

**Citizens' Oversight Projects (COPs) Committee**

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CitizensOversight.org



May 12, 2009

Governing Board  
Southwestern College District  
900 Otay Lakes Road,  
Chula Vista, CA 91910  
(619) 421-6700

Dear Board Members:

This letter relates to Memorandum of Understanding (MOU) No. M4039.09 with Xe Systems, LLC (formerly Blackwater Lodge and Training Center, Inc.) to establish an agreement to use privately owned facilities in the Otay Mesa Area (7685 Siempre Viva Road, San Diego, CA 92154).

You have previously received our letter relating to our review of the original agreement and our objections to specific provisions and to the procedures used in adopting it, and that we requested that this be revisited and the agreement revoked. We were happy to see that you agreed with our concerns with regard to the agreement on most counts, but are unhappy to see that you seem to be willing to go ahead with the agreement. In this letter, I will bring up specific issues with the proposed agreement currently being considered, a brief history of Xe-Blackwater's recent interaction with the community, their history of violent behavior in Iraq as described by the upcoming court cases to be heard in San Diego Federal Court regarding some 20 deaths and serious injuries of civilians. (It is unfortunately the case that many more cases probably exist that cannot be proven in court.)

**I. Issues with the proposed agreement**

With regard to the agreement being discussed, we are happy to see that you are solving many of the issues that never should have been part of any contract before your body, in terms of free and unlimited use of on-campus conference rooms, the reimbursement of Xe-Blackwater (XBW) for use of their Otay Mesa facility (despite the contract being headed with the words "no cost"), North Carolina laws, and the gag order, among the list of 13 issues I provided earlier. Although this agreement should never be approved for other reasons that will be outlined below, deficiencies still exist in the proposed agreement are reviewed here mostly from an academic standpoint and to point out the hidden agenda of XBW. Again, we want the agreement terminated, not fixed.

1. The proposed MOU allows XBW to make public statements about their relationship with SWC to purify its reputation. The MOU must have a provision stating that XBW may not include any reference to the agreement in any promotional material, on its web site, etc. They have changed their public identity from "Blackwater" to "U.S. Training Center, Southwest" to hide from the past and to muddy the water between the college and themselves, in a further attempt to look like an educational institution. The primary agenda of XBW is to use the relationship with SWC to gain a

clean reputation, and it will only soil yours. If you put a clean pig in a pen with muddy hogs, you don't wind up with clean hogs.

A similar training facility has been planned by Wind Zero in Imperial County and they have claimed to be endorsed by Imperial Valley College on their website although there is no such official endorsement. This issue is before the Academic Senate at the IVC at this time and it will likely be officially revoked. This situation closely mirrors the attempt of XBW to gain public acceptance by gaining endorsement by the college.

By entering into this agreement, you are publicly stating that you are endorse the Otay Mesa Facility and XBW, and they are free to spread the word, far and wide. This is a mistake.

2. The proposed agreement allows XBW operatives to make presentations to the staff, and possibly to students. The schedule is "to be determined" but we want it determined now, and want to know what they are going to be saying.

XBW has been in the business of recruiting law enforcement and military to the ranks of their private security forces, deployed not only in Iraq, but also world-wide under the banner of Greystone Ltd. By entering into this agreement, you are allowing XBW to recruit from your student body to enhance their business. If you were being given access to a shooting range operated by the police or sheriffs department, then no one would bat an eye because you are actually training students to become employed in those programs, and that experience would allow the students to "rub elbows" with rank and file law enforcement, and get an idea about what their future might hold. By entering into this agreement, you are endorsing the career path from your school into the ranks of private security forces operated by XBW, and you are allowing XBW to make presentations, and at a minimum, to indoctrinate the "recruits" (as the agreement calls them) to like the idea of working for XBW by passive displays at the facility.

3. The use of the facility has been expanded from the earlier agreement from just using the shooting range to also use classrooms and mat area, and perhaps even the "kill house" built inside the building, because the use is not strictly limited. These uses are not stated in the original justification for the agreement. The justification said use of the shooting range was appropriate because there is no shooting range withing convenient travel distance to accomplish the 72-hours of training for POST at the college. But the college already has conference rooms and so this modification is questionable, and should not be included without justification. Our hunch is that this was added to allow XBW to provide passive indoctrination of their business to your student body and must not occur.

