

Written materials relating to an item on this agenda that are distributed to the legislative bodies within 72 hours before the item is to be considered at its regularly scheduled meeting will be made available for public inspection at the City Clerk's Office, 300 West Third Street 4th Floor and at the Oxnard main library, 251 South A Street during customary business hours. Agenda reports are also on the City of Oxnard web site at www.oxnard.gov.



AMENDED AGENDA
Reports - Agenda Item N.3 Updated

OXNARD CITY COUNCIL
OXNARD COMMUNITY DEVELOPMENT COMMISSION SUCCESSOR AGENCY
OXNARD FINANCING AUTHORITY
OXNARD HOUSING AUTHORITY

Meeting Location: Council Chambers, 305 West Third Street

February 3, 2026

Closed Session - 4:30 PM
Appointment Items - 5:00 PM
Regular Meeting - 6:00 PM

Zoom details to call-in for public comment during a meeting:

1. Dial Phone Number: (888) 475-4499
2. Enter Meeting ID: 883 2661 5994
3. Passcode: 318026

If you wish to speak during public comments or a particular item on the agenda, please sign-on by following the zoom call-in steps listed above. Once the presiding officer calls for public speakers, press *9 to raise your hand to inform the City Clerk you would like to speak during the public speaking section for that particular item on the agenda, while in the zoom waiting room. Press *6 when asked to unmute. Listen to the instructions provided virtually on the phone while on hold in the zoom waiting room. Please note that there is a slight time delay when viewing the meeting via television.

IN ACCORDANCE WITH ASSEMBLY BILL 2449, MEMBERS OF THE LEGISLATIVE BODY MAY MEET IN-PERSON OR REMOTELY. TO PARTICIPATE REMOTELY VISIT WWW.OXNARD.GOV.

To find out how you may provide public comment, please refer to the instructions below or at [www.https://www.oxnard.org/city-meetings/](https://www.oxnard.org/city-meetings/).

The public may view the meeting from home on Spectrum channel 10, Frontier channel 35, or YouTube at Youtube.com/oxnardnews. Video recordings of the meeting are typically available online following the meeting at the City's website at www.oxnard.org/city-meetings.

*Please see the link for the Measure M pre-recorded presentation video for each item listed on this agenda.

YOU MAY PARTICIPATE IN THE MEETING IN THE FOLLOWING WAYS:

1. ATTEND THE MEETING AT THE LOCATION LISTED ABOVE: Submit a speaker card to the City Clerk.
2. EMAIL COMMENTS OR SIGN UP TO SPEAK REMOTELY BEFORE THE MEETING
 - a. Submit a request to speak remotely by 3:00 p.m. on the day of the meeting by using the form available at www.oxnard.org/citymeetings.

In compliance with the Americans with Disabilities Act, if you require special assistance to participate in a meeting, please contact the City Clerk's Office at 385-7803. Notice at least 72 hours prior to the meeting will enable the City to reasonably arrange for your accessibility to the meeting.

- b. Submit an email to cityclerk@oxnard.org by 3:00 p.m. on the day of the meeting (indicate the agenda item number in the subject line). All email correspondence will be forwarded to the legislative body prior to the start of the meeting and made part of the legislative record.
- c. Contact the City Clerk’s Office at (805) 385-7803 to submit your request.

3. PROVIDE PUBLIC COMMENT REMOTELY DURING THE MEETING

- a. Follow Zoom details listed above.
- b. Public comments on agenda items will be taken following the announcement of the item. After the item is announced, members of the public may register or otherwise be recognized for the purpose of providing public comment.

Please review the Zoom instructions on the registration page to help ensure there are no technical difficulties during your comments and help you understand public comment procedures using Zoom. Detailed participation instructions can be found at www.oxnard.org/city-meetings.

In the event of a disruption which prevents a legislative body of the City of Oxnard from broadcasting a meeting using a call-in option or internet-based service option, or in the event of a disruption within the City’s control which prevents members of the public from offering public comment using the call-in option or internet-based service option, the legislative body shall take no further action on items appearing on a meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. However, if any of the broadcast options are disrupted, but any of the other broadcast options is still available to the public, the legislative body may take further action on items appearing on a meeting agenda without waiting for the disrupted broadcast option(s) to be restored.

A. ROLL CALL, POSTING OF AGENDA

THE FOLLOWING LEGISLATIVE BODIES ARE MEETING: City Council
CONSIDERATION OF TELECONFERENCE PARTICIPATION PURSUANT TO ASSEMBLY BILL
2449

B. PUBLIC COMMENTS ON CLOSED SESSION ITEMS

At this time, a person may address the legislative body only on matters appearing on the closed session agenda. The presiding officer shall limit public comments to three minutes.

C. CLOSED SESSION (4:30 PM)

1. CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION (Government Code Section 54956.9(d)(1))
Name of case: Marquez v. City of Oxnard
Ventura County Superior Court, Case No. 56-2022-00562770-CU-PO-VTA
Legislative Body: City Council
2. CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION (Government Code Section 54956.9(d)(1))
Name of case: Gold v. City of Oxnard
Ventura County Superior Court, Case No. 2023CUPP010160
Legislative Body: City Council
3. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION (Government Code section 54956.9(d)(4))
Based on existing facts and circumstances, the City Council shall decide whether to initiate litigation in one potential case.
Legislative Body: City Council

D. APPOINTMENT ITEMS (5:00 PM)

1. City Manager Department

SUBJECT: Department Workshop: City Manager’s Office, City Attorney’s Office, & Information Technology.

RECOMMENDATION: That the City Council receive and file an update report from the City Manager, City Attorney and the Chief Information Officer concerning information related to functions, priorities, challenges, and anticipated future needs.

Please click the following links to view the required Measure M pre-recorded presentation videos:

City Manager’s Office: <https://youtu.be/mqOd3OqLwOg>

City Attorney’s Office: <https://youtu.be/fsY8WAVUd5s>

Information Technology: <https://youtu.be/xp2nchBOV2U>

Legislative Body: City Council

Contact: Alexander Nguyen, Stephen Fischer, Robert Ruben, (805) 385-7430, (805) 385-7483, (805) 385-7554

E. OPENING CEREMONIES (6:00 PM)

Pledge of allegiance to the flag of the United States.

F. CEREMONIAL ITEMS

1. SUBJECT: Presentation of a Proclamation Designating the Month of February 2025 as "Black History Month."
2. SUBJECT: Presentation of a Proclamation Designating the Month of February 2025 as "Parent Leadership Month."

G. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA AND NON-ACTION ITEMS

A person may address the legislative body only on matters not appearing on the agenda and within the subject matter jurisdiction of the legislative body, and on non-action items such as ceremonial items, report of city manager / executive director / secretary, and city council/ housing authority / successor agency / financing authority business / committee reports. Speaker requests shall be submitted as set forth on the first page of this agenda. Speakers are limited to three minutes. After 30 minutes, if all speakers have not had the opportunity to speak, the remaining speakers will be given an opportunity to speak prior to adjournment of the meeting. The legislative body cannot enter into a detailed discussion or take action on any items presented during public comments at this time. Such items may only be referred to the City Manager / Executive Director / Secretary for administrative action or scheduled on a subsequent agenda for discussion. Persons wishing to speak on public hearing items should do so at the time of the hearing.

H. REPORT OF CITY MANAGER/EXECUTIVE DIRECTOR/SECRETARY

The City Manager/Executive Director/Secretary shall report on items of interest to the legislative body occurring since the last meeting. The legislative body cannot enter into detailed discussion or take action on any item presented during this report. Such items may only be referred to the City Manager/Executive Director/Secretary for administrative action or scheduled on a subsequent agenda for discussion.

1. SUBJECT: City Manager's Corner: updates, announcements, clarifications, and local government fun facts on occasional Tuesdays.

I. CITY COUNCIL/HOUSING AUTHORITY/SUCCESSOR AGENCY/FINANCING AUTHORITY
BUSINESS/COMMITTEE REPORTS

At this time, a member of the legislative body may make a brief announcement, or make a brief report on his or her activities. Further, members of the legislative body may request to schedule consideration of whether to place an item on a future agenda. The legislative body cannot enter into detailed discussion or take action on any item presented during this report. The member's report shall not exceed three minutes, unless additional time is granted by the presiding officer.

1. City Clerk Department

SUBJECT: Appointment of Mayor Mc Arthur to Regional Defense Partnership.

RECOMMENDATION: That the Mayor, with the approval of the City Council, appoint Luis A. Mc Arthur to represent the City of Oxnard on the Regional Defense Partnership (RDP).

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/l7QMAGU6Jko>

Legislative Body: City Council
Contact: Luly Lopez, (805) 385-7805

2. City Clerk Department

SUBJECT: Appointment of Members to Serve on the City's Citizen Advisory Groups (CAGs) Boards and Committees.

RECOMMENDATION: That the Mayor, with the approval of the City Council:

1. Appoint Brian Landers to the Measure O Citizen Oversight Committee as an at-large member; and
2. Appoint Ana Maria Van Hoven to the Mobilehome Park Rent Review Board as an at-large member.

(This item did not originate in Committee.)

Please click the following link to view the required Measure M pre-recorded presentation video: https://youtu.be/OtP5BTM_aqw

Legislative Body: City Council
Contact: Luly Lopez, (805) 385-7805

J. REVIEW OF INFORMATION/CONSENT AGENDA

The members of the legislative body will consider whether to remove Information/Consent Agenda items for discussion later during the meeting.

K. PUBLIC COMMENTS ON INFORMATION/CONSENT AGENDA

At this time, a person may address the legislative body only on matters appearing on the information/consent agenda. The presiding officer shall limit public comments to three minutes.

L. INFORMATION/CONSENT AGENDA

1. City Clerk Department

SUBJECT: Approval of Oxnard City Council Minutes.

RECOMMENDATION: That the City Council approved the regular meeting minutes of January 20, 2026.

Legislative Body: City Council
Contact: Luly Lopez, (805) 385-7805

2. Finance Department

SUBJECT: Monthly Investment Report for the period ending December 31, 2025.

RECOMMENDATION: This is an information item for the City Council to receive and file.

(This item did not originate in Committee.)

Legislative Body: City Council
Contact: Javier Chagoyen-Lazaro, (805) 200-5400

3. Public Works Department

SUBJECT: Second Amendment to Envision VTA FD Auto, LLC, dba Envision Ford Lincoln Oxnard Agreement 32500315 for Automotive Mechanical Inspection, Maintenance, and Repairs.

RECOMMENDATION: That the City Council approve and authorize the Mayor to execute a Second Amendment to Fleet Services Agreement 32500315 with Envision VTA FD Auto, LLC, dba Envision Ford Lincoln Oxnard in the amount of \$200,000, for a new not-to-exceed agreement value of \$340,000 for automotive parts, diagnosis, services, and warranty repairs.

(This item did not originate in Committee.)

Legislative Body: City Council
Contact: Michael Wolfe, (805) 385-8055

M. PUBLIC HEARINGS

N. REPORTS

1. Housing Department

SUBJECT: Resolution Establishing Administrative Regulations regarding the Fair Rate of Return Petition Regulations to Implement the City's Rent Stabilization Ordinance.

RECOMMENDATION: That the City Council review and approve the proposed resolution establishing administrative regulations to implement the provisions of the Rent Stabilization Ordinance regarding Fair Rate of Return Petition regulation.

(The Community Services, Public Safety, and Housing & Economic Development Committee approved 3-0 on January 13, 2026, to approve the staff recommendation, with modifications, and to forward the item for Council approval)

Please click the following link to view the required Measure M pre-recorded presentation: <https://youtu.be/BalPHsk-Kw4>

Legislative Body: City Council
Contact: Brenda Lopez, (805) 385-8092

2. Housing Department

SUBJECT: Lease Agreement with Teatro de las Américas.

RECOMMENDATION: That the City Council:

1. Authorize the Mayor to execute a Lease Agreement (A-8604) with Teatro de las Américas for the use of property owned by the City located at 321 West Sixth Street for a term of three years with two one-year options to extend the Agreement, at the discretion of the City Manager, for a total of five years, at an annual fee of \$1 and quarterly rent up to \$2,970 of their quarterly gross revenues in excess of \$10,560; and
2. Authorize the Mayor to forgive past due rent to the City in the amount of \$15,690 for past due rent through January 2026, plus a daily pro-rata share through February 2026.

(The Community Services, Public Safety, and Housing & Economic Development Committee approved 2-1 on January 13, 2026, to approve the staff recommendation, with amendments, and to forward the item for Council)

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/yCxoLJLM-Zs>

Legislative Body: City Council
Contact: Brenda Lopez, (805) 385-8092

3. Public Works Department

SUBJECT: Introduction of Cross-Connection Control and Backflow Prevention Ordinance.

RECOMMENDATION: That the City Council introduce and waive first reading of the proposed Ordinance entitled: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OXNARD AMENDING ARTICLE IV OF CHAPTER 22 OF THE CITY CODE IN ITS ENTIRETY PERTAINING TO THE REGULATION OF CROSS-CONNECTION AND BACKFLOW STANDARDS.

(The Public Works and Transportation Committee approved 3-0 on January 27, 2026 with an amended Ordinance.)

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/h8n4DJZfXy8>

Legislative Body: City Council
Contact: Michael Wolfe, (805) 385-8055

4. Human Resources Department

SUBJECT: Resolution Approving the Ratified Tentative Agreement with International Association of Firefighters, Local 1684.

RECOMMENDATION: That the City Council adopt a resolution approving the tentative agreement with the International Association of Firefighters, Local 1684.

(This item did not originate in Committee.)

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/Ta9JaTHsBYc>

Legislative Body: City Council

Contact: Steve Naveau, (805) 385-7947

O. ADJOURNMENT



CITY COUNCIL AGENDA REPORT

APPOINTMENT ITEMS (5:00 PM) AGENDA ITEM NO. D.1

DATE: February 3, 2026

TO: City Council

FROM: Alexander Nguyen, City Manager, (805) 385-7430, alexander.nguyen@oxnard.org
Stephen Fischer, City Attorney, (805) 385-7483, stephen.fischer@oxnard.org
Robert Ruben, Chief Information Officer, (805) 385-7554, robert.ruben@oxnard.org

SUBJECT: Department Workshop: City Manager's Office, City Attorney's Office, & Information Technology.

RECOMMENDATION

That the City Council receive and file an update report from the City Manager, City Attorney and the Chief Information Officer concerning information related to functions, priorities, challenges, and anticipated future needs.

Please click the following links to view the required Measure M pre-recorded presentation videos:

City Manager's Office: <https://youtu.be/mqOd3OqLwOg>

City Attorney's Office: <https://youtu.be/fsY8WAVUd5s>

Information Technology: <https://youtu.be/xp2nchBOV2U>

BACKGROUND

The City Manager, City Attorney, and Information Technology presentations are intended to provide context to the City Council regarding the functions of these departments. This update demonstrates how each department serves the community, departmental milestones and accomplishments, relevant statistical information, and workload demands. The presentation also provides information about departmental priorities, challenges, and anticipated future needs.

STRATEGIC PRIORITIES

This agenda item supports the Organizational Effectiveness strategy. The purpose of the Organizational Effectiveness strategy is to reinforce, stabilize, improve, and strengthen the organizational foundation of the City in order to build a modern, high-functioning City government that effectively and efficiently supports the operating departments in providing high-quality services and programs for our residents and businesses.

FINANCIAL IMPACT

There is no financial impact.

COMMITTEE OUTCOME

This item did not originate in Committee.

