consultants and incurring Costs that exceed the Estimated Costs ("Excess Costs"). The Applicant's obligation to reimburse the City for Excess Costs which exceed the Estimated Costs shall be contingent upon, the City's providing the Applicant with written notice of the amendment of the scope of work to be performed by Consultants and the estimated Excess Costs prior to the commencement of work. The City shall not incur Excess Costs without the prior written approval of the Applicant.

For purposes of this Section , the City shall be deemed to have consulted with the Applicant when the City has provided written notice to the Applicant that the City

reasonably anticipates that it will incur, or has incurred, Excess Costs. If, after consultation, the Applicant disagrees with the City's incurring of Excess Costs, then the Applicant's sole and exclusive remedy will be to terminate this Agreement pursuant to Section 9 of this Agreement, subject to the Applicant's obligation to reimburse the City for all Costs incurred by the City prior to the date of termination, whether or not yet paid by the City to the Consultants.

6. Evidence of Payment of Consultant Costs Immediately following the City's disbursement of funds to Consultant pursuant to an approved Professional Services Agreement or similar retainer agreement with the Consultant(s), the City shall provide the Applicant with such reasonable documentation as the Applicant may request to substantiate any demands for payment by Consultant(s).

7. Applicant understands and agrees that City reserves complete discretion and authority regarding the (a) outcome of the Project, (b) contents, scope, analysis and conclusions of the Consultant(s) and Consultant documents, including plans, staff reports, ordinances, resolutions, maps, conditions, mitigation measures, and environmental review documents and findings, (c) and City determinations and decisions on the Project. Nothing in this Agreement shall in any way commit or obligate City to approve any particular development project application.

8. Term. The term of this Agreement shall commence on the date that this Agreement is approved by the City Council and fully executed by the parties and shall terminate when all work required been completed to the City's reasonable satisfaction and the Applicant has satisfied all of its obligations under this Agreement including, without limitation, the obligation to reimburse the City for Estimated Costs and Excess Costs, whether or not paid by the City to Consultant(s) prior to the date of termination. The Applicant's obligation to reimburse the City as provided in this Agreement shall survive the termination of this Agreement pursuant to Section 9.

9. Early Termination. The City may terminate this Agreement prior to the term set forth in Section 8 above, without cost or liability to the City, upon thirty (30) days prior written notice to the Applicant. The Applicant may in its reasonable and sole discretion terminate this Agreement prior to the end of the term set forth in Section 8 above upon thirty (30) days' prior written notice to the City; provided, however, that the Applicant has satisfied all of its obligations under this Agreement to the date of termination regarding reimbursement to the City of both Estimated Costs and Excess Costs and, furthermore, that the Applicant has given City written notice withdrawing its application(s) for the Project.

Within two (2) City working days following either the City's decision to terminate this Agreement or the City's receipt of written notice indicating the Applicant's decision to terminate this Agreement, the City shall notify the Consultant(s) and instruct them to cease work. Consultant(s) shall be instructed to bill the City for any work completed prior to the date of termination.

10. Assignability. This Agreement may not be assigned by either party without the prior and express written consent of the other party, which consent shall not be unreasonably withheld. In determining whether to approve a request by the Applicant to assign this Agreement, the City may consider, among other things, the proposed assignee's financial status and commitment to the Project. Any attempted assignment of this Agreement not in compliance with the terms of this Agreement shall be null and void and shall confer no rights or benefits upon the assignee.

11. No Oral Modifications. This Agreement represents the entire understanding of the City and the Applicant and supersedes all other prior or contemporaneous written or oral agreements pertaining to the subject matter of this Agreement. This Agreement may be modified, only by a writing signed by both the authorized representatives of both the City and the Applicant. All modifications to this Agreement must be approved by the City Council of the City of Calexico.

12. Binding Upon Successors. This Agreement and each of its terms shall be binding upon the City, the Applicant and their respective officers, elected officials, employees, agents, contractors, and permitted successors and assigns.

13. Legal Challenges. Nothing herein shall be construed to require City to defend any third party claims and suits challenging any action taken by the City with regard to any procedural or substantive aspect of the City's approval of development of the Property, the environmental process, or the proposed uses of the Property. The Applicant may, however, in its sole and absolute discretion appear as real party in interest in any such third party action or proceeding, and in such event, it and the City shall defend such action or proceeding and the Applicant shall be responsible and reimburse the City for whatever legal fees and costs, in their entirety, including actual attorneys' fees, which may be incurred by the City in defense of such action or proceeding. This City shall have the absolute right to retain such legal counsel as the City deems necessary and appropriate and the Applicant shall reimburse the City for any and all attorneys' fees and costs incurred by the City as a result of such third party action or proceeding; provided, however, Applicant may, at any time, notify City in writing of its decision to terminate such reimbursement

obligation and, thereafter, in the event that the City decides to continue the defense of such third party action or proceeding, Applicant shall have no further obligation to reimburse City for its attorney fees and costs.

14. Attorneys' Fees. In the event that any action or proceeding, including arbitration, is commenced by either the City or the Applicant against the other to establish the validity of this Agreement or to enforce any one or more of its terms, the prevailing party in any such action or proceeding shall be entitled to recover from the other, in addition to all other legal and equitable remedies available to it, its actual attorneys' fees and costs of litigation, including, without limitation, filing fees, service fees, deposition costs, arbitration costs and expert witness fees, including actual costs and attorneys' fees on appeal.

15. Jurisdiction and Venue. This Agreement is executed and is to be performed in the City of Calexico, Imperial County, California, and any action or proceeding brought relative to this Agreement shall be heard in the appropriate court in the County of Imperial, California. The City and the Applicant each consent to the personal jurisdiction of the court in any such action or proceeding.