Furthermore, the claim that shooting ranges are not available is not substantiated, and conversations with other local community colleges (such as San Diego City College) puts that assertion into question. This is an area we would like to assist the college by setting up a "Regional Security Summit." (See more on this topic at the end.)

4. The termination clause says each party must provide four-months notice. The college should be able to terminate AT WILL, as there is nothing done by XBW to warrant a four-month notice. This is a very disagreeable contract and it will serve the college to allow immediate termination, at will.

5. The proposed agreement restricts access to the facility so that observers can't find out what they (XBW) and SWC are doing inside. In a public institution such as Southwestern College, the public must have the ability to provide healthy oversight. What is so secret and mysterious that XBW cannot allow oversight by the public? Is there something illegal going on inside? Are they performing religious indoctrination as a part of the training program? This culture of secrecy is the problem with privatized security forces that makes them incompatible with public institutions and our democracy.
6. Despite the lack of monetary payment by the college to XBW, we claim that "in-kind" payment is being transferred to XBW, in the form of allowing XBW to market the relationship in their literature and having "recruits" brought to their facility for indoctrination. Therefore, this agreement is in violation of the bidding processes that are required for a public institution. Therefore, it is recommended that it be explicitly stated that XBW will compensate SWC if the agreement is found to violate these procurement procedures in any forthcoming legal proceedings that may be a result of approving the agreement.

## II. History of the Otay Mesa Facility.

In May of 2006, Blackwater opened a project with the County Department of Planning and Land Use (DPLU) to open an 824-acre training facility in the tiny hamlet of Potrero, population 850 and within minutes of the border. Although the Potrero Community Planning Group initially voted to approve the project (with condition of a live-fire noise test), the community stepped up to the plate and clearly objected to it based on sound land-use issue and "community character" issues. The Planning Group was served with recall notices on May 10, 2007, and the entire slate of pro-Blackwater planners was recalled on Dec. 11, 2007 and replaced with members who opposed the project by a margin of 2:1 or better. On March 13, 2008 the new planning group was scheduled to vote on the project, but the prior Friday, on March 7, 2008, Blackwater pulled the project. Despite a huge protest with 200 people marching to the gate in October and the clear results of the recall, Blackwater said their action to pull the project had nothing to do with the wishes of the community and they had no other plans in San Diego county.

But on April 21, 2008, I received a tip from an unknown emailer regarding the Otay Mesa facility being developed by Blackwater. Indeed, when I checked out the facility, it did have the air conditioning units necessary for the shooting range and I noted Blackwater V.P. Brian Bonfligio's white SUV. After informing the press, we learned that the project had been conducted under false identities, such as E & J Holdings, a shell corporation out of Puerto Rico, Southwest Law Enforcement, a residence in Huntington Beach, and other names, such as Raven Development, SAFChild Development, etc. Blackwater opened this project secretly to avoid public review.

The permits pulled for the project were treated as separate small projects, such as to build some internal walls, add air conditioners, and install a "modular training unit." Plans were lost by the Development Services Department (DSD) after the press began to cover the facility (some have never been found), and we later found that in one case, the paper version of a permit included the description "Install Shooting Range" but this was modified in the computer records to "Install Modular Training Unit" apparently to thwart public oversight of their project. Such a change would also have required the complicity of DSD personnel.

Just before their occupancy permit was to be granted, it became apparent to Kelly Broughton, the director of DSD, that the numerous permits described a larger project, and there was a ship simulator / kill house that was not permitted at all that was built inside the facility. At that point, Broughton sent XBW a letter stating that the occupancy permit would be withheld and the entire project would be processed under discretionary processing instead of ministerial processing, to allow the full extent of the project to be understood. Indeed, XBW may have achieved approval of their project by processing in the open and with public review, but they had no intention of allowing the public to review their project.

XBW filed suit in federal court and the case was heard at the exact same time as the primary election in 2008. Hon. Marilyn Huff, a G.H.W. Bush appointee ruled that

- 1) the federal courts had jurisdiction to decide a building permit at the lowest possible level despite a clear tradition of local control, and
- 2) the City would be required to grant the occupancy permit of XBW through the use of a restraining order (even though such orders usually do not change status quo).