Prepared by: Alexander Nguyen, City Manager, Stephen Fischer, City Attorney, Robert Ruben, Chief Information Officer

ATTACHMENTS

1. CMO Department Workshop

2. CAO Presentation
3. IT Department Workshop



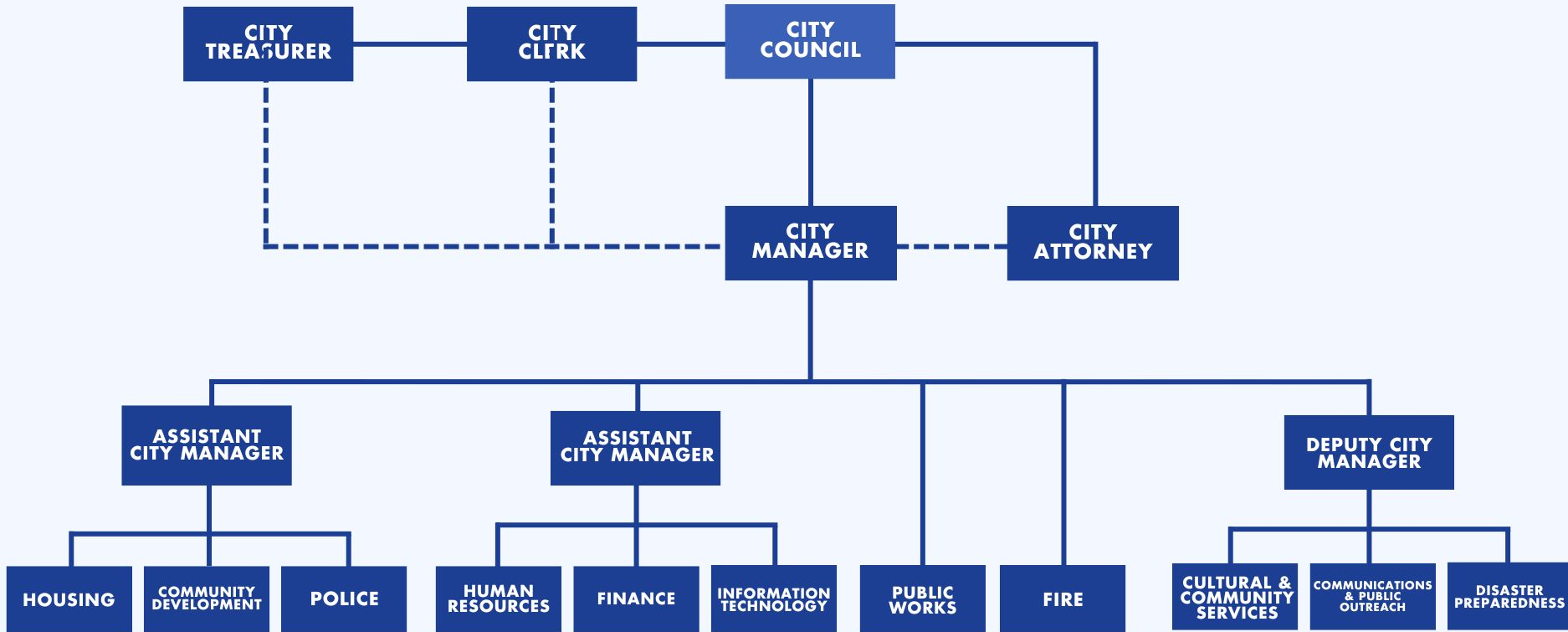
City Manager's Office Workshop

February 3, 2025

- **General Law City**
- **Operates using the Council-Manager form of government**
 - City Council sets policy and budget priorities
 - The City Manager runs the City based on policy and budget
- **Almost all California Cities use the Council-Manager form of government**



ICMA Brochure Link:
bit.ly/ICMAbrochure





Oversee day-to-day city operations, ensuring departments deliver services efficiently and effectively



Implement City Council policies



Manage the City's budget and long-term planning



Community & Business Outreach

- Neighborhood Council
- Service Clubs
- Surveys
- Business visits



Countywide Coordination with the other nine cities and the County



State/Federal Affairs, Water Board, Special Districts



Oxnard College



Landmine Detection



Leadership

What We Do: City Manager's Office Programs



Communications & Marketing

- Works to keep our residents, businesses, employees and media informed about the City's programs, services and priorities
- Assists City departments on public engagement



Community Events and Filming

- Facilitates the City approval process of film permits and the Special Event Support Program for community events and festivals
- Provides assistance in planning, securing required permits and ensuring successful events and filming productions



Legislative Services

Supports the City Council's regional, State and Federal legislative priorities and agenda, monitoring State and federal legislation to advocate for the interests of the City when necessary



Neighborhood Services

Maintains and provides support to:

- The Neighborhood Council Program by coordinating meetings, preparing agendas and the Weekly Neighborhood Council Packet;
- The Inter-Neighborhood Council Organization (INCO)
- The Neighborhood Council Budget program



Project Management

- ARPA Projects
- City-wide Projects
- Special Projects

PROJECT MANAGEMENT

 American Rescue Plan Act (ARPA)	 Arts Academy	 Aquatics Center	 Budget	 Carnegie Museum
 Citizen Advisory Groups	 Citywide Wayfinding	 Citywide User Fee Study	 Community Profile of Oxnard	 Cultural Arts Programs
 Dallas Cowboys Training Camp	 Development Impact Fee Study	 Downtown Liaison	 Employee Pipeline	 Film Permits
 Gateway Project	 INCO	 Legislative Affairs	 Local Water Issues	 Measure O Oversight Committee Liaison
 Neighborhood Services	 Ormond Beach	 Oxnard College Job Fair Support	 Oxnard 311 App	 PEG Funding/Program
 Port of Hueneme Liaison	 Quimby	 Skate Park	 Special Events (Temporary Use Permits)	 Special Districts Support
 Sports Park	 Successor Agency; Recognized Obligation Payment Schedule (ROPS); Administrative Budget	 Visit Oxnard	 West Ventura County Business Alliance Liaison	 Whistleblower Reporting Program



Communications & Marketing

New Website



Before 2012

2012 - 2016

BEFORE May 2016 - 2024

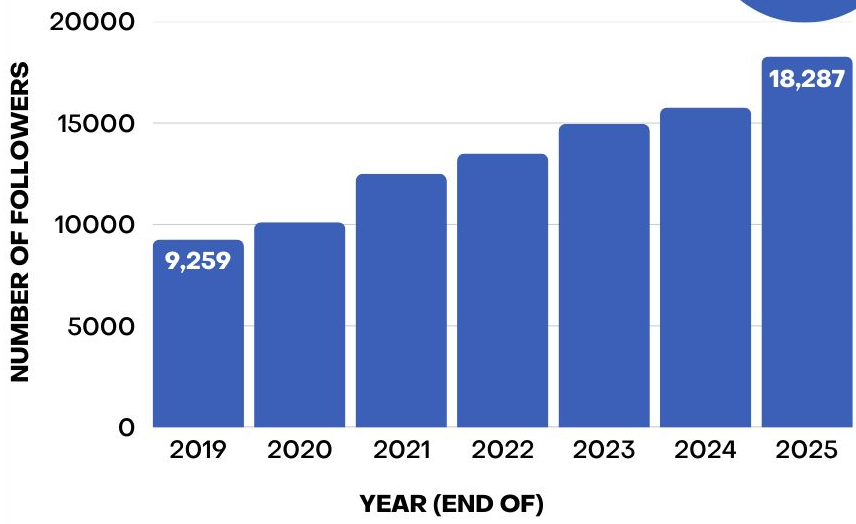
AFTER

Today



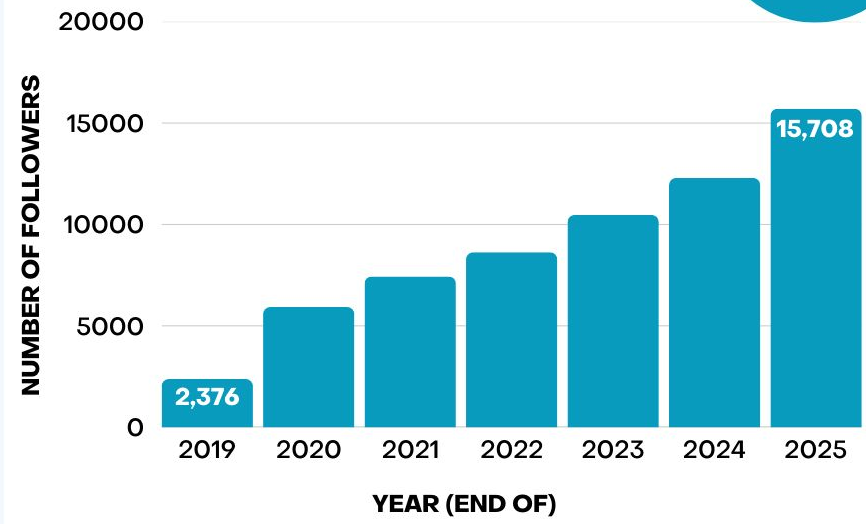
FACEBOOK GROWTH

97.5% INCREASE
SINCE 2019



INSTAGRAM GROWTH

561% INCREASE
SINCE 2019



6 Years of Steady Reforms & Improvements

Fiscal Year 2019-20 through Fiscal Year 2025-26

Administrative & Governance Highlights



FY19-20: Enacted Sunshine Ordinance



FY19-20: Enacted City Council/Committee System



FY19-20: Oxnard Voters Approved Measure B (Government Accountability & Ethics Act)



FY19-20: Streamlined Permit Review Process



FY20-21: Oxnard Voters Approved Measure E (1.5 cent Sales Tax)



FY20-21: Launched Cannabis Program



FY20-21: City Council Approved Tyler Technologies' ERP system



FY21-22: Began implementing ERP



FY21-22: Completed the 2020 Census Redistricting Process; Redrew Council District Boundaries



FY22-23: Went Live with Financial Module of ERP



FY23-24: Integrated Human Capital Management Module of the ERP, allowing integrated payroll management with all City departments



FY24-25: Went Live with HR Portion of ERP

6 Years of Steady Reforms & Improvements

Fiscal Year 2019-20 through Fiscal Year 2025-26

Financial Highlights



FY19-20: Bond Savings \$400k/yr



FY19-20: Sold PUC Undergrounding Credits \$1.7M



FY19-20: 1st Audit without new material weaknesses 2019



FY19-20: Updated Development Impact Fees



FY19-20 Navigated \$9.2M Structural Budget Deficit



FY20-21: Updated City Council 5-Year Council Priorities



Since 2021, the City has received a total of eleven S&P credit upgrades validating financial stability



FY20-21: Finance Department eliminated more than 60 material weaknesses and cleared nearly 90% of audit findings through improved internal controls and efficiencies



FY21-22: Adopted first positive budget in a decade



FY21-22: Received both American Rescue Plan Act (ARPA) payments totaling \$59.5M; City Council allocated funds



FY22-23: \$48 Million WIFIA Loan to Expand Water Supplies



FY22-23: Began Measure O weaning process to start transferring ongoing operational costs to General Fund for March 2029 sunset



FY22-23: Adopted New Streamlined Chart of Accounts



FY24-25: Adopted Surplus Budget; Used \$20M of Surplus To Pay Down Long-Term Debt and 16.6% (\$9.5M) to Bolster Reserve Fund, Meeting Council's General Fund Reserve Policy Goals



FY24-25: Continued progress to address and correct findings related to the Single Audits from FY14-15 through 20-21, achieving full resolution of all but one of the 159 unique audit findings

6 Years of Steady Reforms & Improvements

Fiscal Year 2019-20 through Fiscal Year 2025-26

Awarded Grants & Funding Highlights



FY20-21 to FY24-25:
Received 4 grants totaling
\$22.3M for Campus Park
investments



**FY20-21: Awarded
\$182,000 EPA
Wastewater
Treatment Center**



**FY20-21: Secured
\$2.8M FEMA Grant
for Wastewater
Treatment**



**FY20-21: Secured \$9.7M of
Federal and State Money For
Affordable Housing (Project
HomeKey - Vagabond Inn)**



**FY23-24: Received \$16.5
Million in State Funding for
Rice Ave. Overpass, Santa
Clara Levee Construction &
CI Harbor Water Quality**

6 Years of Steady Reforms & Improvements

Fiscal Year 2019-20 through Fiscal Year 2025-26

Other Improvements & Initiatives Highlight



FY19-20: Completed Wastewater Treatment Plant Emergency Repairs



FY19-20: Decrease in Violent Crime (4 Years In a Row)



FY19-20: Oversaw Emergency Response Efforts to Covid-19 Pandemic



FY19-20: Ended Golf Course Subsidy



FY19-20: Enacted Homeless Camping Ordinance



FY19-20: City Council Unanimously Approved Development Agreement for Sakioka Farms



FY19-20: Short Term Rental/Vacation Rental Ordinance



FY19-20: Ended PACC Subsidy & Awarded Operations Contract to Sterling Venue Ventures



FY20-21: City Successfully Negotiated Building New Amazon Fulfillment Center at Sakioka



FY20-21: City of Oxnard and County of Ventura Unanimously Approve Channel Island Harbor Cooperation Agreement



FY21-22: Amazon Facility Opened; Launched Partnership with City to Hire Local for 1,500 New Jobs



In 2020, GenOn agreement established \$25M trust for demolition of Ormond Beach Power Plant. Trust was fully funded by FY24-25.



FY23-24: Launched New Website/Gov URL



FY23-24: Secondary GenOn agreement funds a public access coastal park in South Oxnard, with \$5-10 million depending on the length of the plant's operation extension is mandated



Experienced a Decline in Homelessness with a 24.3% decrease from 2023 to 2025



FY24-25: Presented Oxnard "Thriving Youth" Study, collaboration with UCLA Chicano Studies Research Center analyzing Oxnard youth challenges and economic stability roadblocks



FY24-25: Council Approved Teal Club Development in April 2025, bringing 990 residential units on 150 acres at Teal Club Road and Ventura Road



Casa de Carmen & Oxnard Navigation Center Opened in 2025

Challenges - Highlights

2016

FY15-16

Organizational Assessment: The consultant Management Partners was commissioned by the Council to conduct an organizational assessment to address a number of fiscal and management issues. The final report identified 128 findings and recommendations

FY15-16

Audit: A 2016 audit by Eadie & Payne LLP identified 111 findings/weaknesses, leading to portions of the city's finances being deemed "unauditable" due to major inconsistencies and control issues

4/1/2016

Lawsuit: City challenged legality of Measure M, an initiative approved by voters to reduce wastewater rates

5/4/2016

Lawsuit: Writ petition to require the City to place voter initiative to lower wastewater rates on ballot

2017

4/16/2017

Lawsuit: Challenge to City's Infrastructure Use Fee (IUF) used in water, wastewater and solid waste rates intended to cover costs that such enterprises place on the General Fund

Nov. 2017

California Voting Rights Act (CVRA) Challenge: After receiving an attorney's letter alleging Oxnard's at-large elections violate the CVRA, Council adopted a Resolution of Intent to implement a district-based election system

FY16-17

Audit: Continued to reveal insufficient internal control frameworks and financial process weaknesses

2018

March 2018

Audit: City was required to produce a Corrective Action Plan (CAP) and submit it to the State Controller's Office for review and approval

5/1/2018

Special Recall Election: A recall effort was initiated after four elected officials voted to raise wastewater rates through 2022. The recall efforts against all four officials failed

6/4/2018

Lawsuit: Class action refund claim for wastewater refunds based on claim that Measure M (the voter-approved initiative to lower wastewater rates) was valid

7/19/2018

Lawsuit: Writ petition to compel monthly financial report be filed with City Council. Petitioner eventually prevailed at Trial Court level. No appeal

Challenges - Highlights

2019

June 2019	Budget Deficit: As City faced a projected \$9.2 million budget shortfall, Council was required to make difficult decisions about service reductions, layoffs, and the use of reserves. This resulted in \$5.3 million in budget cuts, which included eliminating 32 positions and decreasing public works funding for services including landscaping and parks maintenance, approval of a \$141 million General Fund budget that still included drawing down reserves by \$2.3 million, and using \$1.4 million of Measure O sales tax revenue for one-time use to keep fire station fully staffed and PACC open
9/10/2019	Lawsuit: Pre-Election Challenge to Measures M and N as unlawful and, thus, should not be placed on the ballot
12/11/2019	Lawsuit: Federal Court Challenge to City's campaign finance regulations
12/17/2019	Lawsuit: adv. Moving Oxnard Forward regarding public records
Dec. 2019	Lawsuit: The City faced a legal challenge after adopting a term-limits measure instead of placing the voter-initiated measure on the ballot

2020

3/6/2020	Local Emergency Declaration: The COVID-19 pandemic forced Oxnard to respond to public health needs while addressing major economic impacts on tourism, local businesses, and city services.
2020 - 2022	Local Emergency Declaration: Issued a series of Director's Orders throughout the pandemic to address and then rescind temporary ordinances related to permits, termination of fees and penalties, and other easing of local ordinances to address economic impacts of the pandemic
April 2020	Local Emergency Declaration: As COVID-19 cases rose in California, PPE and medical supply shortages became acute, mirroring nationwide shortages. Cities like Oxnard faced challenges securing masks, gloves, and cleaning supplies for first responders, staff, and public facilities
April 2020	Local Emergency Declaration: City Manager takes a one-time \$25,000 pay cut, and members of the senior leadership team also take salary reductions to address the financial challenges of the pandemic recession
June 2020	Local Emergency Declaration: Budget included depletion of reserves to \$3.4M (2.2%) of General Fund Reserves in FY 20-21 (when Council's reserve goal was 12%). Other estimated economic projections included sales tax reduction of 10% (\$3.1M), 30% loss (\$1.6M) of hotel tax, and another of ~\$3.7M in revenue through property tax, fines & forfeitures and interest income
8/4/2020	Lawsuit: Challenge to wording of ballot question/titles regarding Measures E, L, M and N
8/4/2020	Lawsuit: City challenge to title on ballot materials
Aug. 2020	Local Emergency Declaration: All labor unions agreed to concessions to address the financial challenges of the pandemic recession; deferred contractual increases
12/23/2020	Lawsuit: City's post-election Challenge to Measures M and N, which voters approved

Challenges - Highlights

2021

2021	Lawsuit Financial Impacts: City required to repay utilities due to IUF lawsuit, resulting in a one-time loss of \$36.5 million to General Fund & \$4M annually for streets; City makes first payment of \$17 million
3/30/21	Homelessness: After facing years of community concerns about location for new homeless shelter, City Council unanimously approved the selection and construction of the homeless shelter and permanent supportive housing project at 2nd & B Street in Downtown Oxnard
June 2021	Ballot Measure Financial Impacts: City faces a potential loss of \$236 million if voters approve Measure N, which would require an excessive amount on funds dedicated to street paving or else Measure O ½ cent sales tax would end early
9/3/2021	Lawsuit: Challenge to City's inclusion of costs for community outreach regarding improvement of services to Landscape and Lighting Maintenance Districts