16. Severability. If any term or provision of this Agreement is found to be invalid or unenforceable, the City and the Applicant both agree that they would have executed this Agreement notwithstanding the invalidity of such term or provision. The invalid term or provision may be severed from the Agreement and the remainder of the Agreement may be enforced in its entirety.

17. Headings. The headings of each Section of this Agreement are for the purposes of convenience only and shall not be construed to either expand or limit the express terms and language of each Section.

18. Representations of Authority. Each party signing this Agreement on behalf of a party which is not a natural person hereby represents and warrants to the other party that all necessary legal prerequisites to that party's execution of this Agreement have been satisfied and that he or she has been authorized to sign this Agreement and bind the party on whose behalf he or she signs.

19. Notices. Notices required under this Agreement shall be sent to the following:

If to the City: City of Calexico
608 Heber Avenue
Calexico, California 92231
ATTN: _____

If to the Applicant:

Notices given pursuant to this Agreement shall be deemed received as follows:

- (1) If sent by United States Mail - five (5) calendar days after deposit into the United States Mail, first class postage prepaid.
- (2) If by facsimile - upon transmission and actual receipt by the receiving party.
- (3) If by express courier service or hand delivery - on the date of receipt by the receiving party.

The addresses for notices set forth in this Section 19 may be changed upon written notice of such change to either the City or the Applicant, as appropriate.

[SIGNATURES ON FOLLOWING PAGE]

Dated: _____

CITY OF CALEXICO
a California municipal corporation

By: _____
Armando Real, Mayor

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM:

Best Best & Krieger, Interim City Attorney

Dated: _____

APPLICANT

By:

Exhibit "A"

Legal Description of the Property

Exhibit "B"

Scope of Services

Land Use and Environmental Services Consultant - Tel: (714) 921-2228

- [ADD DESCRIPTION OF SERVICES]
- Hourly rate..... \$150.00

Legal Counsel - Best Best & Krieger LLP – Legal Counsel - Tel: (760) 568-2611

- Best Best & Krieger LLP ("BBK") proposes to provide legal review services to the City of Calexico to assist the City in reviewing and processing the application by Applicant to develop an indoor cultivation and manufacturing of cannabis and subsequent testing, distribution and transportation on 2.70 acres of land located in the City of Calexico.
- Review Development Agreement and CEQA documents for legal sufficiency
- Review draft staff reports and final approval action items
- All legal review services shall be billed at BBK's current standard private client rates, minus ten percent (10%).
- The attorneys anticipated to provide legal review services are as follows:

Jill Tremblay	\$350/hour less 10 percent (10%)
Carlos Campos	\$425/hour less 10 percent (10%)
Charity Schiller	\$450/hour less 10 percent (10%)
Robert Hargreaves	\$525/hour less 10 percent (10%)

Other attorneys may also be used, provided their billing rates are less than those identified.

[Exhibit "C"

Prior Reimbursement Payments [If Any]]

**CITY OF CALEXICO
PROFESSIONAL SERVICES AGREEMENT**

1. PARTIES AND DATE.

This Agreement is made and entered into this 15th day of February 2017 by and between the City of Calexico, a municipal corporation organized under the laws of the State of California with its principal place of business at 608 Heber Avenue, Calexico, California 92231 ("City") and **Duane Morita, Planning & Environmental**, a (Corporation, Partnership, etc), with its principal place of business at 6643 E. Smoke Avenue, Orange, CA 92867 ("Consultant"). City and Consultant are sometimes individually referred to as "Party" and collectively as "Parties."

2. RECITALS.

2.1 Consultant.

Consultant desires to perform and assume responsibility for the provision of certain professional services required by the City on the terms and conditions set forth in this Agreement. Consultant represents that it is experienced in providing Planning and Environmental services to public clients, is licensed in the State of California, and is familiar with the plans of City.

2.2 Project.

City desires to engage Consultant to render such services for \$37,950.00 ("Project") as set forth in this Agreement

3. TERMS.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the professional Indirect Cost Allocation Study consulting services necessary for the Project ("Services"). The Services are more particularly described in Exhibit "A" attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules, and regulations.

3.1.2 Term. The term of this Agreement shall become effective as provided herein and shall remain in effect until terminated as provided herein. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules

and deadlines. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Services.

3.2 Responsibilities of Consultant.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. City retains Consultant on an independent contractor basis and not as an employee. Consultant retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall also not be employees of City and shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.2.2 Schedule of Services. Consultant shall perform the Services expeditiously, within the term of this Agreement, and in accordance with the Schedule of Services set forth in Exhibit "B" attached hereto and incorporated herein by reference. Consultant represents that it has the professional and technical personnel required to perform the Services in conformance with such conditions. In order to facilitate Consultant's conformance with the Schedule, City shall respond to Consultant's submittals in a timely manner. Upon request of City, Consultant shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

3.2.3 Conformance to Applicable Requirements. All work prepared by Consultant shall be subject to the approval of City.

3.2.4 Substitution of Key Personnel. Consultant has represented to City that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of City. In the event that City and Consultant cannot agree as to the substitution of key personnel, City shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to the City, or who are determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly removed from the Project by the Consultant at the request of the City. The key personnel for performance of this Agreement are as follows: Duane Morita.

3.2.5 City's Representative. The City hereby designates the City Manager, or his or her designee, to act as its representative for the performance of this Agreement ("City's Representative"). City's Representative shall have the power to act on behalf of the City for all purposes under this Contract. Consultant shall not accept direction or orders from any person other than the City's Representative or his or her designee.

3.2.6 Consultant's Representative. Consultant hereby designates Duane Morita, or his or her designee, to act as its representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences, and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

3.2.7 Coordination of Services. Consultant agrees to work closely with City staff in the performance of Services and shall be available to City's staff, consultants and other staff at all reasonable times.