City Attorney Mike Aguirre appealed the case but he was not successful in retaining his seat in the November elections, and the new City Attorney is not pursuing it. Aguirre appealed on the grounds that the federal courts do not have jurisdiction to decide a lowly building permit. Indeed, the ruling of the judge could be easily questioned since she stipulated that the ruling could not be used as a case to establish precedence, obviously indicating that the ruling was in a gray area and that she was not proud of the need to dig into local government from the lofty federal courts.

We object to the SWC agreement with XBW in a facility of this nature which was not put before the public for traditional review, and which was literally forced down the throat of the City through a blatant use of corporate power.

As a private organization, Blackwater is not subject to oversight by the public regarding activities allowed in their facility. Blackwater has frequently stated that their sole purpose is to train Navy personnel per their contract, which was to commence on June 2, 2008. We have recently learned that they are now offering their mercenary-style training to anyone who will pay their tuition. We, as members of the public, have no power of oversight, and we object to the idea that Southwestern students will be using a facility that is offering such training with an eye to recruit students for XBW private military.

Since Southwestern College is an open, public institution, agreements with private organizations who are not necessarily operating in the public's best interest, particularly when they have been formed and installed until a dark cloud of impropriety, are certainly out of line.

### III. Upcoming Federal Cases

Four law suits have been filed by families of victims of XBW slayings in Iraq. These lawsuits will be processed later this year, with responses due from XBW by June 2, 2009. The cases include:

- Blackwater contractor Andrew Moonen who, on 2006-12-24, shot and killed Raheem Khalaf Sa'adon, 32, father of two who worked as a security guard for Iraqi Vice-President Adel Abdul Mahdi. XBW covered up the case and rused Moonen out of the country and is perhaps one of the

most blatant acts by XBW in terms of a cover-up.

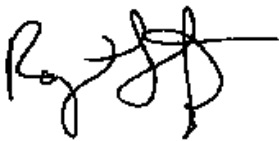
- A case filed by 15 victims of the 17 killed at [Nisour Square Massacre](#) on Sept. 16, 2007 by five XBW contractors found guilty by an FBI investigation.
- A case relating to 53-year old school teacher at the technical institution in the City of Al Amara, Maysan province. He was visiting Bagdad, on behalf of his institution, when he was killed by XBW shooters near Al Watahba Square on September 9, 2007.
- A case relating to Sabah Salman Hassoon and two others who were shot by XBW on February 7, 2007 as they worked as security guards at the rear gate of the Iraqi Media Network compound in central Bagdad. Approximately twenty XBW employees witnessed the crimes but XBW did nothing to report the shootings.

These cases will be heard later this year, but they are a testimony of the character of XBW. (Claims of each case have been provided with this letter.) One of the key issues that decided the case in Potrero with the community was the character of XBW, and that it was a poor fit with the community. Likewise, the Governing Board of the Southwestern College District should find that the character of XBW is out of step with the outstanding character of the college and does not provide the proper message to students.

Therefore, we request that the Southwestern College Board of Trustees terminate this agreement with XBW. Instead, we would like to suggest your participation in a program of planning for training facilities needed by the region, incorporating input from San Diego City, County, and surrounding region (probably including liaison with Imperial Valley and Riverside), police, Sheriff, and other agencies, SWC, San Diego City College, and others, to determine the exact needs for training and facilities that can be operated on government property and by public institutions. We must avoid the secrecy, bad reputation, and community objection that will be the case with XBW.

The agreement with XBW should be terminated so we can move in these positive directions.

Sincerely,



Raymond Lutz  
Coordinator, Citizens' Oversight Projects Committee.  
Former Candidate, 77<sup>th</sup> State Assembly District

This letter has been endorsed by the following organizations:

- Activist San Diego
- American Friends Service Committee – San Diego
- Citizens Against Private Armies (CAPA)
- Peace Resource Center of San Diego
- San Diego Veterans For Peace
- Stop Blackwater Working Group of the San Diego Coalition for Peace and Justice