2022

2022	Lawsuit Financial Impacts: Repayment from General Fund to utilities continues due to IUF lawsuit; City makes second payment of \$10 million
5/23/2022	Lawsuit: Challenge regarding which election procedure applies to voter initiatives regarding Community Facility Districts
June 2022	Supply Chain Disruption: Pandemic impacts continue to disrupt public safety vehicle orders; Police Department is on year 2 of waiting for 26 replacement patrol vehicles, and Fire Department waiting up to 38 months for fire truck delivery and Ford cancelled order for 12 vehicles
June 2022	Inflation: Rising inflation impacts the budget for daily city operations. Examples of increased costs include: diesel fuel (bulk) increased 115%, parts such as a brake shoe increased 94.6%, and rubberized hot mix asphalt (price per ton) increased 48%
8/1/2022	Lawsuit: City of Oxnard 2022 Taxable Pension Obligation Bonds
12/1/2022	Lawsuit: Lease Revenue Bond Reverse Validation Action

Challenges - Highlights

2023

2023	Lawsuit Financial Impacts: Repayment from General Fund to utilities continues due to IUF lawsuit;; City makes final payment of \$9.5 million
2023	Lawsuit Financial Impacts: Bonding litigation (lease revenue bonds) prevents City from the opportunity to bond for major capital improvement projects, such as street reconstruction, aquatics center, senior center, fire stations, seawalls and other major infrastructure projects
2023	Staffing Shortages: Labor shortages, high staff turnover, and challenging recruitment cycles impact public sector jobs. In Jan. 2023, NeoGov reported that since 2021, public sector job openings increased by 45%, but applicants per job decreased by 56%. Oxnard, like many other cities, struggled to recruit and retain its workforce, and faced increasing vacancies following the pandemic. City reached a 14% vacancy rate in June 2023
8/8/2023	Lawsuit: Auditor Rotation Case
Dec. 2023	Local Emergency: On December 21, 2023, a rainstorm brought with it what the <i>Los Angeles Times</i> described as "a once-in-a-millennium rainfall," causing major flooding and damage throughout Oxnard. The City expended significant public safety and public works resources to assist affected residents and businesses in storm response and recovery efforts

2024

Jan. 2024 - May 2024	Local Emergency: In response to flood impacts from the December 2023 storm, the City distributed one-time \$1,000 disaster relief gift cards, provided by the Ventura County Community Foundation (VCCF), to impacted property owners and tenants. The City supported recovery by waiving permit fees and street sweeping citations, replacing lost trash bins, assisting displaced tenants with housing, and connecting affected community members with resources. The City also partnered with the Small Business Administration (SBA) to establish a Loan Outreach Center to help community members apply for low-interest recovery loans
2024	Lawsuit Financial Impacts: The City of Oxnard continues to cash fund major capital infrastructure projects due to the bonding litigation, which continued to deprive Oxnard of major financial tool that cities and counties have access to
2024	Staffing Shortages: Competitive labor market continues to impact Oxnard. In March 2024, police (sworn positions) faced an 8.5% vacancy rate
7/3/2024	Lawsuit: A lawsuit was filed challenging the wording of the ballot questions for four RiverPark Community Facilities District (CFD No. 5) assessment measures slated for the November 5, 2024 election
9/9/2024	Lawsuit: Unsuccessful facial challenge to Ordinance No. 3049, which prohibited any City subsidy of CFDs, LMDs and Waterways Assessment Districts if residents voted to terminate or reduce funding for those districts.

Challenges - Highlights

2025	
2025	Lawsuit Financial Impacts: City continues to cash fund major capital infrastructure projects due to the bonding litigation
2025	Long-term Financial Impacts: Measure O sunset in March 2029; loss of ~\$20M annually
March 2025	Federal Cuts - Housing: Federal housing assistance subsidies assist more than 5,300 individuals in Oxnard. Cuts from the federal government would place additional burdens on Oxnard community members facing housing insecurity. Throughout 2025 and 2026, announcements from the Federal government continued to focus on decreases to federal housing and urban development programs
May 2025	Federal Cuts - FEMA: FEMA budget cuts would significantly impact cities by reducing funding for disaster preparedness, slowing recovery, increasing local costs
July 2025	Federal Cuts - Public Education: Federal government threatens to hold back over \$800 million in California education funding, beginning a process of uncertainty related to budget planning for the State. The potential loss of federally-funded programs will result in decreasing services to families
Nov. 2025	State Funding Cuts: California faces a nearly \$18 billion budget deficit due to higher spending and federal cuts, potentially ballooning to \$35 billion by 2028 according to the Legislative Analyst's Office. This would result in continued cuts to programs and services from the state in the years ahead
Dec. 2025	County Funding Cuts: Ventura County announces that due to budget impacts on its General Fund, it will withdraw as administrator of the Ventura County Area Agency on Aging (VCAAA), effective June 30, 2026, and will shift the County's oversight of senior programs and resources directly to the State. This will impact budgets for Oxnard's Senior Services, including its Senior Nutrition program, which has relied on Measure O funding in recent years to fill budget gaps



Questions?

City Attorney's Office Workshop

February 3, 2026

City Council

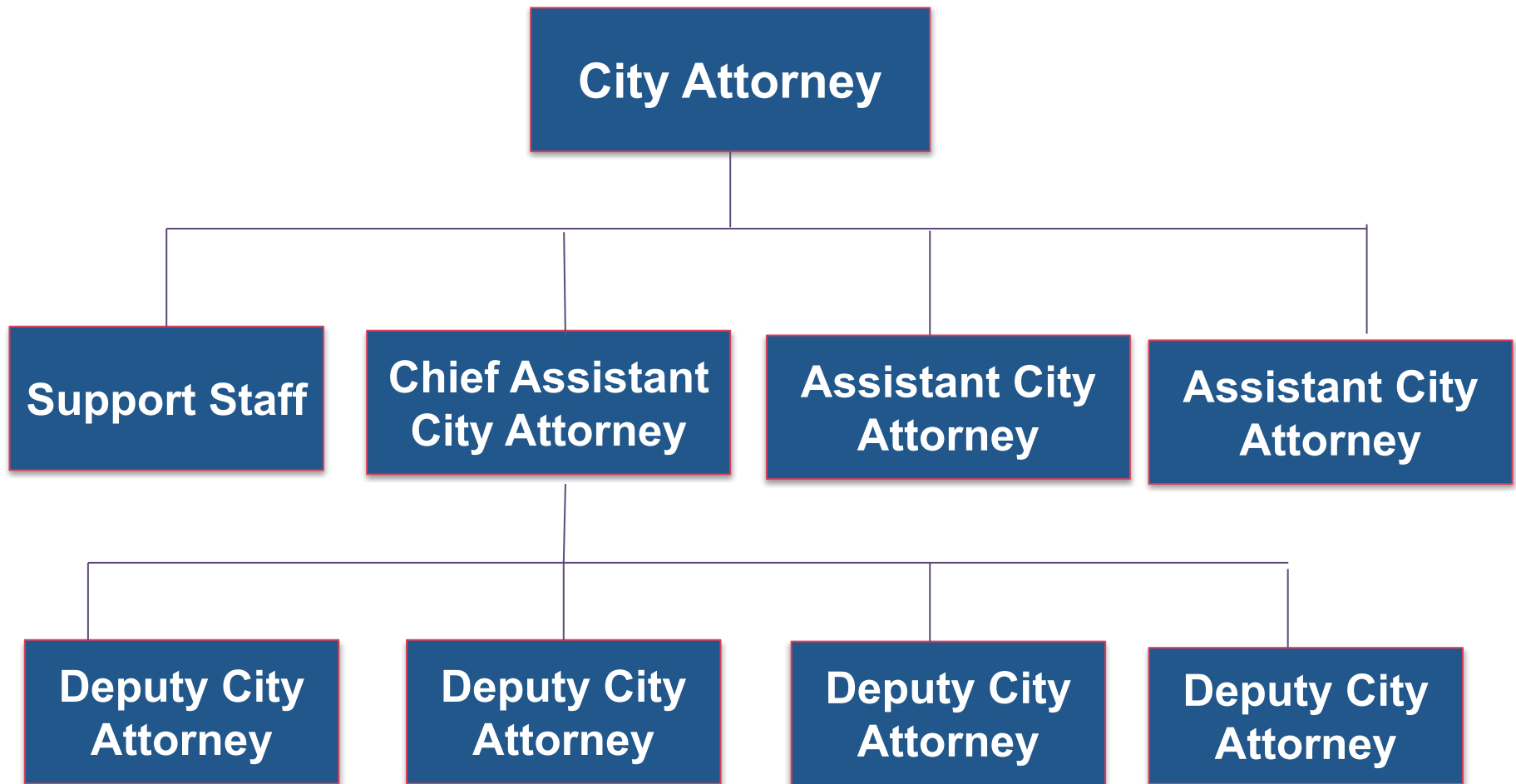
Presented by:

Stephen Fischer,
City Attorney

Elle McCarron,
Assistant City Attorney

Jason Zaragoza,
Assistant City Attorney

Andrew Gonzalez,
Deputy City Attorney





- Provide legal counsel for the entire City organization
- Advise the City Council, all City departments and the City's other legislative bodies
- Support policy implementation, compliance and risk management



- Transactional
- Open Meetings and Records
- Litigation

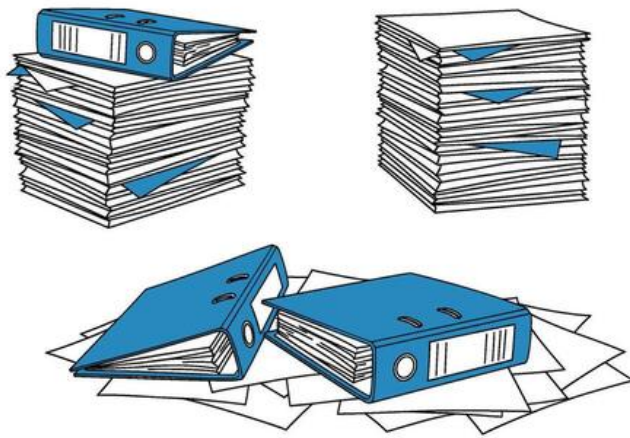


- Contract drafting, review, and negotiation
- Ordinance and resolution preparation
- Agenda and legislative review
- Ethics advice
- Election support for Clerk's Office
- Day-to-day legal support to City departments



- Over 600 contracts reviewed, edited, or drafted annually
 - General and Professional Services
 - Public Works Construction
 - Procurement and Solicitations
- Drafting and review of all Ordinances and Resolutions
 - Purchasing Ordinance
 - Tenant Protection Ordinances
 - Solid Waste Ordinance
 - LMD Resolutions
 - Council Policy Resolutions

- Brown Act compliance
- Public Records Act (CPRA) compliance
- Records retention and destruction guidance
- Citywide training and support





NextRequest



- 1210 CPRA requests processed in 2025
- Implemented a new online PRA portal (NextRequest)
 - Improved functionality
 - Reduced cost
 - Enhanced tracking and transparency

- Litigation:
 - Limited in-house litigation capacity
 - Outside counsel coordination
- Criminal and civil proceedings
- Risk mitigation: claims coordination





- 161 Government Tort Claims processed (2025)
- Employment matters:
 - Arbitrations
 - Mediations
 - Investigations
- Writ proceedings
- General litigation and contract disputes



Administrative citation hearings, e.g.:

- Cannabis employment permits
- Dangerous fireworks violations
- Flavored Tobacco violations
- Just Cause Eviction Ordinance violations

CAO attorneys:

- Advocate for the City; or
- Serve as Hearing Officers

GV Filing Agencies								
Year	California Highway Patrol	Los Angeles Police Department	Oxnard Police Department	Port Hueneme Police Department	Santa Paula Police Department	Simi Valley Police Department	Ventura County Sheriff Office	Ventura Police Department
2016	-	-	-	-	-	-	-	1
2017	-	-	-	-	-	-	2	1
2019	-	-	7	-	-	1	13	1
2020	1	-	5	-	1	4	4	1
2021	1	-	5	-	-	1	9	6
2022	-	1	14	-	-	2	14	11
2023	-	-	15	2	-	1	16	12
2024	-	-	19	2	3	1	22	13
2025			13	4	2	4	35	12

- 23 GVROs filed FY 2024–25
- GVRO renewals
- Coordination with law enforcement to enhance public safety



Enforcement of camping laws

Code compliance warrants:

- inspection warrants
- abatement warrants
- Legal support for compliance, enforcement, and inspections

- Reduces legal and financial risk
- Supports transparency and accountability
- Ensures lawful policy implementation



QUESTIONS?



Internal Services Workshop

Information Technology

Presented by:

Rob Ruben

Chief Information Technology Officer

**City Council Meeting
February 3, 2026**



Information Technology Overview

BY THE NUMBERS



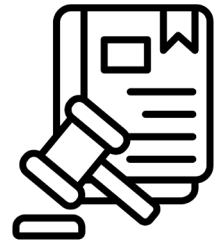
Business
Engagement

Solutions Delivery

Infrastructure &
Cybersecurity

Information Technology Overview

Overall Priorities



Defend the City!

Implement and maintain safe, durable and resilient systems and utilize industry best practices and tools to stabilize our technology systems



Align to Departmental Needs

Regular formal discussions with the leadership from each department, prioritizing their current and future needs and aligning IT resources accordingly.



Strategic Priorities

Organizational Effectiveness:

Reinforce, stabilize, improve, and strengthen the organizational foundation of the City in order to build a modern, high-functioning City government that effectively and efficiently supports the operating departments in providing high-quality services and programs for our residents and businesses.

Business Engagement Division



Maximizing the value of the City's technology investments by aligning departmental partnerships with disciplined project delivery and process optimization.

Business Relationship Management and Governance

Maintains strategic partnerships with department leaders to synchronize technology roadmaps and ensure IT resources are dedicated to the city's highest-impact priorities

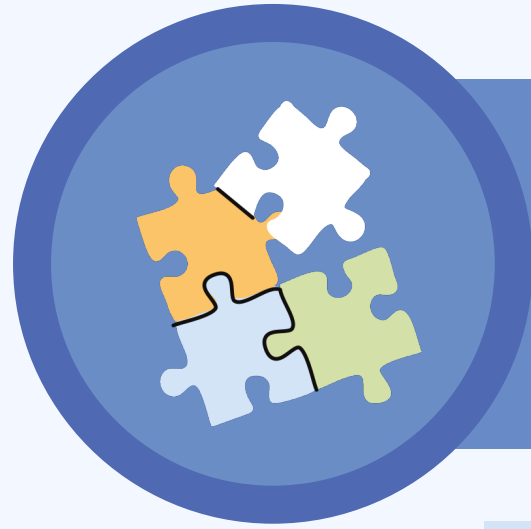
Project Management and Portfolio Management

Delivers technology initiatives through a standardized framework that ensures predictable outcomes and the optimal use of city resources

Business Analysis and Process Improvements

Defines the requirements and process improvements necessary to ensure technology solutions are built correctly, tested thoroughly, and adopted successfully

Solutions Delivery Division



Empowering city departments through the development, integration, and management of specialized software and data solutions that enhance public service delivery.

Geographical Information Systems (GIS)

Manages the city's geographic maps and databases and develops the interactive tools used by staff and residents to visualize city information.

Applications Development and Support

Ensures a seamless digital workflow by managing the city's core software applications and building the integrations that allow data to flow reliably between them.

Data Management and Analytics

A recently-formed function that bridges the gap between raw city data and actionable insights by providing centralized data integration and advanced analytical support to all municipal departments.

Solutions Delivery Division



Fun Facts:

Geographical Information Systems (GIS)

- Our GIS maps include over 1,200 miles of roads
- 863 total GIS tickets closed in 2025 (includes incidents, service requests, and major incidents)
- 676 maps supported by GIS, including 1,084 unique map layers

Applications Development and Support

- Over 350 applications are in use across the city

Data Management and Analytics

- We support over 450 databases

Infrastructure and Cybersecurity Division



Safeguarding the city's digital assets and maintain the critical infrastructure and support services that empower our staff to work securely and efficiently

Service Desk

Serves as the frontline of IT, dedicated to resolving technical issues efficiently and providing the guidance city employees need to use technology effectively

Infrastructure and Network Engineering

Manages the critical hardware and cloud infrastructure that provides a secure and scalable environment for all city applications and data

Cybersecurity

Secures the City's technology environment and protect sensitive information through continuous monitoring, policy enforcement, and threat prevention.

Infrastructure and Cybersecurity Division



Fun Facts:

Service Desk

End Devices (PC Desktops and Laptops): 1100

Mobile Devices (phones, Tablets): 1300

City Buildings with networking infrastructure: 23

Infrastructure and Network Engineering

- Number of servers (Physical and Virtual): 300
- Network Devices (Switches, Routers, Firewalls): 200

Cybersecurity

- We get approximately 25,000 cyber attacks per month!