3.2.8 Standard of Care; Performance of Employees. Consultant shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants that all employees and subconsultants shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant represents that it, its employees and subconsultants have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, including a City Business License, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Consultant shall perform, at its own cost and expense and without reimbursement from the City, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein. Any employee of the Consultant or its sub-consultants who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to the City, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

3.2.8.1 Period of Performance. Consultant shall perform and complete all Services under this Agreement within the term set forth in Section 3.1.2 above ("Performance Time"). Consultant shall also perform the Services in strict accordance with any completion schedule or Project milestones described in Exhibits "A" or "B" attached hereto, or which may be separately agreed upon in writing by the City and Consultant ("Performance Milestones"). Consultant agrees that if the Services are not completed within the aforementioned Performance Time and/or pursuant to any such Project Milestones developed pursuant to provisions of this Agreement, it is understood, acknowledged and agreed that the City will suffer damage.

3.2.9 Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with Services. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the City, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold City, its officials, directors, officers, employees, and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.2.10 Insurance.

3.2.10.1 Time for Compliance. Consultant shall not commence Work under this Agreement until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. In addition, Consultant shall not allow any subconsultant to commence work on any subcontract until it has provided evidence satisfactory to the City that the subconsultant has secured all insurance required under this section.

3.2.10.2 Minimum Requirements. Consultant shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Consultant, its agents, representatives, employees or subconsultants. Consultant shall also require all of its subconsultants to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(A) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto); and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

(B) Minimum Limits of Insurance. Consultant shall maintain limits no less than: (1) *General Liability*: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used including, but not limited to, form CG 2503, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability*: \$1,000,000 per accident for bodily injury and property damage; and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of \$1,000,000 per accident for bodily injury or disease.

3.2.10.3 Professional Liability. Consultant shall procure and maintain, and require its sub-consultants to procure and maintain, for a period of five (5) years

following completion of the Project, errors and omissions liability insurance appropriate to their profession. Such insurance shall be in an amount not less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate and shall be endorsed to include contractual liability.

(A) Claims Made Policies. If any of the required policies provide coverage on a claims-made basis:

1. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.

2. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.

3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Consultant must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.

3.2.10.4 Insurance Endorsements. The insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms supplied or approved by the City to add the following provisions to the insurance policies:

(A) General Liability. The general liability policy shall be endorsed to state that: (1) the City, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insured with respect to the Work or operations performed by or on behalf of the Consultant, including materials, parts or equipment furnished in connection with such work; and (2) the insurance coverage shall be primary insurance as respects the City, its directors, officials, officers, employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its directors, officials, officers, employees, agents, and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way.

(B) Additional Insured Status. The Entity, its officers, officials, employees, and volunteers are to be covered as additional insureds on the Commercial General Liability policy with respect to liability arising out of work or operations performed by or on behalf of the Consultant including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Consultant's insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 20 37 forms if later revisions used).

(D) All Coverages. Each insurance policy required by this Agreement shall be endorsed to state that: (A) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City; and (B) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the City, its directors, officials, officers, employees, agents, and volunteers.

Notice of cancellation or non-payment to be provided to the insured and not the city without a special endorsement issued by the carrier.

3.2.10.5 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the City, its directors, officials, officers, employees, agents, and volunteers.

3.2.10.6 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the Entity. The Entity may require the Consultant to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

3.2.10.7 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A:VIII, licensed to do business in California, and satisfactory to the City.

3.2.10.8 Verification of Coverage. Consultant shall furnish City with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the City if requested. All certificates and endorsements must be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

3.2.10.9 Reporting of Claims. Consultant shall report to the City, in addition to Consultant's insurer, any and all insurance claims submitted by Consultant in connection with the Services under this Agreement.

3.2.10.10 If the Consultant maintains higher limits than the minimums shown above, the Entity requires and shall be entitled to coverage for the higher limits maintained by the contractor. Any available insurance proceeds in excess of specified minimum limits of insurance and coverage shall be available to the Entity.

3.2.11 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subconsultants, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3.3 Fees and Payments.

3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed 37,950.00 without written approval of City's City Manager. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation. Consultant shall submit to City a monthly itemized statement which indicates work completed and hours of Services rendered by Consultant. The statement shall describe the amount of Services and supplies provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. City shall, within 45 days of receiving such statement, review the statement and pay all approved charges thereon.

3.3.3 Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized in writing by City.

3.3.4 Extra Work. At any time during the term of this Agreement, City may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Project, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from City's Representative.

3.3.5 Prevailing Wages. Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 1600, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. City shall provide Consultant with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Consultant's principal place of business and at the project site. Consultant shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

3.4 Accounting Records.

3.4.1 Maintenance and Inspection. Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any

other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

3.5 General Provisions.

3.5.1 Termination of Agreement.

3.5.1.1 Grounds for Termination. City may, by written notice to Consultant, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those services which have been adequately rendered to City, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause.

3.5.1.2 Effect of Termination. If this Agreement is terminated as provided herein, City may require Consultant to provide all finished or unfinished Documents and Data and other information of any kind prepared by Consultant in connection with the performance of Services under this Agreement. Consultant shall be required to provide such document and other information within fifteen (15) days of the request.

3.5.1.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.5.2 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Consultant:

City:

City of Calexico
608 Heber Avenue
Calexico, CA 92231
Attn: City Manager

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.5.3 Ownership of Materials and Confidentiality.

3.5.3.1 Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or

sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data"). Consultant shall require all subconsultants to agree in writing that City is granted a non-exclusive and perpetual license for any Documents & Data the subconsultant prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or provided to Consultant by the City. City shall not be limited in any way in its use of the Documents and Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.

3.5.3.2 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of City, be used by Consultant for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of City.

