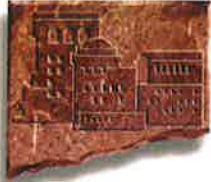


DATE SUBMITTED 2/10/2021  
 SUBMITTED BY ACM  
 DATE ACTION REQUIRED 2/17/2021

COUNCIL ACTION (X)  
 PUBLIC HEARING REQUIRED ( )  
 RESOLUTION ( )  
 ORDINANCE 1<sup>ST</sup> READING ( )  
 ORDINANCE 2<sup>ND</sup> READING ( )  
 CITY CLERK'S INITIALS 38

**IMPERIAL CITY COUNCIL  
 AGENDA ITEM**

SUBJECT: DISCUSSION/ACTION: AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES WITH DEVELOPMENT MANAGEMENT GROUP, INC.  1. AGREEMENT BETWEEN CITY OF IMPERIAL AND DMG ECONOMICS, INC. FOR PROFESSIONAL CONSULTING SERVICES FOR THE TERM OF SIX (6) MONTHS NOT TO EXCEED \$14,000.00	
DEPARTMENT INVOLVED: City Manager's Office	
BACKGROUND/SUMMARY:  Our current agreement between the City of Imperial and Development Management Group for Economic Development Consulting services has ended. Given the current financial status, it is the City Manager's recommendation that we approve a letter agreement for the term of six (6) months, not to exceed \$14,000.00. DMG Economics, Inc. will invoice the City at an hourly rate not to exceed, \$175.00 until such time as a new agreement can be put in place to align with the passing of the next fiscal year municipal budget. Attached for Council's review and reference is the letter agreement stating the terms moving forward.	
FISCAL IMPACT: NOT TO EXCEED \$14,000.00  Municipal Budget FY 20-21: \$48,000.00  YTD Expenditures: \$24,000.00  Net Savings of \$10,000.00	ADMIN SERV INITIALS <u>VA</u>
STAFF RECOMMENDATION: It is staff's recommendation to approve a 6-month contract as attached in the backup materials. This will ensure current projects in the pipeline move forward as planned amid the pandemic.	DEPT. INITIALS <u>AB</u>
MANAGER'S RECOMMENDATION: City Manager agrees with staff's recommendation.	CITY MANAGER'S INITIALS _____
MOTION:  SECONDED: _____ APPROVED ( ) REJECTED ( ) AYES: _____ DISAPPROVED ( ) DEFERRED ( ) NAYES: _____ ABSENT: _____ REFERRED TO: _____	



# Development Management Group, Inc.

economic development ■ fiscal & economic analysis ■ development management

January 18, 2021

Mr. Dennis Morita, City Manager  
Ms. Alexis, Brown, Assistant City Manager  
420 South Imperial Avenue  
Imperial, CA 92251

**RE: LETTER AGREEMENT: ECONOMIC DEVELOPMENT CONSULTING**

Dear Mr. Morita and Ms. Brown:

The purpose of this letter is to memorialize an hourly contract between Development Management Group, Inc. and the City of Imperial for the period of December 1, 2020 until June 30, 2021. By way of background, the City of Imperial and DMG, Inc. entered into a retainer agreement to cover the period of January 1, 2019 through December 31, 2020. In early 2020, the impacts of COVID-19 and business interruption impacted traditional economic development efforts. As such, DMG, Inc. voluntarily reduced our retainer to match the workload of a particular reporting period. In total, DMG, Inc. billed \$14,000 less in 2020 than what was contracted for in our retainer agreement.

This letter shall indicate that for the period beginning December 1, 2020 through June 30, 2021, DMG, Inc. shall invoice the City for actual time (and expenses) at a rate of \$175 per hour. At no time shall the total amount billed during this timeframe exceed the \$14,000 that was "saved" in the previous agreement.

I believe this arrangement will allow the City of Imperial to continue to benefit from our efforts and provide an opportunity for DMG, Inc. to work on such projects as 5<sup>th</sup> Street, LLC (Post Office, 7-11 and Quick Serve Restaurant), identification of a developer to complete the hotel (and adjacent land), 6<sup>th</sup> Street (aka the "Lundin" property) and assist the City with additional economic investment opportunities.

On behalf of DMG, Inc., thank you again for the opportunity to continue to represent the City of Imperial. As we continue to work our way through Covid-19, I am hopeful that economic activity and opportunities to bring additional investment will expand. If this Agreement is satisfactory to the City of Imperial, please consider initialing below. DMG, Inc. agrees that all other terms and conditions in our previous agreement (January 1, 2019 to December 31, 2020) remain in effect.

Sincerely,

Michael J. Bracken  
Managing Partner

As Agreed:

\_\_\_\_\_  
Dennis Morita  
City Manager

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michael@dmgeconomics.com ■ www.dmgeconomics.com