Information Technology Recent Accomplishments

Infrastructure

- Cybersecurity Enhancements
- Infrastructure Modernization
- PC Hardware Refresh
- MS Office Implementation
- Network Operations Center

Applications

- Police – Peregrine data integration and operations platform
- Finance – Credit Card Processing Fees
- Police – 911 Dispatch and Records Management System Upgrade
- Fire – Document Management System
- Police – Drones as First Responders
- GIS Systems and Database Upgrade



Questions?



CITY COUNCIL AGENDA REPORT

REPORT OF CITY MANAGER/EXECUTIVE DIRECTOR/SECRETARY AGENDA ITEM NO. H.1

DATE: February 3, 2026

TO:

FROM:

SUBJECT: City Manager's Corner: updates, announcements, clarifications, and local government fun facts on occasional Tuesdays.

RECOMMENDATION

BACKGROUND

STRATEGIC PRIORITIES

This agenda item supports Economic Development strategy. The purpose of Economic Development strategy is to focus on the retention and expansion of Oxnard businesses by increasing the skills and employability of our local workforce, invite new business investments, and target site-based redevelopment opportunities.

This agenda item supports the Organizational Effectiveness strategy. The purpose of the Organizational Effectiveness strategy is to reinforce, stabilize, improve, and strengthen the organizational foundation of the City in order to build a modern, high-functioning City government that effectively and efficiently supports the operating departments in providing high-quality services and programs for our residents and businesses.

This agenda item supports the Infrastructure and Natural Resources strategy. The purpose of the Infrastructure and Natural Resources strategy is to preserve and improve our roads, utilities, parks, trees, water supply and natural resources through effective planning, prioritization, and an equitable and efficient use of available funding.

This agenda item supports the Quality of Life strategy. The purpose of the Quality of Life strategy is to restore and increase quality services and programs that enrich Oxnard's diverse community, promotes safe neighborhoods, encourages community engagement, and supports our residents in their efforts to improve their quality of life.

This agenda item supports Public Safety strategy. The purpose of the Public Safety strategy is to restore and modernize the delivery of public safety services to provide for the safety of our neighborhoods and health of our community.

This agenda item is a routine operational item or does not relate to the five strategic priorities adopted by City Council on March 16, 2021.

FINANCIAL IMPACT

(identify accounts and remaining fund balance)

OR

There is no financial impact.

COMMITTEE OUTCOME

The _____ Committee approved 3-0 on DATE to approve the staff recommendation and to forward the item for Council approval.

OR

This item did not originate in Committee.

Prepared by:

ATTACHMENTS

None



CITY COUNCIL AGENDA REPORT

CITY COUNCIL/HOUSING AUTHORITY/SUCCESSOR AGENCY/FINANCING AUTHORITY BUSINESS/COMMITTEE REPORTS AGENDA ITEM NO. I.1

DATE: February 3, 2026
TO: City Council
FROM: Luly Lopez, City Clerk, (805) 385-7805, luly.lopez@oxnard.org
SUBJECT: Appointment of Mayor Mc Arthur to Regional Defense Partnership.

RECOMMENDATION

That the Mayor, with the approval of the City Council, appoint Luis A. Mc Arthur to represent the City of Oxnard on the Regional Defense Partnership (RDP).

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/I7QMAgU6Jko>

BACKGROUND

On December 5, 2023, Councilwoman Basua was appointed as the City of Oxnard's representative to RDP. RDP general meetings are conducted on the first Thursday of each month beginning at 7:30 a.m. in the Pacific Conference Room in the Hall of Justice at the Ventura Government Center, 800 South Victoria Avenue, Ventura, CA. Board members are not compensated for their service on RDP.

Councilwoman Basua has requested to be replaced as the member to RDP by Mayor Mc Arthur effective immediately. The next regular meeting for RDP is scheduled for February 5, 2026.

STRATEGIC PRIORITIES

This agenda item is a routine operational item or does not relate to the five strategic priorities adopted by City Council on March 16, 2021.

FINANCIAL IMPACT

There is no financial impact.

COMMITTEE OUTCOME

This item did not originate in Committee.

Prepared by: Luly Lopez, City Clerk

ATTACHMENTS

1. Appointment of Mayor Mc Athur to Regional Defense Partnership

Appointment of Mayor Mc Arthur to Regional Defense Partnership

City Council

February 3, 2026

Luly A. López, City Clerk



That the Mayor, with the approval of the City Council, appoint Luis A. Mc Arthur to represent the City of Oxnard on the Regional Defense Partnership (RDP).

REGIONAL DEFENSE PARTNERSHIP (RDP)

On December 5, 2023, Councilwoman Basua was appointed as the City of Oxnard's representative to RDP. RDP general meetings are conducted on the first Thursday of each month beginning at 7:30 a.m. in the Pacific Conference Room in the Hall of Justice at the Ventura Government Center, 800 South Victoria Avenue, Ventura, CA. Board members are not compensated for their service on RDP.

Councilwoman Basua has requested to be replaced as the member to RDP by Mayor Mc Arthur effective immediately. The next regular meeting for RDP is scheduled for February 5, 2026





CITY COUNCIL AGENDA REPORT

CITY COUNCIL/HOUSING AUTHORITY/SUCCESSOR AGENCY/FINANCING AUTHORITY BUSINESS/COMMITTEE REPORTS AGENDA ITEM NO. I.2

DATE: February 3, 2026
TO: City Council
FROM: Luly Lopez, City Clerk, (805) 385-7805, luly.lopez@oxnard.org
SUBJECT: Appointment of Members to Serve on the City's Citizen Advisory Groups (CAGs) Boards and Committees.

RECOMMENDATION

That the Mayor, with the approval of the City Council:

1. Appoint Brian Landers to the Measure O Citizen Oversight Committee as an at-large member; and
2. Appoint Ana Maria Van Hoven to the Mobilehome Park Rent Review Board as an at-large member.

(This item did not originate in Committee.)

Please click the following link to view the required Measure M pre-recorded presentation video: https://youtu.be/OtP5BTM_aqw

BACKGROUND

Oxnard City Code section 2-36 states that the Mayor, with the approval of the City Council, shall appoint the members of each Citizen Advisory Group (CAG). The process is outlined in that provision, including nomination by each Councilmember congruent with his or her term in office undergoing background checks.

The Measure O Citizen Oversight committee is not a CAG, but its establishing resolution has similar language, except that there is no requirement for Committee members to undergo a background check before appointment. However, the City Clerk's Office requires background checks for Committee members to ensure consistency, build public trust, and guarantee qualified, reliable individuals serve the community.

The Mobile Home Park Rent Review Board is not a CAG, but its establishing ordinance in City Code section 24-5 has similar language, except that this Board consists of five (rather than seven) members appointed by the Council as a whole.

DISCUSSION

Measure O Citizen Oversight Committee

The Measure O Citizen Oversight Committee is appointed to review the use of Measure O revenues approved by the City Council. The Committee is made up of nine members with one member appointed by the Mayor to represent the City at large, six members appointed by Council District, one member active in a business organization representing the business community located in the City, and one member active in a Neighborhood Council or Neighborhood Association located in the City. Commissioners must reside in the City and be over the age of 18. For this purpose, Mayor Mc Arthur nominates Brian Landers to serve at-large, who has passed the City's formal background check procedures.

Mobilehome Park Rent Review Board

The Mobilehome Park Rent Review Board (MPRRB) is in charge of collecting evidence and information, initiating investigations, scheduling and conducting hearings or appeals, and issuing written findings and decisions to protect the mobile homeowners in the City from excessive rents and to protect their investment in their homes while at the same time providing for a fair return for mobile home park owners. The MPRRB is composed of five members at large who are not connected with the real estate or rental housing industry for their personal financial gain and who are not residents of, nor have any financial interest in, any mobile home or mobile home park. For this purpose, Mayor Mc Arthur nominates Ana Maria Van Hoven to serve at-large, who has passed the City's formal background check procedures.

Staff will return on a rolling basis with additional Council nominations to fill the remaining vacancies in the City's commissions, committees and boards.

STRATEGIC PRIORITIES

This agenda item supports the Quality of Life strategy. The purpose of the Quality of Life strategy is to restore and increase quality services and programs that enrich Oxnard's diverse community, promotes safe neighborhoods, encourages community engagement, and supports our residents in their efforts to improve their quality of life.

FINANCIAL IMPACT

There is no financial impact.

COMMITTEE OUTCOME

This item did not originate in Committee.

Prepared by: Luly Lopez, City Clerk

ATTACHMENTS

1. Appointment of Members to Serve on the City's Citizen Advisory Groups (CAGs) and Baords February 3 2026

Appointment of Members to Serve on the City's Citizen Advisory Groups (CAGs) Boards and Committees.

City Council

February 3, 2026

Luly A. López, City Clerk

That the Mayor, with the approval of the City Council:

1. Appoint Brian Landers to the Measure O Citizen Oversight Committee as an at-large member; and
2. Appoint Ana Maria Van Hoven to the Mobilehome Park Rent Review Board as an at-large member.

MEASURE O CITIZEN OVERSIGHT COMMITTEE (MOCOC)

Function	Reviews the use of Measure O revenues approved by the City Council.
Requirements	<ul style="list-style-type: none"> • 9 members • 6 appointed by District • 1 At-Large • 1 represents Business Community • 1 represents Neighborhood Council or Neighborhood Association • Must reside in the City and be over the age of 18.
Nomination	<ul style="list-style-type: none"> • Mayor Mc Arthur nominates Brian Landers as an at-large member.

MOBILEHOME PARK RENT REVIEW BOARD

Function	<ol style="list-style-type: none"> 1. In charge of collecting evidence and information, initiating investigations, scheduling and conducting hearings or appeals. 2. In charge of issuing written findings and decisions to protect the mobilehome owners in the City from excessive rents and to protect their investment in their homes while at the same time providing for a fair return for mobilehome park owners. 3. The MPRRB members are not connected with the real estate or rental housing industry for their personal financial gain and who are not residents of, nor have any financial interest in any mobilehome or mobilehome park. 4. For this purpose, the Council nominates Ana Maria Van Hoven who has passed the City's formal background check procedures.
Requirements	Five members must reside in the City and be over age 18.
Nomination	Mayor Mc Arthur nominates Ana Maria Van Hoven as an at-large member.





CITY COUNCIL AGENDA REPORT
INFORMATION/CONSENT AGENDA
AGENDA ITEM NO. L.1

DATE: February 3, 2026
TO: City Council
FROM: Luly Lopez, City Clerk, (805) 385-7805, luly.lopez@oxnard.org
SUBJECT: Approval of Oxnard City Council Minutes.

RECOMMENDATION

That the City Council approved the regular meeting minutes of January 20, 2026.

BACKGROUND

Approval of minutes.

STRATEGIC PRIORITIES

This agenda item is a routine operational item or does not relate to the five strategic priorities adopted by City Council on March 16, 2021.

FINANCIAL IMPACT

There is no financial impact.

COMMITTEE OUTCOME

This item did not originate in Committee.

Prepared by: Luly Lopez, City Clerk

ATTACHMENTS

1. City Council minutes of January 20, 2026

MINUTES
OXNARD CITY COUNCIL
Regular Meeting
January 20, 2026

A. ROLL CALL, POSTING OF AGENDA

At 5:02 p.m., Mayor Pro Tem Gabriel Teran presided and called to order the regular meeting of the Oxnard City Council in the City Hall Council Chambers at 305 W. Third Street, Oxnard, California. Councilmembers Bert E. Perello, Michaela Perez, Gabriela Rodriguez, Aaron Starr and Gabriel Teran were present. Councilwoman Gabriela Basua and Mayor Luis A. Mc Arthur were absent. The City Clerk stated that the agenda was posted on Thursday, January 8, 2026 at the Library, City Hall kiosk, City Administrative Offices and on the website.

Staff members present were Alexander Nguyen, City Manager; Eric Sonstegard, Assistant City Manager, Stephen Fischer, City Attorney; Terrel Harrison, Cultural and Community Services Director; Renee Rakestraw, Assistant Director of Cultural and Community Services; Julie Estrada, Cultural Arts Manager; Kathleen Ashmore, Library Manager; Jessy Tapia, Community Services Manager; Pamela Morrison, Community Services Manager and Lourdes A. López, City Clerk.

CONSIDERATION OF TELECONFERENCE PARTICIPATION PURSUANT TO ASSEMBLY BILL 2449

B. PUBLIC COMMENTS ON CLOSED SESSION ITEMS

C. CLOSED SESSION

D. APPOINTMENT ITEMS (5:00 PM)

1. Cultural & Community Services Department

SUBJECT: Cultural and Community Services Workshop.

RECOMMENDATION: That the City Council receive and file an update report from the Cultural and Community Services Department concerning information related to functions, priorities, challenges, and anticipated future needs.

The Cultural and Community Services Director, Assistant Director Rakestraw, Cultural Arts Manager, Library Manager, Community Services Manager Tapia, Community Services Manager Morrison presented and discussed departmental challenges and were available to answer questions. Discussion ensued among the Council and staff.

Public comment was received from Karina Aguilar.

Written comments received from Brian Schumacher.

E. OPENING CEREMONIES (6:00 PM)

At 6:35 p.m., Mayor Pro Tem Gabriel Teran presided and called to order the regular meeting of the Oxnard City Council concurrently with the Oxnard Housing Authority in the City Hall Council Chambers at 305 W. Third Street, Oxnard, California.

Councilmembers Bert E. Perello, Michaela Perez, Gabriela Rodriguez, Aaron Starr and Gabriel Teran were present. Councilwoman Gabriela Basua and Mayor Luis A. Mc Arthur were absent. The City Clerk stated that the agenda was posted on Thursday, January 8, 2026 at the Library, City Hall kiosk, City Administrative Offices and on the website.

The meeting opened with the pledge of allegiance to the flag of the United States led by Rita Chavez a graduate of the Oxnard Fire Department EMS Corps. Councilmember Perello requested a moment of silence in memory of William Bill Terry, a resident of Oxnard, who was deeply involved in the community. Councilman Starr commented that the moment should also honor Commander Scott Aaron, a 21-year veteran with the Oxnard Police Department.

Staff members present were Alexander Nguyen, City Manager; Eric Sonstegard, Assistant City Manager, Stephen Fischer, City Attorney; Kenneth Rozell, Chief Assistant City Attorney; Javier Chagoyen-Lázaro, Chief Financial Officer; Michael Wolfe, Public Works Director; Brian Yanez, Assistant Public Works Director; Anthony Miller, Special Districts Manager; Mark Mandell, consultant with Mandell Municipal Counseling and Lourdes A. López, City Clerk.

F. CEREMONIAL ITEMS

1. Public Works Department

SUBJECT: Presentation of a Resolution Commending Andrea Torres for over Forty-Three Years of Exemplary Service to the City of Oxnard.

RECOMMENDATION: That the City Council adopt **Resolution 16,017** commending Andrea Torres for over forty-three years of exemplary service.

Mayor Pro Tem read the resolution and presented to Andrea Torres. Assistant Public Works Director Yanez expressed his appreciation for Andrea's dedication and commitment to the City.

*It was moved by Councilmember Perello, seconded by Councilwoman Rodriguez, to approve **Resolution No. 16,017** as presented. VOTE: Perello, Perez, Rodriguez, Starr and Teran voted in favor. The motion carried 5-0. Councilwoman Basua and Mayor Mc Arthur were absent.*

G. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA AND NON-ACTION ITEMS

Public comments were received from Karla Alejandra, Eric Andrist and Greg Runyon.

Written comments were received from Lyric Aebi, Heather Schmidt and Blanca Ortega.

H. REPORT OF CITY MANAGER

I. CITY COUNCIL BUSINESS/COMMITTEE REPORTS

The members of the Council provided brief announcements regarding various activities.

Councilman Starr, Councilwoman Rodriguez and Mayor Pro Tem Teran requested an agenda item outlining what PEG funds have been spent.

Councilman Starr commented on how AB 253, California Residential Private Permitting Review Act is aiming to speed up the process and would like to see how that will impact us. He would like to see a report on what the Community Development Department is doing to implement this in a way that works best for those trying to get their projects through.

1. City Attorney Department

SUBJECT: Adoption of Resolution Protecting the California Coast and Public Lands from Oil and Gas Drilling and Exploration.

RECOMMENDATION: That the City Council adopt **Resolution No. 16,018** opposing new leases for oil and gas activities in public lands and off the coast of California.

Public comments were received from Alex Mantanona, Abrah Steward, Molly McCoy, Melissa Munoz, Eric Burschinger, Cesar, Larry Barbarine and Doug Partello.

Written comments were received from Ann Dorsey, Susan Brinkmeyer, Jon Huycke and Lauri Kamiel.

It was moved by Councilwoman Perez, seconded by Councilmember Perello, to approve the recommendation action as presented.

Discussion continued among the Council.

It was moved by Councilwoman Rodriguez, seconded by Councilmember Perez, to close the debate. VOTE: Perez, Rodriguez, Perello and Teran voted in favor. The

motion carried 4-0. Councilman Starr abstained. Councilwoman Basua and Mayor Mc Arthur were absent.