3.5.4 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

3.5.5 Attorney's Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and all other costs of such action.

3.5.6 Indemnification. Consultant shall defend, indemnify and hold the City, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to any alleged acts, omissions or willful misconduct of Consultant, its officials, officers, employees, agents, consultants, and contractors arising out of or in connection with the performance of the Services, the Project or this Agreement, including without limitation the payment of all consequential damages and attorneys fees and other related costs and expenses. Consultant shall defend, at Consultant's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against City, its directors, officials, officers, employees, agents, or volunteers. Consultant shall pay and satisfy any

judgment, award or decree that may be rendered against City or its directors, officials, officers, employees, agents, or volunteers, in any such suit, action or other legal proceeding. Consultant shall reimburse City and its directors, officials, officers, employees, agents, and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the City, its directors, officials officers, employees, agents, or volunteers.

3.5.7 Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a writing signed by both parties.

3.5.8 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Imperial County.

3.5.9 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.5.10 City's Right to Employ Other Consultants. City reserves right to employ other consultants in connection with this Project.

3.5.11 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties.

3.5.12 Assignment or Transfer. Consultant shall not assign, hypothecate or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.5.13 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all personnel, employees, agents, and subconsultants of Consultant, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content or intent of this Agreement.

3.5.14 Amendment; Modification. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

3.5.15 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit,

privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel or otherwise.

3.5.16 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.5.17 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.5.18 Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Consultant further agrees to file, or shall cause its employees or subconsultants to file, a Statement of Economic Interest with the City's Filing Officer as required under state law in the performance of the Services. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

3.5.19 Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of City's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

3.5.20 Labor Certification. By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

3.5.21 Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

3.5.22 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.6 Subcontracting.

3.6.1 Prior Approval Required. Consultant shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

CITY OF CALEXICO

By: _____
Armando G. Villa
City Manager

By: _____
Duane Morita, Consultant

Attest:

City Clerk

Approved as to Form:

City Attorney

EXHIBIT "A"

SCOPE OF SERVICES

EXHIBIT "B"
SCHEDULE OF SERVICES

EXHIBIT "C"
COMPENSATION



DUANE MORITA
P L A N N I N G &
E N V I R O N M E N T A L

February 2, 2017

Mr. Ralph Morales
Building/Planning/Code Enforcement Manager
City of Calexico
608 Heber Avenue
Calexico, CA 92231

SUBJECT: PROPOSAL TO PROVIDE PLANNING AND ENVIRONMENTAL CONSULTING SERVICES TO THE CITY OF CALEXICO TO ASSIST IN PREPARING A CITY ORDINANCE TO ALLOW CANNABIS BUSINESSES AT SPECIFIED LOCATIONS AND CEQA DOCUMENTATION

Environmental Planning
Contract City Staff Services
Entitlement Processing
General & Specific Plan
Policy Planning

6643 East Smokey Avenue
Orange, CA 92867

Tel: (714) 921-2228

Dear Mr. Morales:

I am pleased to submit my Proposal to provide Planning and Environmental Consulting Services to the City of Calexico to assist in preparing a City Ordinance relating to operations and locations of future cannabis businesses and the associated CEQA documentation.

This Proposal is organized to: (1) Reacquaint myself to the City, (2) Provide a Scope of Work that explains how I can assist the City in preparing the Cannabis Ordinance and associated CEQA documentation, and (3) Provide anticipated costs.

1. Introduction of Duane Morita, Planning and Environmental

The City of Calexico is seeking a consultant to assist in preparing a Cannabis Ordinance relating to operations and locations of future cannabis businesses and the associated CEQA documentation. I have extensive knowledge in preparing such documents and working on both planning and environmental projects; and also have past experiences with the City of Calexico. I have over 36 years of experience in City planning, environmental planning, economic development, annexations, policy planning, and development planning. In the mid-2000s, I was contract planning staff with the City of Calexico and worked on the larger Specific Plan projects in the City. Accordingly, I have established relationships with other City staff and departments. I understand the "culture" of the City and know how to work efficiently and effectively through the City's procedures and processes.

2. Scope of Work

The City requires preparation of a Cannabis Ordinance relating to operations and locations of future cannabis businesses and the associated CEQA documentation. I understand that an applicant is proposing a cannabis project/business that would be allowed under the City's Cannabis Ordinance. I will assist the City in preparing the Cannabis Ordinance to allow future cannabis businesses by proposing the following tasks:

Task 1 - Discussions With City Staff: 8 hours

Task 2 - Prepare Draft Ordinance and CEQA Documentation: 105 hours

Task 3 - Revise Ordinance Per City Comments and Prepare CEQA Response to Comments and Mitigation Monitoring Program Documents: 30 hours

Task 4 - Participate In Conference Calls: 24 hours (includes 1 meeting at City Hall)

Task 5 - Prepare Draft Planning Commission and City Council Staff Reports: 70 hours

Task 6 - Prepare Final Planning Commission and City Council Staff Reports: 16 hours

TOTAL HOURS: 253 Hours

I understand that the applicant would be submitting fees/deposits for consultant and staff time. I request that the applicant submit the fees/deposits prior to authorization of my contract. I look forward to working with you and the City of Calexico again in assisting your City in preparing the Cannabis Ordinance and CEQA documentation. Please contact me at (714) 457-5712 or email me at dmorita55@gmail.com if you have any questions or require anything else.

Sincerely,

A handwritten signature in black ink, appearing to read 'DMorita', with a stylized flourish extending to the right.

Duane Morita
Planning and Environmental



DUANE MORITA
P L A N N I N G &
E N V I R O N M E N T A L

February 2, 2017

Mr. Ralph Morales
Building/Planning/Code Enforcement Manager
City of Calexico
608 Heber Avenue
Calexico, CA 92231

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2. Scope of Work

The City requires preparation of a Cannabis Ordinance relating to operations and locations of future cannabis businesses and the associated CEQA documentation. I understand that an applicant is proposing a cannabis project/business that would be allowed under the City's Cannabis Ordinance. I will assist the City in preparing the Cannabis Ordinance to allow future cannabis businesses by proposing the following tasks:

- **Task 1 – Review Draft Ordinance and Preliminary Overlay Map, and Discuss With City Staff:** I understand that a Draft Ordinance and a preliminary Overlay Map of allowable cannabis business locations have been prepared. I will review these documents and will discuss potential issues with City staff. It is anticipated that City approval processes, funding, and allowable business locations will be further vetted and evaluated during this task.