On the original motion by Councilwoman Perez, to approve the recommendation action as presented. VOTE: Rodriguez, Perello, Perez and Teran voted in favor; Councilman Starr voted no. The motion carried 4-1. Councilwoman Basua and Mayor Mc Arthur were absent.

2. City Clerk Department

SUBJECT: Appointment of Members to Serve on the City's Citizen Advisory Groups (CAGs).

RECOMMENDATION: That the Mayor, with the approval of the City Council, make the following appointments:

1. To Community Relations Commission: Alejandro Moises Castro (at large);
2. To Cultural Arts Commission: Jennifer Andrea Alvarez (at large); and
3. To Senior Services Commission: Lupe Servin Reyes (D-4).

(This item did not originate in Committee.)

Public comments were received from Larry Barbarine.

It was moved by Mayor Pro Tem Teran, seconded by Councilman Starr, to approve the appointments as presented. VOTE: Rodriguez, Starr, Perello, Perez and Teran voted in favor. The motion carried 5-0. Councilwoman Basua and Mayor Mc Arthur were absent.

J. REVIEW OF INFORMATION/CONSENT AGENDA

Item No. L-3 was reviewed and discussed among the Council and staff.

K. PUBLIC COMMENTS ON INFORMATION/CONSENT AGENDA

L. INFORMATION/CONSENT AGENDA

1. City Clerk Department

SUBJECT: Approval of Oxnard City Council Minutes.

RECOMMENDATION: That the City Council approved the regular meeting minutes of January 6, 2026.

3. Finance Department

SUBJECT: Monthly Report and Accounting of All Receipts, Disbursements and Fund Balances.

RECOMMENDATION: That the City Council receive and file this report and accounting of all receipts, disbursements and fund balances for the month of November 2025.

(This item did not originate in Committee)

4. Fire Department

SUBJECT: Ratification of Authorization to be a Sub-Recipient of the EDD Employment and Training Pathways Program Year 2025-2026.

RECOMMENDATION: That the City Council:

1. Ratify the City Manager's authorization to be a sub-recipient of a Public Works Alliance grant application for EDD Employment and Training Pathways Program Year 2025-2026;
2. Approve an extension to the existing Limited Term positions that fulfil the obligations of the EMS Corps program through December 31, 2027;
3. Authorize the City Manager or designee to recognize grant award and approve budget appropriations for the use of State grant funding (Fund 210) upon award.

6. Public Works Department

SUBJECT: Public Project Agreement 32600272 with R. E. Schultz Construction, Inc., for Citywide Playground Replacement Project - Olokoy (Oxnard) Beach Park Phase II, Specification No. PW 26-20.

RECOMMENDATION: That the City Council approve and authorize:

1. A total of \$271,538 in Project funds for the Citywide Playground Replacement Project - Olokoy (Oxnard) Beach Park Phase II, Specification No. PW 26-20;
2. The Mayor to execute an agreement with R. E. Schultz Construction, Inc. in the amount of \$226,282 for the Project; and
3. Approve a Project contingency amount of \$22,628 (~10%) with R. E. Schultz Construction, Inc. for a total not to exceed value of \$248,910 for the Project; and
4. A Project allocation amount of \$22,628 (~10%) for engineering, inspection, survey and project management for the Project.

(This item did not originate in Committee as this is a capital improvement project specifically listed in the City's Capital Improvement Program budget, which was previously approved by the City Council.)

7. Public Works Department

SUBJECT: First Amendment to On-Call General Services Agreement 32600082 with Collicutt Energy Services, Inc. for Generator Maintenance Services for the Wastewater Division.

RECOMMENDATION: That the City Council approve and authorize the execution of a First Amendment to an On-Call General Services Agreement with Collicutt Energy Services, Inc. (Collicutt) to increase the not-to-exceed amount from \$220,000 to \$495,000, for additional generator maintenance services for the Wastewater Division.

(This item did not originate in Committee.)

8. Public Works Department

SUBJECT: Agreement 32600206 with Innovative Engineering Systems, Inc. dba Agilitech for the Environmental Resources: Scale House and Truck Weigh Scale Replacement Project, Specification #25-104 and RFP #25-123.

RECOMMENDATION: That the City Council approve and authorize the Mayor to execute an Agreement with Innovative Engineering Systems, Inc. dba Agilitech for a total contract amount not to exceed \$310,700.00 with an initial term of one year from January 21, 2026, and ending on January 20, 2027, with the option for two consecutive one-year period extensions ending January 20, 2029 for design, permitting, and construction support services for the Environmental Resources: Scale House and Truck Weigh Scale Replacement Project.

(This item did not originate in Committee as this is a capital improvement project specifically listed in the City’s Capital Improvement program budget, which was previously approved by the City Council.)

Consent Item No. L-3

The Chief Financial Officer and Assistant City Manager presented and were available to answer questions. Discussion ensued among the Council and staff. Staff requested that this item be reschedule to provide additional clarification.

Consent Item No. L-2 and L-5*

*Consent Item L-2 and L-5 will be listed in the Oxnard Housing Authority minutes.

Consent Item Nos. L-1, L-4, L-6, L-7 and L-8

It was moved by Councilwoman Rodriguez, seconded by Councilwoman Perez, to approve the Information/Consent items as presented. VOTE: Perello, Perez, Rodriguez, Starr and Teran voted in favor. The motion carried 5-0. Councilwoman Basua and Mayor Mc Arthur were absent.

OXNARD HOUSING AUTHORITY

At 8:24 p.m., the joint meeting with the Oxnard Housing Authority concluded.

M. PUBLIC HEARINGS

N. REPORTS

1. Public Works Department

SUBJECT: Grant Application to the 2026 U.S. Department of Transportation Better Utilizing Investments to Leverage Development (BUILD) Grant Program.

RECOMMENDATION: That the City Council approve and authorize the:

1. Submission of a grant application for Better Utilizing Investments to Leverage Development (BUILD) for \$12,000,000 with a \$3,000,000 or 20% match requirement from the Traffic Circulation Development Impact Fee Fund (350) Subfund 8040, for a total amount of \$15,000,000 (if awarded, staff will return to the City Council to recommend recognizing and appropriating the grant and 20% match requirement);
2. City Manager, or designee, to execute the grant agreements;
3. Chief Financial Officer, or designee, to submit financial reports, grant claims for the use of grant funds; and
4. Public Works Director, or designee, to submit non-financial reports.

(This item did not originate in Committee as it is for a capital improvement project specifically listed in the City's Capital Improvement Program budget, which was previously approved by the City Council.)

The Public Works Director presented and was available to answer questions. Discussion ensued among the Council and staff.

No public comments were received.

It was moved by Councilmember Perello, seconded by Councilwoman Rodriguez, to approve the recommended action. VOTE: Perez, Rodriguez, Starr, Perello and Teran voted in favor. The motion carried 5-0. Councilwoman Basua and Mayor Mc Arthur were absent.

2. Public Works Department

SUBJECT: Initiation of Proceedings to Establish Landscape Maintenance District 43A (Greenbelt Lighting Overlay) and Appropriation From General Reserve to Fund Proceedings.

RECOMMENDATION: The City Council:

1. Approve and authorize an appropriation of \$40,000 from the General Fund Reserve to pay expenses (including expenses of conducting a Proposition 218 property owner mail ballot proceeding) associated with establishing a new overlay assessment district, with the same boundaries as LMD 43, to fund the Greenbelt Lighting Replacement Project C2407; and
2. Approve and authorize the Mayor to approve a resolution initiating proceedings to establish Landscape Maintenance District No. 43A (Greenbelt Lighting Overlay).

(This item did not originate in Committee as this is in relation to a capital improvement project specifically listed in the City's Capital Improvement Program budget, which was previously approved by the City Council.)

The Public Works Director, Special Districts Manager and Consultant Mandell presented and were available to answer questions. Discussion ensued among the Council and staff.

Public comments were received from Alicia Percell, Doug Partello and Eric Andrist.

Written comments were received from Joe Garcia and Heather Schmidt.

It was moved by Mayor Pro Tem Teran, seconded by Councilwoman Perez, to postpone the item to a future date and go back to the community for another community meeting.

Discussion ensued among the Council. Councilwoman Perez withdrew her second.

It was moved by Councilman Starr to postpone this item indefinitely. The motion did not receive a second.

Councilwoman Perez reinstated her second of Mayor Pro Tem's motion, to postpone the item to a future date and go back to the community for another community meeting. VOTE: Rodriguez, Perez and Teran in favor. The motion carried 3-2; Councilmembers Starr and Perello voting no. Councilwoman Basua and Mayor Mc Arthur were absent.

O. ADJOURNMENT

There being no further business on the agenda, and without objection, Mayor Pro Tem Teran adjourned the meeting at 9:48 p.m.

LOURDES A. LÓPEZ
City Clerk

GABRIEL TERAN
Mayor Pro Tem



CITY COUNCIL AGENDA REPORT
INFORMATION/CONSENT AGENDA
AGENDA ITEM NO. L.2

DATE: February 3, 2026
TO: City Council
FROM: Javier Chagoyen-Lazaro, Chief Financial Officer, (805) 200-5400, javier.chagoyenlazaro@oxnard.org
SUBJECT: Monthly Investment Report for the period ending December 31, 2025.

RECOMMENDATION

This is an information item for the City Council to receive and file.

(This item did not originate in Committee.)

BACKGROUND

The City of Oxnard (City) invests funds in compliance with the California Government Code Section 53600 et. Seq., and the City’s Investment Policy. This report follows the guidelines established in the California Government Code section 53646 and the City’s adopted Investment Policy.

DISCUSSION:

The City’s total cash and investment position as of December 31, 2025 was \$481.7 million, with \$14.1 million in cash accounts and \$467.6 million in investments, as summarized in the table below.

Cash and Investment Position	December 2025
Cash	
Bank of America General Account	\$ 12,271,080.80
Bank of America Successor Agency Account	1,748,965.28
Bank of America Citations Account	51,209.09
Bank of America Golf Course Account	-
Total Cash	14,071,255.17
Investments	
Local Agency Investment Fund (LAIF)	75,000,000.00
Ventura County Investment Pool (VCIP)	52,834,039.83
CAMP	75,074,962.36
Certificates of Deposits	-
Bank Notes	-
Municipal Bonds	-
Federal Agency	-
Supra-National Agency Bonds *	-
Medium Term Notes *	20,287,238.79
U.S. Treasury Notes *	5,021,405.00
U.S. Government Sponsored Entities *	239,400,967.23
Total Investments	467,618,613.21
Total Cash and Investments	\$ 481,689,868.38

Statutory Compliance

All investment transactions have been executed in conformance with the City’s Investment Policy and the California Government Code. The table below represents the City’s investment portfolio as of December 31, 2025 by authorized investment and duration for a total portfolio amount of \$467.6 million.

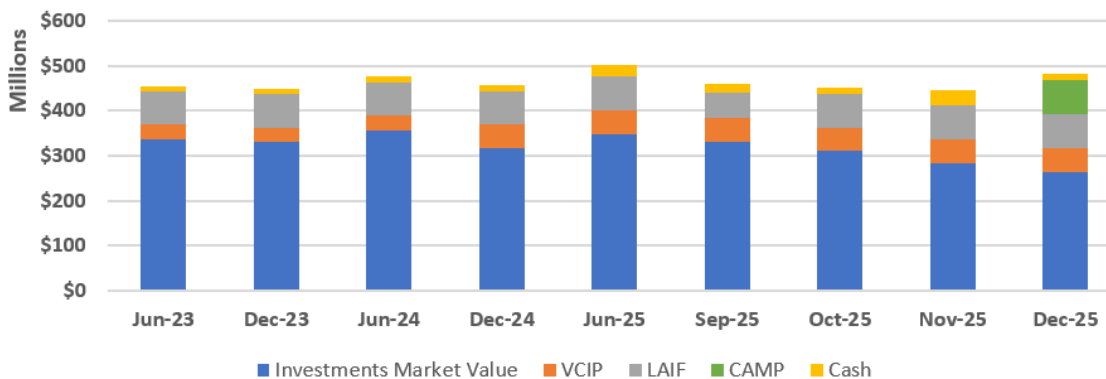
Authorized Investment at Market Value	Allowable Threshold (\$ million or %)	Under 1 year	1-3 years	Over 3 years	Total	Average Yield to Maturity	Portfolio %
LAIF	\$75.0	\$ 75.0	\$ -	\$ -	\$75.0	4.03%	16.04%
VCIP	n/a	52.8	-	-	52.8	4.26%	11.30%
CAMP	n/a	75.1	-	-	75.1	3.95%	16.05%
Federal Agencies	n/a	134.5	79.9	25.0	239.4	2.43%	51.20%
Medium Term Notes	30%	19.3	1.0	-	20.3	1.22%	4.34%
Treasuries	n/a	5.0	-	-	5.0	4.28%	1.07%
Total Investment		\$361.7	\$80.9	\$25.0	\$467.6	3.10%	100%

*Total may not add due to rounding

Portfolio Trends

The cash and investment position, as of December 31, 2025, increased by \$36.0 million compared with the prior month. The increase is driven by property tax received in the month. The trend for the cash and investment position is represented in the following chart.

Cash and Investment Position



The California Government Code and the City’s investment policy define the eligible investments that the City can purchase to allocate surplus funds. The table below summarizes the City’s investment portfolio by investment type. The individual investments included under each investment type are included as an attachment to this report.



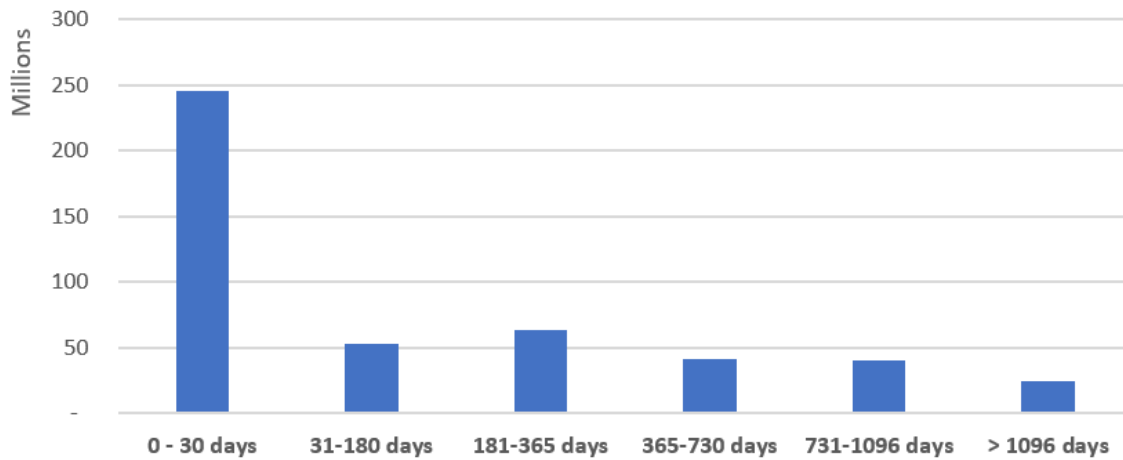
City of Oxnard

City of Oxnard Portfolio Summary Statistics Sorted by Fund December 31, 2025

Investment Type	Par Value	Book Value	Market Value	% of the Portfolio	Market Price	WAM	WAC	YTM	YTW	Accrued Interest	Unrealized G/L
California Asset Mgmt Program	75,074,962.36	75,074,962.36	75,074,962.36	16.01	0.000	1	0	3.950	3.950	366.30	0.00
County Investment Pool	52,834,039.83	52,834,039.83	52,834,039.83	11.27	0.000	1	0	4.260	4.260	568,976.10	0.00
Federal Agency Coupon	240,725,000.00	240,537,980.58	239,400,967.23	51.29	99.450	436	63	2.431	2.424	1,343,144.71	-1,137,013.35
Local Agency Investment Funds	75,000,000.00	75,000,000.00	75,000,000.00	15.99	0.000	1	0	4.025	4.025	743,213.01	0.00
Medium Term Notes	20,510,000.00	20,509,851.61	20,287,238.79	4.37	98.914	158	0	1.217	1.217	74,736.72	-222,612.82
Treasury Coupon Securities	5,000,000.00	4,993,947.53	5,021,405.00	1.06	100.428	303	0	4.277	4.277	35,324.59	27,457.47
Report Totals:	469,144,002.19	468,950,781.91	467,618,613.21	100 %	56.406	234	63	3.102	3.098	2,765,761.43	-1,332,168.70

The chart below represents the City’s investment portfolio classified by days until maturities from December 31, 2025. Pooled investments in LAIF and Ventura County Investment Pooled provide immediate liquidity to support cash flow needs of the City, and are included in the maturity group 0 to 30 days.