The appropriate CEQA analysis for the proposed Ordinance, including the allowable business locations would also be discussed and scoped. At this writing, it is assumed that a Mitigated Negative Declaration (MND) would be appropriate to environmentally clear and analyze the proposed Cannabis Ordinance.

- **Task 2 – Revise the Draft Ordinance and Prepare CEQA Documentation:** I will revise or recommend revisions to the Draft Ordinance to ensure that the Ordinance addresses the necessary approval processes, funding, locations, etc. that would be beneficial to the City. I will also prepare the MND to environmentally clear and analyze the Cannabis Ordinance. The MND would evaluate environmental impacts at a policy-level rather than at a project-level. The reason is because the proposed Ordinance will allow multiple cannabis businesses within the specified overlay area. However, at this time, it is unknown how many actual businesses and what specific locations within the overlay area will actually be developed and to what intensity. Therefore, there is no actual physical development to be analyzed at this time. I will transmit the original Draft CEQA document to the City. Staff will then distribute to appropriate City staff for review.
- **Task 3 – Revise Ordinance Per City Comments and Prepare CEQA Response to Comments and Mitigation Monitoring Program Documents:** The City will review the Revised Ordinance and CEQA documentation and provide comments. I will then revise the Ordinance and MND in accordance with City comments.

The City will produce the CEQA document and distribute to the public for the 20-day public review period. I will prepare the Response to Comments and Mitigation Monitoring Program documents after close of the public review period. The hours being budgeted for this task are based on a policy-level CEQA document, therefore, significant number of comments are not anticipated. However, if substantial comments are received, the budget may be increased accordingly. Any budget adjustment would require approval by the City.

- **Task 4 – Participate In Conference Calls:** I will participate in all required conference calls. I also propose to attend one meeting at City Hall. I would not be required to attend any other meetings or public hearings at City Hall or the City.
- **Task 5 – Prepare Draft Planning Commission and City Council Staff Reports:** I will prepare the Draft Planning Commission and City Council staff reports, including Resolutions.
- **Task 6 – Prepare Final Planning Commission and City Council Staff Reports:** City staff would review the Draft staff reports and provide comments. I will revise and finalize the staff reports per City comments and direction.

3. **Anticipated Costs**

I propose to bill on a time-and-materials basis against a not-to-exceed budget of \$37,950.00 at a billing rate of \$150.00/hour (Estimated 253 total hours). Please note that this budget is an estimate and therefore, if the hours are not charged, then the costs would be lowered. The budget is also based on completion of the 6 tasks that were described above. The budget will be increased if additional tasks are required by the City or other unforeseen issues arise with these tasks. Any change to the budget would first require approval by the City. It should be noted, to ensure that cost over-runs to the total estimated budget are minimized, hours in a particular task may be used to offset any unforeseen additional hours in another task. The following provides the estimated hours necessary to accomplish each of the 6 tasks:

Task 1 - Discussions With City Staff: 8 hours

Task 2 - Prepare Draft Ordinance and CEQA Documentation: 105 hours

Task 3 - Revise Ordinance Per City Comments and Prepare CEQA Response to Comments and Mitigation Monitoring Program Documents: 30 hours

Task 4 - Participate In Conference Calls: 24 hours (includes 1 meeting at City Hall)

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TOTAL HOURS: 253 Hours

I understand that the applicant would be submitting fees/deposits for consultant and staff time. I request that the applicant submit the fees/deposits prior to authorization of my contract. I look forward to working with you and the City of Calexico again in assisting your City in preparing the Cannabis Ordinance and CEQA documentation. Please contact me at (714) 457-5712 or email me at dmorita55@gmail.com if you have any questions or require anything else.

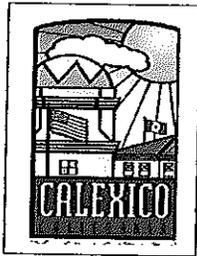
Sincerely,



Duane Morita
Planning and Environmental

**AGENDA
ITEM**

14



AGENDA STAFF REPORT

DATE: February 1, 2017

TO: Mayor and City Council

APPROVED BY: Armando G. Villa, City Manager

PREPARED BY: Gabriela T. Garcia, Deputy City Clerk *[Signature]*

SUBJECT: Appointment by Mayor and Council Members to the following Commissions/Boards/Committees:

- a) Calexico Police Advisory Board
- b) Planning Commission
- c) Parks, Recreation, Beautification, Senior Services Commission
- d) Business Improvement District (BID)
- e) Sales Tax Citizen Advisory Committee (Measure H)
- f) Abatement of Dangerous Buildings Board of Appeals
- g) Personnel Commission

=====

Recommendation:

Staff recommends City Council Members make appointments:

- | | |
|--|----------------------------------|
| a) Calexico Police Advisory Board | Real, Escobar |
| b) Planning Commission | Hodge |
| c) Parks, Recreation, Beautification, and Senior Services Commission | Mayor Pro Tem Hurtado |
| d) Business Improvement District (BID) | Hurtado, Hodge |
| e) Sales Tax Citizen Advisory Committee (Measure H) | Real, Hurtado, Escobar, Hodge |
| f) Abatement of Dangerous Buildings Board of Appeals | 2 appointments by Entire Council |
| g) Personnel Commission | Hurtado |

Background:

In 2005, Council voted to change the way appointments were made to all City boards, commissions, and committees. The new ordinance states that the term of an appointee will run concurrently with the appointing councilmember's term, and the term of the appointee will automatically terminate at the time the election results are certified by the City. (Calexico Municipal Code section 2.19.050).