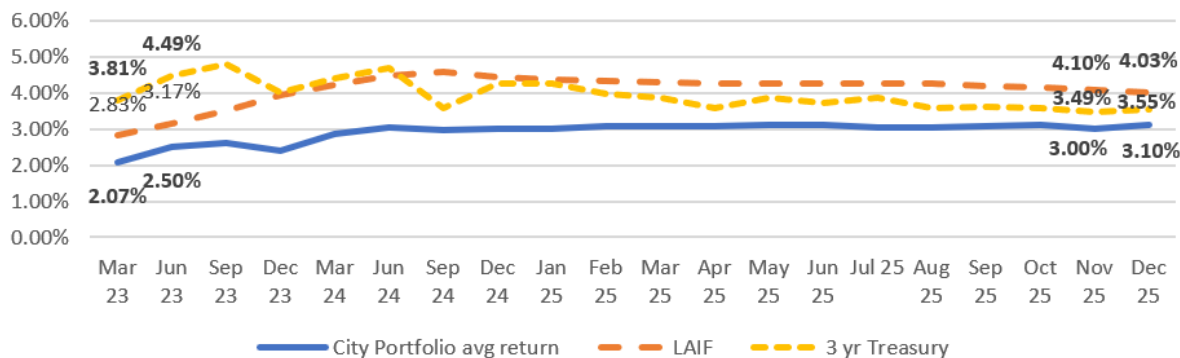
Portfolio Maturity as of December 31, 2025



The City’s average return on investment for the month December was 3.10%, LAIF average monthly effective yields for the same period was 4.03%. The City holds investments until maturity, and will evaluate reinvestment options based on market conditions and liquidity needs as those funds became available for investing in the upcoming months.

The next chart represents the City’s average return on investments, alongside with three-year Treasury bill and the LAIF Pooled Monthly Investment Account (PMIA) average Monthly Effective Yields, as benchmarks for the City’s portfolio.

City Average Return on Investment



STRATEGIC PRIORITIES

This agenda item supports the Organizational Effectiveness strategy. The purpose of the Organizational Effectiveness strategy is to reinforce, stabilize, improve, and strengthen the organizational foundation of the City in order to build a modern, high-functioning City government that effectively and efficiently supports the operating departments in providing high-quality services and programs for our residents and businesses.

FINANCIAL IMPACT

There is no financial impact.

COMMITTEE OUTCOME

This item did not originate in Committee.

Prepared by: Javier Chagoyen-Lazaro, Chief Financial Officer

ATTACHMENTS

1. 202512 Investment Report

**Investment report
for the month Ended in December 31, 2025**

City of Oxnard

All Investment transactions have been executed in accordance with the criteria stated in the City's Investment Policy (Resolution No. 15,994) adopted by the City Council held on July 1, 2025

Investments have been made in compliance with California Government Code and in accordance with the City's Investment Policy. **SYMPRO** provides the market value for negotiable instruments held in safekeeping included in this report. For investments not held by the City's custodian, market values are obtained from individual monthly statements. Based on analysis of cash receipts, expenditures, and daily cash flows, it is projected that revenues and investment liquidity are sufficient to meet expenditure requirements for the next six months.

Javier Chagoyen-Lazaro

Javier Chagoyen-Lazaro
Chief Financial Officer
City of Oxnard

01/20/2026

Date

City of Oxnard
Cash and Investment Summary
Month Ended
December 31, 2025

Cash and Investment Position	December 2025
Cash	
Bank of America General Account	\$ 12,271,080.80
Bank of America Successor Agency Account	1,748,965.28
Bank of America Citations Account	51,209.09
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Certificates of Deposits	-
Bank Notes	-
Municipal Bonds	-
Federal Agency	-
Supra-National Agency Bonds *	-
Medium Term Notes *	20,287,238.79
U.S. Treasury Notes *	5,021,405.00
U.S. Government Sponsored Entities *	239,400,967.23
Total Investments	467,618,613.21
Total Cash and Investments	\$ 481,689,868.38
* Market Value	

Investment Portfolio Detail
Fiscal Year 2025 - 2026
December 1 - December 31, 2025

CUSIP / Investment #	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C	Maturity Date
Pooled Investments									
California Asset Mgmt Program									
CAMP	California Asset Management P	12/1/2025	75,074,962.36	75,074,962.36	75,074,962.36	3.950	1	3.950	
County Investment Pool									
VCIP	Ventura County Investment Pool		52,834,039.83	52,834,039.83	52,834,039.83	4.260	1	4.260	
Federal Agency Coupon Securities									
31422XAS1	Farmer Mac	3/2/2021	1,000,000.00	995,131.00	1,000,000.00	0.610	60	0.610	3/2/2026
3133ERP70	Federal Farm Credit Bank	12/31/2024	10,000,000.00	10,148,100.00	9,991,815.24	4.250	725	4.294	12/27/2027
3133ERT27	Federal Farm Credit Bank	1/16/2025	10,000,000.00	10,002,210.00	9,997,281.34	4.670	742	4.684	1/13/2028
3133ERN31	Federal Farm Credit Bank	1/16/2025	5,000,000.00	5,024,635.00	4,988,211.92	4.340	721	4.468	12/23/2027
3133ETJH1	Federal Farm Credit Bank	5/29/2025	5,000,000.00	5,016,990.00	5,000,000.00	4.600	1,244	4.600	5/29/2029
3133ENBK5	Federal Farm Credit Bank	10/20/2021	1,000,000.00	980,560.00	1,000,000.00	1.140	292	1.140	10/20/2026
3130AQKJ1	Federal Home Loan Bank	1/28/2022	1,000,000.00	980,378.00	1,000,000.00	1.700	392	1.700	1/28/2027
3130AQPDP9	Federal Home Loan Bank	2/17/2022	1,000,000.00	982,779.00	1,000,000.00	2.000	412	2.000	2/17/2027
3130AQPDP9	Federal Home Loan Bank	2/17/2022	1,000,000.00	982,779.00	1,000,000.00	2.000	412	2.000	2/17/2027
3130AQSM6	Federal Home Loan Bank	2/25/2022	1,000,000.00	982,970.00	1,000,000.00	2.050	420	2.050	2/25/2027
3130AQRH8	Federal Home Loan Bank	2/25/2022	1,000,000.00	982,616.00	1,000,000.00	2.000	420	2.000	2/25/2027
3130AQRK1	Federal Home Loan Bank	2/25/2022	1,000,000.00	982,749.00	1,000,000.00	2.030	420	2.030	2/25/2027
3130AQYG2	Federal Home Loan Bank	2/28/2022	1,000,000.00	987,772.00	1,000,000.00	2.500	420	2.493	2/25/2027
3130AQX65	Federal Home Loan Bank	3/4/2022	2,000,000.00	1,970,192.00	2,000,000.00	2.250	427	2.250	3/4/2027
3130AQVH3	Federal Home Loan Bank	3/4/2022	1,000,000.00	983,811.00	1,000,000.00	2.200	427	2.200	3/4/2027
3130AQVH3	Federal Home Loan Bank	3/4/2022	1,000,000.00	983,811.00	1,000,000.00	2.200	427	2.200	3/4/2027
3130AQVH3	Federal Home Loan Bank	3/4/2022	1,300,000.00	1,278,954.30	1,299,083.50	2.200	427	2.264	3/4/2027
3130AQX65	Federal Home Loan Bank	3/4/2022	2,700,000.00	2,659,759.20	2,699,365.50	2.250	427	2.271	3/4/2027
3130AR2D2	Federal Home Loan Bank	3/10/2022	1,000,000.00	998,789.00	1,000,000.00	3.500	433	3.034	3/10/2027
3130ARAX9	Federal Home Loan Bank	3/30/2022	1,000,000.00	992,576.00	1,000,000.00	3.000	448	3.000	3/25/2027
3130ARDV0	Federal Home Loan Bank	4/8/2022	1,000,000.00	992,940.00	1,000,000.00	3.000	448	3.000	3/25/2027
3130APN43	Federal Home Loan Bank	12/31/2024	10,000,000.00	9,890,280.00	9,843,232.80	2.250	299	4.250	10/27/2026
3130B4B42	Federal Home Loan Bank	12/31/2024	5,000,000.00	4,999,670.00	4,998,339.55	4.625	721	4.643	12/23/2027
3130B6EY8	Federal Home Loan Bank	5/29/2025	5,000,000.00	5,009,675.00	4,999,598.79	4.400	872	4.403	5/22/2028
3130B6J98	Federal Home Loan Bank	5/28/2025	5,000,000.00	5,002,220.00	4,998,758.26	4.500	869	4.511	5/19/2028
3130B6HM1	Federal Home Loan Bank	5/29/2025	5,000,000.00	5,011,785.00	5,000,000.00	4.520	1,244	4.520	5/29/2029
3130AKN36	Federal Home Loan Bank	1/20/2021	2,000,000.00	1,997,774.00	2,000,000.00	0.525	14	0.525	1/15/2026
3130AKQ74	Federal Home Loan Bank	1/22/2021	5,000,000.00	4,991,515.00	5,000,000.00	0.625	21	0.625	1/22/2026
3130AKMD5	Federal Home Loan Bank	1/26/2021	5,000,000.00	4,989,660.00	4,999,965.28	0.500	25	0.510	1/26/2026
3130AKNR3	Federal Home Loan Bank	1/26/2021	1,000,000.00	997,972.00	1,000,000.00	0.560	25	0.560	1/26/2026
3130AKU61	Federal Home Loan Bank	1/27/2021	5,000,000.00	4,990,085.00	5,000,000.00	0.750	26	0.609	1/27/2026
3130AKU61	Federal Home Loan Bank	1/27/2021	5,000,000.00	4,990,085.00	5,000,000.00	0.750	26	0.609	1/27/2026
3130AKQX7	Federal Home Loan Bank	1/28/2021	2,000,000.00	1,995,804.00	2,000,003.00	0.700	27	0.698	1/28/2026
3130AKRN8	Federal Home Loan Bank	1/28/2021	2,000,000.00	1,995,734.00	2,000,000.00	0.650	27	0.650	1/28/2026

Investment Portfolio Detail
Fiscal Year 2025 - 2026
December 1 - December 31, 2025

CUSIP / Investment #	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C	Maturity Date
3130AKQX7	Federal Home Loan Bank	1/28/2021	5,000,000.00	4,989,510.00	5,000,000.00	0.700	27	0.700	1/28/2026
3130AKQ82	Federal Home Loan Bank	1/28/2021	1,500,000.00	1,496,656.50	1,500,000.00	0.600	27	0.600	1/28/2026
3130AKPN0	Federal Home Loan Bank	1/29/2021	2,000,000.00	1,995,496.00	2,000,000.00	0.600	28	0.600	1/29/2026
3130AKVN3	Federal Home Loan Bank	1/29/2021	1,000,000.00	997,689.00	1,000,000.00	0.520	28	0.520	1/29/2026
3130AKWD4	Federal Home Loan Bank	2/9/2021	1,000,000.00	996,907.00	1,000,000.00	0.750	39	0.539	2/9/2026
3130AKWD4	Federal Home Loan Bank	2/9/2021	1,000,000.00	996,907.00	1,000,000.00	0.750	39	0.540	2/9/2026
3130AKTJ5	Federal Home Loan Bank	2/9/2021	2,000,000.00	1,993,036.00	2,000,000.00	0.540	39	0.540	2/9/2026
3130AKVA1	Federal Home Loan Bank	2/9/2021	2,000,000.00	1,993,814.00	2,000,000.00	0.750	39	0.564	2/9/2026
3130AKVR4	Federal Home Loan Bank	2/12/2021	1,000,000.00	996,515.00	1,000,000.00	0.550	42	0.550	2/12/2026
3130AL7M0	Federal Home Loan Bank	2/24/2021	2,000,000.00	1,991,010.00	1,999,852.78	0.625	54	0.676	2/24/2026
3130AKXJ0	Federal Home Loan Bank	2/24/2021	1,000,000.00	995,577.00	999,976.44	0.600	54	0.616	2/24/2026
3130AKXJ0	Federal Home Loan Bank	2/24/2021	5,000,000.00	4,977,885.00	4,999,882.22	0.600	54	0.616	2/24/2026
3130AKXJ0	Federal Home Loan Bank	2/24/2021	3,000,000.00	2,986,731.00	3,000,000.00	0.600	54	0.600	2/24/2026
3130AKXJ0	Federal Home Loan Bank	2/24/2021	1,000,000.00	995,577.00	999,985.28	0.600	54	0.610	2/24/2026
3130AKXJ0	Federal Home Loan Bank	2/24/2021	1,000,000.00	995,577.00	999,985.28	0.600	54	0.610	2/24/2026
3130ALCB8	Federal Home Loan Bank	2/24/2021	1,000,000.00	995,690.00	1,000,000.00	0.680	54	0.680	2/24/2026
3130AL7M0	Federal Home Loan Bank	2/24/2021	1,000,000.00	995,505.00	999,985.28	0.625	54	0.635	2/24/2026
3130ALFS8	Federal Home Loan Bank	3/10/2021	1,000,000.00	994,705.00	1,000,000.00	0.800	68	0.800	3/10/2026
3130ALDN1	Federal Home Loan Bank	3/16/2021	1,000,000.00	994,235.00	1,000,000.00	0.800	74	0.800	3/16/2026
3130ALDN1	Federal Home Loan Bank	3/16/2021	1,000,000.00	994,235.00	1,000,000.00	0.800	74	0.800	3/16/2026
3130ALGB4	Federal Home Loan Bank	3/17/2021	1,000,000.00	994,289.00	1,000,000.00	0.800	75	0.800	3/17/2026
3130ALGJ7	Federal Home Loan Bank	3/23/2021	975,000.00	969,414.23	975,000.00	1.000	81	1.000	3/23/2026
3130ALGC2	Federal Home Loan Bank	3/23/2021	1,000,000.00	993,995.00	1,000,000.00	0.875	81	0.875	3/23/2026
3130ALLN2	Federal Home Loan Bank	3/24/2021	2,000,000.00	1,990,038.00	2,000,000.00	1.500	82	0.871	3/24/2026
3130AM2F8	Federal Home Loan Bank	4/29/2021	1,000,000.00	991,702.00	1,000,000.00	1.125	118	1.125	4/29/2026
3130AM4L3	Federal Home Loan Bank	4/29/2021	1,000,000.00	991,535.00	1,000,000.00	1.250	118	1.100	4/29/2026
3130AMJH6	Federal Home Loan Bank	5/26/2021	1,000,000.00	989,392.00	1,000,000.00	1.050	145	1.050	5/26/2026
3130AML42	Federal Home Loan Bank	5/27/2021	1,000,000.00	990,096.00	1,000,000.00	1.200	146	0.957	5/27/2026
3130AMM41	Federal Home Loan Bank	6/16/2021	5,000,000.00	4,941,280.00	5,000,000.00	1.000	166	1.000	6/16/2026
3130AMP73	Federal Home Loan Bank	6/23/2021	5,000,000.00	4,939,880.00	5,000,000.00	1.030	173	1.030	6/23/2026
3130AMYP1	Federal Home Loan Bank	7/15/2021	3,000,000.00	2,959,725.00	3,000,000.00	1.125	195	1.125	7/15/2026
3130ANWH9	Federal Home Loan Bank	9/24/2021	1,000,000.00	982,339.00	1,000,000.00	1.080	257	1.080	9/15/2026
3130APB87	Federal Home Loan Bank	10/13/2021	1,000,000.00	980,860.00	1,000,000.00	1.100	285	1.100	10/13/2026
3130APB87	Federal Home Loan Bank	10/13/2021	1,000,000.00	980,860.00	1,000,000.00	1.100	285	1.100	10/13/2026
3130AP5A9	Federal Home Loan Bank	10/15/2021	1,000,000.00	980,118.00	1,000,000.00	1.050	287	1.050	10/15/2026
3130AP5A9	Federal Home Loan Bank	10/15/2021	1,000,000.00	980,118.00	1,000,000.00	1.050	287	1.050	10/15/2026
3130AP5A9	Federal Home Loan Bank	10/15/2021	1,000,000.00	980,118.00	1,000,000.00	1.050	287	1.050	10/15/2026
3130AP3X1	Federal Home Loan Bank	10/15/2021	1,000,000.00	980,041.00	999,952.67	1.040	287	1.046	10/15/2026
3130AP5A9	Federal Home Loan Bank	10/15/2021	1,000,000.00	980,118.00	1,000,000.00	1.050	287	1.050	10/15/2026
3130AP3X1	Federal Home Loan Bank	10/15/2021	1,000,000.00	980,041.00	1,000,000.00	1.040	287	1.040	10/15/2026
3130APAY1	Federal Home Loan Bank	10/21/2021	3,000,000.00	2,940,348.00	3,000,000.00	1.100	293	1.100	10/21/2026
3130APBF1	Federal Home Loan Bank	10/22/2021	1,000,000.00	980,674.00	1,000,000.00	1.150	294	1.150	10/22/2026

Investment Portfolio Detail
Fiscal Year 2025 - 2026
December 1 - December 31, 2025