Pursuant to section 2.19.010, each councilmember will appoint one member to each board, commission or committee. No ratification/approval by the whole Council is required. All commissions, boards and committees are now composed of only five members.



Discussion & Analysis:

Council Members have made various appointments from the December 21, 2016 meeting to February 1, 2017. The following commissions are pending appointments:

- | | |
|---|-------------------------------|
| a) Calexico Police Advisory Board | Real, Escobar |
| b) Planning Commission | Hodge |
| c) Parks, Recreation, Beautification,
and Senior Services Commission | Mayor Pro Tem Hurtado |
| d) Business Improvement District (BID) | Hurtado, Hodge |
| e) Sales Tax Citizen Advisory Committee
(Measure H) | Real, Hurtado, Escobar, Hodge |
| f) Abatement of Dangerous Buildings
Board of Appeals | 3 appointments by Council |
| g) Personnel Commission | Hurtado |

The criteria for an appointee to hold office is listed below:

1. Persons being appointed to the Business Improvement District must be 1) Business owner in the District 2) Property Owner in the District and 3) Employee to a business in the District.
2. Pursuant to Ordinance No. 1159, Section 2.19.030 Eligibility Sections A-E:
 - A. To be eligible for, and to hold appointment, each appointee shall neither hold public office, or City employment, nor shall he/she be an officer of any local, state or national partisan official group. All members of commissions, boards and committees of the City shall be residents of the city or shall regularly work within the City.
 - B. Members of the City Council may be appointed by the majority of the City Council to attend commission, board or committee meetings as liaisons to the City Council.
 - C. Appointee shall be subject to the conflict-of-interest sections of the Political Reform Act of 1974.
 - D. An individual may serve on only one (1) committee, board or committee at any time.
 - E. With the exception of the Planning Commission, which shall receive compensation as determined by the City Council, members commissions, boards and committees shall serve without compensation, provided that the City Manager or City Council may authorize the reimbursement of reasonable expenses incurred by the members in the performance of their duties.

The following persons have submitted an application of interest for the commissions pending appointments:

Police Commission

1. Godofredo G. Mendez
2. Isaac Navarro

Planning Commission

1. Guillermo Hermosillo
2. David Ouzan
3. Jose L. Yopez Jr.

Parks, Recreation, Beautification and Senior Services Commission

1. Diana Ramirez Rivera
2. Esther Alicia Marquez

Abatement of Dangerous Buildings Board of Appeals

No applications received.

Personnel Commission:

1. Guillermo Hermosillo

Fiscal Impact:

None.

Coordinated With:

None.

Attachment:

1. Commissioner Applications.

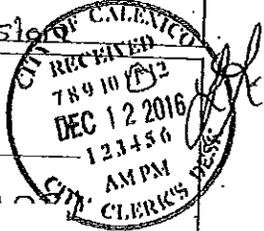


**CITY OF CALEXICO
APPLICATION FOR CITY COMMISSION
And
STATEMENT OF QUALIFICATIONS**

ALL APPLICANTS MUST EITHER RESIDE, BE EMPLOYED, OR REGISTERED TO VOTE IN THE CITY OF CALEXICO. PROOFS REQUIRED WHEN SUBMITTING THIS APPLICATION.

APPLICATION IS FOR THE FOLLOWING COMMISSION:
(A separate application is required for each commission)

Police Commission



PERSONAL INFORMATION:

Name Godofredo G. Mendez

Residence Address _____

Length of time at this Address: Approx 20 yrs E-mail address: _____

Home Phone No _____ Cell/Message Phone No. _____

Are you 18 years of age or older? yes Are you registered to vote in the City of Calexico? yes

Do you currently serve as an elected or appointed official for any board and/or agency within the City of Calexico? No
If yes, name of agency and position: N/A

EDUCATION: Highest level of education completed: High School

Name of Institution where Highest Level of Education was completed: Calexico High School

Location of Institution: Calexico, CA

EMPLOYMENT INFORMATION / EXPERIENCE:

City of Calexico

Name and Address of Employer (s)	Position Title	Dates of Employment
<u>CA Dept of Corrections & Rehab</u>	<u>Correctional Officer</u>	<u>03-03-2003 to current date</u>
<u>CA Youth Authority</u>	<u>Youth Corr. Officer</u>	<u>03-03-2000 to 03-03-2003</u>

IMPORTANT: Read the following carefully and answer completely. A conviction is not an automatic bar to appointment. Each case is considered on its individual merits.

HAVE YOU EVER BEEN CONVICTED OF A FELONY OR MISDEMEANOR OTHER THAN A MINOR TRAFFIC VIOLATION? No
If yes, Please list all offenses, date and place of offenses(s), and the sentence/fine received:

ACKNOWLEDGMENT/CERTIFICATION:

I understand that upon filing, this application becomes a public record. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

[Signature] 12-12-2016
Signature and Date

Do Not Write Below this Line - For City Use Only

Applicant furnished proof of eligibility requirements via:

Proof of residency: Yes No

Proof of employment: Yes No

Voter Registration Verification: Yes No

Appointment By: _____

Term Expires: _____

Date & Clerk Verifying: _____



CITY OF CALEXICO
APPLICATION FOR CITY COMMISSION
 And
STATEMENT OF QUALIFICATIONS

ALL APPLICANTS MUST EITHER RESIDE, BE EMPLOYED, OR REGISTERED TO VOTE IN THE CITY OF CALEXICO. PROOF IS REQUIRED WHEN SUBMITTING THIS APPLICATION.

APPLICATION IS FOR THE FOLLOWING COMMISSION:
 (A separate application is required for each commission)

POLICE COMMISSIONER

PERSONAL INFORMATION:

Name ISAAC NAVARRO

Residence Address _____

Length of time at this Address: 50 yrs E-mail address: _____

Home Phone No. _____ Cell/Message Phone No. _____

Are you 18 years of age or older? YES Are you registered to vote in the City of Calexico? YES

Do you currently serve as an elected or appointed official for any board and/or agency within the City of Calexico? NO
 If yes, name of agency and position: _____

EDUCATION: Highest level of education completed: 4 year College

Name of Institution where Highest Level of Education was completed: CAL-POLY, SLO

Location of Institution: SAN LUIS OBISPO, CA.

EMPLOYMENT INFORMATION / EXPERIENCE:

City of Calexico

Name and Address of Employer (s)	Position Title	Dates of Employment
<u>CITY OF CALEXICO</u>	<u>POLICE OFFICER RETIRED,</u>	<u>1990 - 2016</u>

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 If yes, Please list all offenses, date and place of offenses(s), and the sentence/fine received:

ACKNOWLEDGMENT/CERTIFICATION:

I understand that upon filing, this application becomes a public record. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

[Signature] 12-20-16
 Signature and Date

Do Not Write Below this Line - For City Use Only

Applicant furnished proof of eligibility requirements via:

Proof of residency: Yes No

Proof of employment: Yes No

Voter Registration Verification: Yes No

Appointment By: _____

Term Expires: _____

Date & Clerk Verifying: _____



CITY OF CALEXICO
APPLICATION FOR CITY COMMISSION
 And
STATEMENT OF QUALIFICATIONS

ALL APPLICANTS MUST EITHER
 RESIDE, BE EMPLOYED, OR
 REGISTERED TO VOTE IN THE CITY
 OF CALEXICO. PROOF IS
 REQUIRED WHEN SUBMITTING
 THIS APPLICATION.

APPLICATION IS FOR THE FOLLOWING COMMISSION:
(A separate application is required for each commission)

Planning Commission

PERSONAL INFORMATION:

Name Gullermo G Hermosillo
 Residence Address _____
 Length of time at this Address: 21 E-mail address: _____
 Home Phone No. _____ Cell/Message Phone No. _____
 Are you 18 years of age or older? yes Are you registered to vote in the City of Calexico? yes
 Do you currently serve as an elected or appointed official for any board and/or agency within the City of Calexico? NO
 If yes, name of agency and position: _____

EDUCATION: Highest level of education completed: 12
 Name of Institution where Highest Level of Education was completed: _____
 Location of Institution: _____

EMPLOYMENT INFORMATION / EXPERIENCE:

City of Calexico

Name and Address of Employer (s)	Position Title	Dates of Employment
U Save Car Sales	General Manager	July 1989

IMPORTANT: Read the following carefully and answer completely. A conviction is not an automatic bar to appointment. Each case is considered on its individual merits.

HAVE YOU EVER BEEN CONVICTED OF A FELONY OR MISDEMEANOR OTHER THAN A MINOR TRAFFIC VIOLATION? NO
 If yes, Please list all offenses, date and place of offenses(s), and the sentence/fine received:

ACKNOWLEDGMENT/CERTIFICATION:

I understand that upon filing, this application becomes a public record. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Signature and Date 6/17/16

Do Not Write Below this Line -- For City Use Only

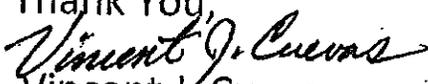
Applicant furnished proof of eligibility requirements via:
 Proof of residency: Yes No
 Proof of employment: Yes No
 Voter Registration Verification: Yes No

Appointment By: _____
 Term Expires: _____
 Date & Clerk Verifying: _____

12-15-16

To Whom It May Concern:

I have served on the Historical commission for two years and would like to continue serving on the commission. I would greatly be interested in also serving on the included Library and Arts board. Please consider me for the new inclusive commission of the Arts, Library and Historical commission.

Thank You,

Vincent J. Cuevas



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 OF CALEXICO. PROOF IS
 REQUIRED WHEN SUBMITTING
 THIS APPLICATION.

APPLICATION IS FOR THE FOLLOWING COMMISSION:
 (A separate application is required for each commission)

Planning Commissioner

PERSONAL INFORMATION:

Name Jose L Yopez Jr

Residence Address _____

Length of time at this Address: 22 yrs E-mail address: _____

Home Phone No. _____ Cell/Message Phone No. _____

Are you 18 years of age or older? Yes Are you registered to vote in the City of Calexico? Yes

Do you currently serve as an elected or appointed official for any board and/or agency within the City of Calexico? X
 If yes, name of agency and position: Planning Commissioner

EDUCATION: Highest level of education completed: Colledge

Name of institution where Highest Level of Education was completed: CETYS

Location of Institution: Mexicali Baja California Mexico

EMPLOYMENT INFORMATION / EXPERIENCE:

City of Calexico

Name and Address of Employer (s)	Position Title	Dates of Employment
Desert Building & Design/ Calexico	President	11/14/2007
Trimark Pacific Homes	Superintendent	08/01/2005

IMPORTANT: Read the following carefully and answer completely. A conviction is not an automatic bar to appointment. Each case is considered on its individual merits.

HAVE YOU EVER BEEN CONVICTED OF A FELONY OR MISDEMEANOR OTHER THAN A MINOR TRAFFIC VIOLATION? No
 If yes, Please list all offenses, date and place of offenses(s), and the sentence/fine received:

ACKNOWLEDGMENT/CERTIFICATION:

I understand that upon filing, this application becomes a public record. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

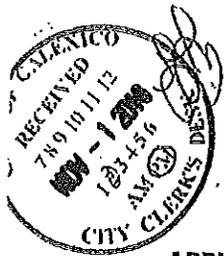
Jose Lopez Jr 12/14/16
 Signature and Date

Do Not Write Below this Line - For City Use Only

Applicant furnished proof of eligibility requirements via:

Proof of residency: Yes No
 Proof of employment: Yes No
 Voter Registration Verification: Yes No

Appointment By: _____
 Term Expires: _____
 Date & Clerk Verifying: _____



**CITY OF CALEXICO
APPLICATION FOR CITY COMMISSION
And
STATEMENT OF QUALIFICATIONS**

ALL APPLICANTS MUST EITHER
RESIDE, BE EMPLOYED, OR
REGISTERED TO VOTE IN THE CITY
OF CALEXICO. PROOF IS
REQUIRED WHEN SUBMITTING
THIS APPLICATION.