CUSIP / Investment #	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C	Maturity Date
3130APBF1	Federal Home Loan Bank	10/22/2021	2,000,000.00	1,961,348.00	2,000,000.00	1.150	294	1.150	10/22/2026
3130APHT5	Federal Home Loan Bank	10/26/2021	2,000,000.00	1,960,730.00	2,000,000.00	1.200	298	1.200	10/26/2026
3130APC45	Federal Home Loan Bank	10/26/2021	1,000,000.00	980,479.00	1,000,000.00	1.180	298	1.180	10/26/2026
3130APHT5	Federal Home Loan Bank	10/26/2021	2,000,000.00	1,960,730.00	1,999,836.11	1.200	298	1.210	10/26/2026
3130APCX1	Federal Home Loan Bank	10/26/2021	1,000,000.00	981,035.00	1,000,000.00	1.250	298	1.250	10/26/2026
3130APCX1	Federal Home Loan Bank	10/26/2021	2,000,000.00	1,962,070.00	2,000,000.00	1.250	298	1.250	10/26/2026
3130APCX1	Federal Home Loan Bank	10/26/2021	1,000,000.00	981,035.00	1,000,000.00	1.250	298	1.250	10/26/2026
3130APG82	Federal Home Loan Bank	10/28/2021	1,000,000.00	991,683.00	1,000,000.00	2.000	300	1.264	10/28/2026
3130APHV0	Federal Home Loan Bank	10/28/2021	2,000,000.00	1,960,728.00	2,000,000.00	1.180	300	1.180	10/28/2026
3130APDQ5	Federal Home Loan Bank	10/28/2021	1,000,000.00	978,029.00	1,000,000.00	1.250	300	1.250	10/28/2026
3130APKQ7	Federal Home Loan Bank	11/10/2021	1,000,000.00	980,197.00	1,000,000.00	1.250	313	1.250	11/10/2026
3130APKQ7	Federal Home Loan Bank	11/10/2021	1,000,000.00	980,197.00	999,570.83	1.250	313	1.302	11/10/2026
3130APKQ7	Federal Home Loan Bank	11/10/2021	1,000,000.00	980,197.00	1,000,000.00	1.250	313	1.250	11/10/2026
3130APLP8	Federal Home Loan Bank	11/16/2021	1,000,000.00	981,367.00	1,000,000.00	1.375	319	1.375	11/16/2026
3130APLP8	Federal Home Loan Bank	11/16/2021	1,000,000.00	981,367.00	1,000,000.00	1.375	319	1.375	11/16/2026
3130APL37	Federal Home Loan Bank	11/16/2021	1,000,000.00	981,203.00	1,000,000.00	1.400	319	1.400	11/16/2026
3130APNK7	Federal Home Loan Bank	11/18/2021	1,000,000.00	980,585.00	1,000,000.00	1.375	321	1.375	11/18/2026
3130APPZ2	Federal Home Loan Bank	11/23/2021	1,000,000.00	982,041.00	1,000,000.00	1.500	326	1.500	11/23/2026
3130AQ3T8	Federal Home Loan Bank	12/23/2021	1,000,000.00	985,091.00	1,000,000.00	2.000	356	1.641	12/23/2026
3130AQAB9	Federal Home Loan Bank	12/30/2021	1,250,000.00	1,225,385.00	1,250,000.00	1.625	363	1.625	12/30/2026
3134GXQF4	Federal Home Loan Mtg Corp	4/13/2022	1,000,000.00	994,596.00	1,000,000.00	3.250	467	3.250	4/13/2027
3134GXSH8	Federal Home Loan Mtg Corp	5/17/2022	1,000,000.00	997,499.00	1,000,000.00	4.000	501	4.000	5/17/2027
3134HA3T8	Federal Home Loan Mtg Corp	1/17/2025	10,000,000.00	10,003,010.00	9,998,298.51	4.550	743	4.559	1/14/2028
3134HBBV2	Federal Home Loan Mtg Corp	2/28/2025	10,000,000.00	9,999,800.00	10,000,000.00	4.470	785	4.470	2/25/2028
3134HBBU4	Federal Home Loan Mtg Corp	2/27/2025	10,000,000.00	9,992,690.00	10,000,000.00	4.640	1,153	4.640	2/27/2029
3134HBSZ5	Federal Home Loan Mtg Corp	6/4/2025	5,000,000.00	4,998,270.00	5,000,000.00	4.550	1,250	4.550	6/4/2029
3134GXKJ2	Federal Home Loan Mtg Corp	1/22/2021	2,000,000.00	1,996,606.00	2,000,000.00	0.550	21	0.550	1/22/2026
Local Agency Investment Funds									
LAIF	LAIF		75,000,000.00	75,000,000.00	75,000,000.00	4.025	1	4.025	
Medium Term Notes									
037833EB2	Apple Inc.	2/8/2021	1,000,000.00	996,840.00	999,998.97	0.700	38	0.071	2/8/2026
06048WL32	Bank of America	2/24/2021	1,000,000.00	995,291.00	1,000,000.00	0.800	54	0.080	2/24/2026
06048WL99	Bank of America	5/14/2021	1,000,000.00	989,695.00	1,000,000.00	1.400	133	1.400	5/14/2026
06048WL99	Bank of America	5/14/2021	2,000,000.00	1,979,390.00	2,000,000.00	1.400	133	1.400	5/14/2026
06048WL99	Bank of America	5/14/2021	2,000,000.00	1,979,390.00	2,000,000.00	1.400	133	1.400	5/14/2026
06048WM64	Bank of America	7/12/2021	1,000,000.00	983,640.00	999,852.64	1.200	175	1.231	6/25/2026
06048WM72	Bank of America	7/30/2021	1,000,000.00	981,693.00	1,000,000.00	1.200	210	1.200	7/30/2026
06048WP20	Bank of America	9/24/2021	1,000,000.00	980,815.00	1,000,000.00	1.250	266	1.250	9/24/2026
06048WP20	Bank of America	9/24/2021	1,000,000.00	980,815.00	1,000,000.00	1.250	266	1.250	9/24/2026
17290A2M1	Citi Bank	7/21/2021	1,000,000.00	982,859.00	1,000,000.00	1.400	201	1.400	7/21/2026
38150AH99	Goldman Sachs	8/17/2021	1,000,000.00	979,034.00	1,000,000.00	1.350	228	1.350	8/17/2026
24422EVK2	John Deere Capital	1/27/2021	3,000,000.00	2,996,331.00	3,000,000.00	0.700	14	0.700	1/15/2026

Investment Portfolio Detail
Fiscal Year 2025 - 2026
December 1 - December 31, 2025

CUSIP / Investment #	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Days to Maturity	YTM/C	Maturity Date
48133MAB6	JP Morgan	8/15/2022	1,000,000.00	1,000,766.00	1,000,000.00	4.200	589	4.200	8/13/2027
48128G4X5	JP Morgan	8/30/2021	1,000,000.00	976,526.00	1,000,000.00	1.200	239	1.200	8/28/2026
48128G4X5	JP Morgan	8/30/2021	1,000,000.00	976,526.00	1,000,000.00	1.200	239	1.200	8/28/2026
53961LAF6	Local Initiatives Support	1/28/2021	1,510,000.00	1,507,627.79	1,510,000.00	0.950	14	0.950	1/15/2026
Treasury Coupon Securities									
91282CLS8	U.S. Treasury	11/26/2024	5,000,000.00	5,021,405.00	4,993,947.53	4.125	303	4.277	10/31/2026
			\$469,144,002.19	\$467,618,613.21	\$468,950,781.91				

Monthly Investment Activities

Investment Purchases

No	Date	Transaction	CUSIP	Investment Security	Type	Par Amount	Investment Yield to Maturity	Maturity
	12/2/2025	Purchase		CAMP		1,000,000.00		
	12/3/2025	Purchase		CAMP		19,000,000.00		
	12/29/2025	Purchase		CAMP		42,000,000.00		
	12/31/2025	Purchase		CAMP		15,000,000.00		
Total Purchases						\$ 77,000,000.00		

Investment Maturities, Calls & Sales

No	Date	Transaction	CUSIP	Investment Security	Type	Par Amount	Investment Yield to Maturity	Maturity
	12/19/2025	Redemption		CAMP		2,000,000.00		
	12/27/2029	Call	3134GXTE4	Federal Home Loan Mtg Corp		1,000,000.00	4.000	5/27/2027
	12/29/2025	Call	3130ASFQ7	Federal Home Loan Bank		1,000,000.00	4.006	6/29/2027
	12/23/2025	Call	3130B4B42	Federal Home Loan Bank		5,000,000.00	4.643	12/23/2027
	12/30/2025	Maturity	3130AKLL8	Federal Home Loan Bank		2,000,000.00	0.500	12/30/2025
	12/30/2025	Call	3133ERQ20	Federal Farm Credit Bank		10,000,000.00	4.630	12/30/2027
Total Maturities, Calls & Sales						\$ 21,000,000.00		



CITY COUNCIL AGENDA REPORT
INFORMATION/CONSENT AGENDA
AGENDA ITEM NO. L.3

DATE: February 3, 2026
TO: City Council
FROM: Michael Wolfe, Public Works Director, (805) 385-8055, michael.wolfe@oxnard.org
SUBJECT: Second Amendment to Envision VTA FD Auto, LLC, dba Envision Ford Lincoln Oxnard Agreement 32500315 for Automotive Mechanical Inspection, Maintenance, and Repairs.

RECOMMENDATION

That the City Council approve and authorize the Mayor to execute a Second Amendment to Fleet Services Agreement 32500315 with Envision VTA FD Auto, LLC, dba Envision Ford Lincoln Oxnard in the amount of \$200,000, for a new not-to-exceed agreement value of \$340,000 for automotive parts, diagnosis, services, and warranty repairs.

(This item did not originate in Committee.)

BACKGROUND

The Fleet Services Division of the Public Works Department (Fleet) is responsible for managing and maintaining the City's fleet of 975 vehicles and equipment, which had a combined value exceeding \$60 million as of December 15, 2025. The fleet includes 362 Ford automobiles and trucks. While Fleet Services conducts the majority of routine maintenance and repair work in-house, the City requires an external vendor to provide as-needed diagnostic services, repairs, and overflow maintenance to ensure minimal vehicle downtime. Certain diagnostic services also require specialized equipment not currently owned by the City.

Approximately 37 percent of the City's fleet consists of Ford vehicles. The Oxnard Police Department's pursuit fleet is predominantly Ford Police Interceptor Utility vehicles, and the Fire Department operates 94 Ford units. These public safety vehicles are in continuous operation 24 hours a day, seven days a week, and therefore require frequent and reliable maintenance and repairs. Access to Ford original equipment manufacturer (OEM) parts, repairs, and diagnostic services allows Fleet Services to efficiently perform maintenance and ensure that warranty work and specialized repairs can be completed through the City's authorized local dealer, Envision Ford, under Fleet Services' direction.

Agreement 32500315 was executed between the City and Envision VTA FD Auto, LLC, doing business as Envision Ford Lincoln Oxnard (Envision Ford), and approved by the City Manager for an initial one-year term from December 23, 2024, through December 22, 2025, in an amount not to exceed \$140,000, with one optional one-year extension. The First Amendment, exercising the optional one-year extension, was executed on October 27, 2025, extending the agreement term through December 22, 2026.

In accordance with City Purchasing Policy, agreements may be awarded without competitive bidding when only a single source is available to provide the required products or services.

DISCUSSION

Since the implementation of the agreement, approximately 70 percent of the contract funds have been expended. Due to the aging fleet, increasing average repair costs per vehicle, and fluctuations in repair demand, Fleet Services recommends increasing the contract capacity by \$200,000, for a revised not-to-exceed amount of \$340,000. Based on current

projections, this increase would help ensure timely repairs and continued availability of critical emergency service vehicles, including public safety vehicles, through the remainder of the extension term ending December 22, 2026.

STRATEGIC PRIORITIES

This agenda item is a routine operational item or does not relate to the five strategic priorities adopted by the City Council on March 16, 2021.

FINANCIAL IMPACT

The total cost for this Second Amendment with Envision Ford shall not exceed \$200,000 through December 22, 2026. There are sufficient funds in the Fleet Services Fund (741) in the City Council-approved FY 2025-26 Operating Budget. Subsequent fiscal year funding will be requested in the annual budget process.

Estimated Spending Plan				
ACCOUNT NUMBER		FY 2025-26 5 mo (Feb-Jun)	FY 2026-27 6 mo (Jul-Dec)	TOTAL
Fleet Repair Parts	7413750-52110	\$60,000	\$60,000	\$120,000
Fleet Veh. Maint.	7413750-55030	\$30,000	\$30,000	\$60,000
Wastewater Coll. Veh. Maint	6113613-55030	\$0	\$10,000	\$10,000
Wastewater Maint. Veh. Maint.	6113615-55030	\$0	\$10,000	\$10,000
TOTAL		\$90,000	\$110,000	\$200,000

COMMITTEE OUTCOME

This item did not originate in Committee per the City Council Committee Bylaws Resolution 15,851, Article II, Section D.3.h as this is a routine and recurring maintenance item necessary to keep public facilities operable that has a financial impact under \$500,000.

Prepared by: Brian Yanez, Assistant Public Works Director, Jose Arreola, Fleet Services Manager

ATTACHMENTS

1. Second Amendment
2. Original Agreement and First Amendment

SECOND AMENDMENT TO FLEET MAINTENANCE SERVICE AGREEMENT

This Second Amendment (“Second Amendment”) to the fleet maintenance service agreement (“Agreement”) is made and entered into in the County of Ventura, State of California, this _____ day of _____, 2026, by and between the City of Oxnard, a municipal corporation (“City”), and Envision Ventura Ford Auto, LLC dba Envision Ford Lincoln Oxnard (“Service Provider”). This Second Amendment amends the Agreement entered into on December 23, 2024, by City and Service Provider. The Agreement previously has been amended on October 27, 2025, by a First Amendment.

RECITALS

City and Service Provider agree as follows:

WHEREAS, the agreement was recently extended for one year pursuant to the terms of the agreement set forth in Section 4.

WHEREAS, it is necessary to increase the not-to-exceed amount of the agreement to allow for the continued maintenance and repairs of the City’s Fleet.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the parties agree to amend the Original Agreement as set forth in this Amendment.

1. The amount in Section 5 of the Agreement is hereby amended to “The amount of this Agreement shall not exceed \$340,000.00 for the entire term.”
2. As so amended, the Agreement remains in full force and effect.

[Signatures on next page]

IN WITNESS WHEREOF, the parties hereto have executed the Amendment on the date first written above.

CITY OF OXNARD

**ENVISION VENTURA FORD AUTO, LLC
DBA ENVISION FORD LINCOLN OXNARD**

 Luis A. Mc Arthur, Mayor¹ Date
 Libertad Macias, Purchasing Agent²

Nemer Sarriedine Date
General Manager

Veronica Guerrero Date
Business Manager³

ATTEST:

Lourdes A. López, City Clerk Date
(only if Mayor signs)

APPROVED AS TO FORM:

Stephen M. Fischer, Date
City Attorney (always required)

¹ The City Council must authorize and the Mayor must execute any agreement over \$220,000.

² The Purchasing Agent may execute any authorized agreement up to \$220,000.

³ The City requires the following for any contract:

- For a corporation, the signatures of the Board President, CEO or Vice President and of the Board Secretary, Assistant Secretary, CFO or Assistant Treasurer;
- For an LLC, the signatures of at least two managers of the LLC (company directors, not lower-level managers); or
- For a partnership, the signature of a partner. If the partnership is a limited partnership, the signer must be a general partner.

If the company has a different structure, or if the above-listed persons are not the appropriate signers, please submit to the City Attorney legally-binding documentation stating who can sign and bind your company.

FLEET MAINTENANCE SERVICE AGREEMENT
Between the
CITY OF OXNARD
and
ENVISION VTA FD AUTO, LLC DBA ENVISION FORD LINCOLN OXNARD

This Fleet Maintenance Service Agreement (“Agreement”) is entered into, by and between the CITY OF Oxnard (“CITY” herein), a municipal corporation, and ENVISION VTA FD AUTO, LLC, dba Envision Ford Lincoln Oxnard (hereinafter “SERVICE PROVIDER”).

THE PARTIES HEREBY AGREE AS FOLLOWS:

1. SCOPE OF SERVICES.

SERVICE PROVIDER shall perform all services described in the CITY’s Scope of Services, incorporated herein by this reference as if fully set forth as part of this Agreement and attached as Exhibit A. The service shall be performed at the proposer’s shop unless otherwise agreed to in writing by the City of Oxnard. SERVICE PROVIDER shall, at its sole cost and expense, furnish all facilities and equipment which may be required for furnishing services pursuant to this Agreement.

2. ACCIDENT REPORTS.

SERVICE PROVIDER shall immediately report (as soon as feasible, but not more than 24 hours) to the City’s Designated Representative any accident or other occurrence causing injury to persons or property during the performance of this Agreement. The report shall be made in writing and shall include, at a minimum: (a) the names, addresses, and telephone numbers of the persons involved, (b) the names, addresses and telephone numbers of any known witnesses, (c) the date, time and description of the accident or other occurrence.

3. LICENSES AND PERMITS.

SERVICE PROVIDER represents and warrants to City that all the services shall be provided by a person or persons duly licensed by the State of California to provide the type of services to be performed under this Agreement and that SERVICE PROVIDER has all the permits, qualifications and approvals of whatsoever nature which are legally required for SERVICE PROVIDER to perform the services under this Agreement. SERVICE PROVIDER represents and warrants to City that it shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals which are legally required for SERVICE PROVIDER to perform the services under this Agreement.