APPLICATION IS FOR THE FOLLOWING COMMISSION:
(A separate application is required for each commission)

Parks, recreation, Beautification
and Senior Services Commission

PERSONAL INFORMATION:

Name Diana Ramirez Rivera

Residence Address _____

Length of time at this Address: 6 m E-mail address: _____

Home Phone No. _____ Cell/Message Phone No. _____

Are you 18 years of age or older? yes Are you registered to vote in the City of Calexico? No

Do you currently serve as an elected or appointed official for any board and/or agency within the City of Calexico? No
If yes, name of agency and position: _____

EDUCATION: Highest level of education completed: Master

Name of Institution where Highest Level of Education was completed: Universidad Politecnica de Madrid

Location of Institution: Madrid, España

EMPLOYMENT INFORMATION / EXPERIENCE:

City of Calexico

Name and Address of Employer (s)	Position Title	Dates of Employment
<u>Aqualung Water store</u>	<u>self-employed</u>	<u>01/16 - Present</u>
<u>IMSS, Mexico</u>	<u>Manager</u>	<u>04/11 - 05/16</u>

IMPORTANT: Read the following carefully and answer completely. A conviction is not an automatic bar to appointment. Each case is considered on its individual merits.

HAVE YOU EVER BEEN CONVICTED OF A FELONY OR MISDEMEANOR OTHER THAN A MINOR TRAFFIC VIOLATION? No
If yes, Please list all offenses, date and place of offenses(s), and the sentence/fine received:

ACKNOWLEDGMENT/CERTIFICATION:

I understand that upon filing, this application becomes a public record. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

[Signature]
Signature and Date

Do Not Write Below this Line - For City Use Only

Applicant furnished proof of eligibility requirements via:

Proof of residency: Yes No

Proof of employment: Yes No

Voter Registration Verification: Yes No

Appointment By: _____

Term Expires: _____

Date & Clerk Verifying: _____



CITY OF CALEXICO
APPLICATION FOR CITY COMMISSION
 And
STATEMENT OF QUALIFICATIONS

ALL APPLICANTS MUST BE
 NATURAL OR NATURALIZED AND
 REGISTERED TO VOTE IN THE CITY
 OF CALEXICO. OTHERS IS
 REQUIRED WITH SUBMITTING
 THIS APPLICATION.

APPLICATION IS FOR THE FOLLOWING COMMISSION:
 (A separate application is required for each commission)

By: [Signature] Date: [Date]

PERSONAL INFORMATION:

Name: Esther Alicia Marquez

Residence Address: [Redacted]

Length of time at this Address: 1yr E-mail address: [Redacted]

Home Phone No: [Redacted] Cell/Message Phone No: [Redacted]

Are you 18 years of age or older? yes Are you registered to vote in the City of Calexico? yes

Do you currently serve as an elected or appointed official for any board and/or agency within the City of Calexico? NO
 If yes, name of agency and position: _____

EDUCATION: Highest level of education completed: some university (senior)
 Name of Institution where Highest Level of Education was completed: San Diego State University
 Location of Institution: Imperial Valley / Calexico Campus

EMPLOYMENT INFORMATION / EXPERIENCE:

Name and Address of Employer(s)	Position Title	Dates of Employment
<u>Salvador Miguez & Associates</u>	<u>Book Keeper</u>	<u>1994 - 2000</u>
<u>Escher Elementary School</u>	<u>Sub / T. A.</u>	<u>2000 - 2007</u>

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 If yes, Please list all offenses, date and place of offenses(s), and the sentence/fine received.

ACKNOWLEDGMENT/CERTIFICATION:

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Signature: [Signature]

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Applicant furnished proof of eligibility requirements via:
 Proof of residency: Yes No
 Proof of employment: Yes No
 Voter Registration Verification: Yes No

Appointed by: _____
 Term Expires: _____
 Date & Clerk Verifying: _____



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APPLICATION IS FOR THE FOLLOWING COMMISSION:
 (A separate application is required for each commission)

PERSONNEL COMMISSION

PERSONAL INFORMATION:

Name Guillermo G Hermosillo
 Residence Address _____
 Length of time at this Address: 21 E-mail address: _____
 Home Phone No. _____ Cell/Message Phone No. _____
 Are you 18 years of age or older? yes Are you registered to vote in the City of Calexico? yes
 Do you currently serve as an elected or appointed official for any board and/or agency within the City of Calexico? NO
 If yes, name of agency and position: _____

EDUCATION: Highest level of education completed: 12
 Name of Institution where Highest Level of Education was completed: _____
 Location of Institution: _____

EMPLOYMENT INFORMATION / EXPERIENCE:

Name and Address of Employer (s)	Position Title	Dates of Employment
U Save Car Sales	General Manager	July 1989 TO PRESENT

IMPORTANT: Read the following carefully and answer completely. A conviction is not an automatic bar to appointment. Each case is considered on its individual merits.

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ACKNOWLEDGMENT/CERTIFICATION:

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[Signature] 12-14-16
 Signature and Date

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Applicant furnished proof of eligibility requirements via:
 Proof of residency: Yes No
 Proof of employment: Yes No
 Voter Registration Verification: Yes No

Appointment By: _____
 Term Expires: _____
 Date & Clerk Verifying: _____