4. TERM.

This Agreement shall commence on December 23, 2024 and shall continue in full force and effect until December 22, 2025. The City shall, at its sole discretion, have the right to extend the term of this Agreement for an additional 1 year, by written notice to SERVICE PROVIDER. The total duration of this Agreement, including the exercise of any option under this clause, shall not exceed 2 years.

5. COMPENSATION AND PAYMENT.

CITY shall pay SERVICE PROVIDER for services performed pursuant to the terms of this Agreement as set forth in Exhibit A. The CITY shall pay all undisputed portions of any applicable invoice within thirty (30) days after receipt of an invoice. CITY shall have the right to perform an audit of the SERVICE PROVIDER'S relevant records pertaining to the charges. Payment shall be made within thirty (30) days after receipt by the CITY of SERVICE PROVIDER'S itemized invoice.

The amount of this Agreement shall not exceed \$140,000 for the entire term.

6. INDEPENDENT CONTRACTOR.

SERVICE PROVIDER and its employees and agents have no authority, express or implied, to act on behalf of City in any capacity, to incur any debt, obligation or liability on behalf of City, bind City in any manner, or otherwise act on behalf of City as an agent. SERVICE PROVIDER and its employees are not employees of City. SERVICE PROVIDER and its employees are not entitled to receive from City any of the benefits or rights afforded employees of City, including but not limited to reserve leave, sick leave, vacation leave, holiday leave, compensatory leave, Public Employees Retirement System benefits, and health, life, dental, long-term disability and workers' compensation insurance benefits. SERVICE PROVIDER shall not, at any time or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of City.

7. ASSIGNMENT/DELEGATION.

The parties agree that the expertise and experience of SERVICE PROVIDER and any sub-contractors are material considerations for this Agreement. SERVICE PROVIDER shall not assign or transfer any rights, duties, obligations or interest in this Agreement nor the performance of any of SERVICE PROVIDER'S obligations hereunder, without the prior written consent of the City Manager, or his or her designee, and any attempt by SERVICE PROVIDER to so assign this Agreement or any rights, duties or obligations arising hereunder shall be void and of no effect and a breach of this Agreement. Consent to any single assignment or transfer shall not constitute consent to any further assignment or transfer.

8. INDEMNIFICATION.

SERVICE PROVIDER To the fullest extent permitted by law, SERVICE PROVIDER shall protect, defend (with counsel acceptable to CITY), indemnify and hold harmless CITY, its councilmembers, officers, employees and agents (each an "Indemnified Party") from and against any and all actions, causes of actions, demands, claims, losses, expenses (including attorney's fees, experts fees, court costs and disbursements) or liability (collectively called "Actions") of any nature, including death or injury to any person, property damage or any other loss, resulting from, arising out of or in any manner related to performance or nonperformance by SERVICE PROVIDER, its officers, employees, agents or sub-SERVICE PROVIDERs under this Agreement, regardless of whether or not it is caused in part by an Indemnified Party. The acceptance of SERVICE PROVIDER'S services by the CITY shall not operate as a waiver of such right of indemnification. SERVICE PROVIDER acknowledges and agrees that it has an immediate and independent obligation to defend CITY, its councilmembers, officers, employees and agents from any claim or Action which potentially falls within this indemnification provision, which obligation shall arise at the time such claim is tendered to SERVICE PROVIDER by CITY and continues at all times thereafter. The provisions of this section shall survive the expiration or termination of this Agreement and are not limited by any provisions relating to insurance in this

Agreement. All of SERVICE PROVIDER'S obligations under this section are intended to apply to the fullest extent permitted by law.

9. INSURANCE REQUIREMENTS.

SERVICE PROVIDER agrees to have and maintain the policies set forth entitled "INSURANCE REQUIREMENTS," which is attached and incorporated in this Agreement as if set forth in full. All policies, endorsements, certificates and/or binders shall be subject to approval by the City Attorney. These requirements are subject to amendment or waiver only if so approved in writing by the City's Risk Manager. SERVICE PROVIDER shall not commence work until all insurance required hereunder has been submitted and approved. A lapse in any required amount or type of insurance coverage during this Agreement shall be a breach of this Agreement.

10. INSPECTION OF RECORDS.

SERVICE PROVIDER shall maintain full and accurate records with respect to all matters covered under this Agreement for three (3) years from the date of final payment to SERVICE PROVIDER pursuant to this Agreement. During such period, CITY shall have the right to examine and audit the records and to make transcripts therefrom. CITY shall provide thirty (30) days written notice of its intent to inspect or audit any such records. Copies of such documents shall be provided to the CITY for inspection at City Hall when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available for inspection or audit at SERVICE PROVIDER'S address indicated for receipt of notices in this Agreement during SERVICE PROVIDER'S normal business hours. Where the CITY has reason to believe that such records or documents may be lost or discarded due to dissolution, disbandment or termination of SERVICE PROVIDER'S business, or closure of the local office of SERVICE PROVIDER'S business, the CITY may, by written request by the City Attorney require that custody of the records be given to the CITY and that the records and documents be maintained at City Hall. Access to such records and documents shall be granted to any party authorized by SERVICE PROVIDER, SERVICE PROVIDER'S representatives, or SERVICE PROVIDER'S successor-in-interest.

11. CONFLICT OF INTEREST.

SERVICE PROVIDER shall at all times avoid conflicts of interest and take reasonable steps to avoid appearances of conflicts of interest in the performance of this Agreement. Without limiting the foregoing, SERVICE PROVIDER, including its officers, employees and sub-SERVICE PROVIDERS, specifically covenants that it presently has no interest, and shall not acquire, any interest, direct or indirect, which would conflict in any manner or degree with the performance of its service hereunder. SERVICE PROVIDER further covenants that no one who has or will have any financial interest under this Agreement is an officer or employee of the CITY.

12. NON-DISCRIMINATION

SERVICE PROVIDER shall comply with all applicable federal, state and local laws, rules and regulations in regard to nondiscrimination and non-harassment in employment because of race, color, ancestry, national origin, religion, sex, marital status, age, sexual orientation, medical condition or physical handicap.

13. TERMINATION.

At any time and without cause, the CITY shall have the right in its sole discretion, to terminate this Agreement by giving fifteen (15) days written notice to the SERVICE PROVIDER. In the

event of such termination, the CITY shall pay SERVICE PROVIDER for satisfactory services rendered to the termination date, but no other form of compensation shall be owed.

14. DIRECTION OF WORK.

SERVICE PROVIDER'S work shall be performed and completed under the direction of the CITY's Fleet Representative.

Jose Arreola / jose.arreola@oxnard.org / 805-385-8011

15. GOVERNING LAW.

This Agreement shall in all respects be governed by the law of the State of California without regard to its conflicts of law rules. Litigation arising out of or connected with this Agreement shall be instituted and maintained in the courts of Ventura County in the State of California, and the Parties consent to jurisdiction over their person and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.

16. COMPLIANCE WITH LAWS.

SERVICE PROVIDER shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local governments.

17. WAIVER.

Waiver of any breach or violation of any term or condition of this Agreement shall not be deemed to be a waiver of any other term or condition contained herein or a waiver of any subsequent breach or violation of the same or any other term or condition. The acceptance by CITY of the performance of any work or services by SERVICE PROVIDER shall not be deemed to be a waiver of any term or condition of this Agreement.

18. MERGER AND MODIFICATION.

This writing is intended both as the final expression of the agreement between the parties hereto with respect to the included terms of the agreement, pursuant to California Code of Civil Procedure Section 1856 and as a complete and exclusive statement of the terms of the agreement. No modification to this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties.

19. SEVERABILITY.

Each provision of this Agreement is intended to be severable. If any term of any provision shall be determined by a court of competent jurisdiction to be illegal or invalid for any reason whatsoever; such provision shall be severed from this Agreement and shall not affect the validity of the remainder of this Agreement.

20. AMBIGUITY.

The parties acknowledge that this is a negotiated agreement, that they have had the opportunity to have this Agreement reviewed by their respective legal counsel, and that the terms and conditions of this Agreement are not to be construed against any party on the basis of such party's draftsmanship thereof.

21. HEADINGS.

The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

22. TIME.

Time is of the essence in this Agreement. Any reference to days means calendar days, unless otherwise specifically stated.

[Signatures on next page]

In witness whereof, the Parties have entered into this Agreement effective on the date as written in section 4 and upon signature of all Parties.

CITY OF OXNARD

**ENVISION VTA FD AUTO, LLC DBA
ENVISION FORD LINCOLN OXNARD**

Jennifer Yates 3/17/24
 Luis Mc Arthur Mayor¹ Date
 Jennifer Yates, ²
Purchasing Manager

[Signature] 11.25.24
Nemer Sarriedine Date
General Manager

[Signature] 11.25.24
Veronica Guerrero Date
Business Manager

ATTEST:

Lourdes A. Lopez CITY Clerk Date
(Only if Mayor signs)

APPROVED AS TO FORM:

[Signature] 12/6/2024
Stephen M. Fischer, CITY Date
Attorney (always required)

¹The City Council must authorize and the Mayor must execute any agreement over \$200,000.

²The Purchasing Agent may execute any authorized agreement up to \$200,000.

EXHIBIT A

FLEET MAINTENANCE SERVICE AGREEMENT (CITY of Oxnard and Envision VTA FD Auto, LLC DBA Envision Ford Lincoln Oxnard)

SCOPE OF SERVICES

AUTOMOTIVE MECHANICAL REPAIR SCOPE

Service Provider shall provide diagnosis, estimate of needed repairs, parts, mechanical and electrical repairs. The work shall be performed at the proposer's shop unless otherwise agreed to in writing by the City of Oxnard.

Mechanical Inspections, Maintenance and Repair:

Service Provider must be able to provide the appropriate staffing resources, tools, parts, materials, supplies, and diagnostic equipment to perform maintenance, repair, inspections, and other services as needed.

Maintenance: Includes fluid and filter replacements, brake and belt replacements, and service to common mechanical and electrical systems. The activities are typically in accordance with the original equipment manufacturers recommended services.

Mechanical Repair: Includes but is not limited to engine and engine components, transmission, hydraulic system, suspension system, fuel system, cooling system and electrical system and includes replacement of defective or failed parts.

Inspections: Includes completing all Federal and State required vehicle inspections and certifications for regulated and non-regulated vehicles. These include safety inspections subject and not subject to California Vehicle Code section 34500 VC.

General Shop Requirements:

Service Provider's shop will meet the following minimum requirements:

- a) Be able to perform complete mechanical repairs.
- b) Vehicle lift, Alignment rack.
- c) Maintain a secure storage area for all City of Oxnard owned vehicles.

Estimate Process Requirements:

Service Provider will provide mechanical repair estimates on an as needed basis as requested by the City of Oxnard. Estimates will include:

- a) Make, model and mileage of vehicle,
License plate number, VIN number and City of Oxnard unit number
- b) Itemized list of description of work to be performed
- c) Estimated number of labor hours of task
- d) Itemized list of parts and materials costs
- e) All incidentals or miscellaneous shop supplies and charges shall
be included and priced accordingly
- f) Total repair estimate is to include sales tax
- g) Approximate schedule to complete the repairs after receiving a notice to proceed
- h) If applicable, any recommendations for future repairs

- i) All estimates shall be from an applicable industry standard Estimating Software and hourly labor Reference Guide. Proposers shall provide the name and version of the guide or software used

Prior to any repair, the Service Provider and City of Oxnard Fleet Service Writer or Fleet Supervisor will review the estimate and confirm that the estimate includes an accurate description of the vehicle condition. All repair estimates must be approved by the City of Oxnard in writing in advance of work being performed. Repair work will not start until a notice to proceed is received. Service Provider shall assume full liability and responsibility for all equipment and contents (including radios, aftermarket lighting and other standard or installed equipment) placed in its custody by the City of Oxnard under this contract.

Parts:

All parts used to provide repairs will be new Certified Original Equipment Manufacturer (OEM). Any and all incidental charges shall be included in the Service Provider's hourly rate. Service Provider shall furnish new unused O.E.M., remanufactured O.E.M., parts, materials and labor as required in accordance with the provisions and specifications contained herein. If OEM parts are not available or obsolete, notification to the City of Oxnard is required for approval.

Alignment:

Service Provider shall perform realignment of all equipment when needed. This shall be a thrust alignment for frame vehicles and four-wheel alignment for unibody vehicles. A printout of the readings after the alignment will be included in each repair order. Service Provider will ensure personnel or sub-contractor is qualified to perform alignment work.

Warranty:

All parts and supplies provided shall be warranted for a minimum period of twelve (12) months or twelve thousand (12,000) miles, or for any manufacturer warranty period, whichever is greater. Warranted parts shall be replaced with new parts. All warranty information will be made available to the City of Oxnard.

EXHIBIT B

**FLEET MAINTENANCE SERVICE AGREEMENT
(CITY of Oxnard and Envision VTA FD Auto, LLC DBA Envision Ford Lincoln Oxnard)**

SCHEDULE OF COMPENSATION

LABOR RATE PER HOUR	\$	185.00/HR
PICK UP/DELIVERY	\$	20.00/TRIP
PARTS % DISCOUNT OFF LIST PRICE		20%

FIRST AMENDMENT TO FLEET MAINTENANCE SERVICE AGREEMENT

This First Amendment (“First Amendment”) to the Fleet Maintenance Service Agreement (“Agreement”) is made and entered into in the County of Ventura, State of California, this 27th day of October, 2025, by and between the City of Oxnard, a municipal corporation (“City”), and Envision Ventura Ford Auto, LLC dba Envision Ford Lincoln Oxnard (“Service Provider”). This First Amendment amends the Agreement entered into on December 23, 2024, by City and Service Provider.

City and Service Provider agree as follows:

1. Pursuant to Section 4, the City is exercising its first one year option term. The Agreement will be extended for one additional year beginning on December 23, 2025, through December 22, 2026. The City has no option terms remaining pursuant to Section 4.

2. As so amended, the Agreement remains in full force and effect.

[Signatures on next page]

IN WITNESS WHEREOF, the parties hereto have executed the Amendment on the date first written above.

CITY OF OXNARD

**ENVISION VENTURA FORD AUTO, LLC
DBA ENVISION FORD LINCOLN OXNARD**

Jennifer Hiroaka 10/27/25
 Luis A. Mc Arthur, Mayor¹ Date
 Jennifer Hiroaka, Purchasing Agent²

Nemer Sarriedine 8/28/25
General Manager Date

Veronica Guerrero 8/28/25
Business Manager³ Date

ATTEST:

N/A

Lourdes A. López, City Clerk Date
(only if Mayor signs)

APPROVED AS TO FORM:

Stephen M. Fischer 9/17/2025
Stephen M. Fischer, Date
City Attorney (always required)

¹ The City Council must authorize and the Mayor must execute any agreement over \$220,000.

² The Purchasing Agent may execute any authorized agreement up to \$220,000.

³ The City requires the following for any contract:

- For a corporation, the signatures of the Board President, CEO or Vice President and of the Board Secretary, Assistant Secretary, CFO or Assistant Treasurer;
- For an LLC, the signatures of at least two managers of the LLC (company directors, not lower-level managers); or
- For a partnership, the signature of a partner. If the partnership is a limited partnership, the signer must be a general partner.

If the company has a different structure, or if the above-listed persons are not the appropriate signers, please submit to the City Attorney legally-binding documentation stating who can sign and bind your company.

FIRST AMENDMENT TO FLEET MAINTENANCE SERVICE AGREEMENT (V-01-17-19)



CITY COUNCIL AGENDA REPORT

REPORTS AGENDA ITEM NO. N.1

DATE: February 3, 2026

TO: City Council

FROM: Brenda Lopez, Housing Director, (805) 385-8092, brenda.lopez@oxnard.org

SUBJECT: Resolution Establishing Administrative Regulations regarding the Fair Rate of Return Petition Regulations to Implement the City's Rent Stabilization Ordinance.

RECOMMENDATION

That the City Council review and approve the proposed resolution establishing administrative regulations to implement the provisions of the Rent Stabilization Ordinance regarding Fair Rate of Return Petition regulation.

(The Community Services, Public Safety, and Housing & Economic Development Committee approved 3-0 on January 13, 2026, to approve the staff recommendation, with modifications, and to forward the item for Council approval)

Please click the following link to view the required Measure M pre-recorded presentation: <https://youtu.be/BalPHsk-Kw4>

BACKGROUND

EXECUTIVE SUMMARY

The Fair Rate of Return Petition Regulations (Regulations) were first presented on March 25, 2025, to the Community Services, Public Safety, and Housing & Economic Development Committee (Committee). Following Committee staff worked closely with CAUSE, Attorney at Law Barbara Macri-Ortiz, and the Ventura County Association of Realtors (community stakeholders) to revise the regulations and achieve compromise and consensus. The revised Regulations were provided to the stakeholders October 20, 2025, published for Committee on January 6, 2026 and presented to Committee on January 13, 2026. The day prior to the January 13th meeting Attorney Barbara Macri-Ortiz requested seven revisions to the proposed Regulations. At Committee, staff recommended discussing each requested revision. There was active dialogue between Committee members, community stakeholders, and staff. Ultimately, two of the seven revisions were recommended for Council approval. The revisions are described in the Discussion section of this staff report.

Based on the discussion at Committee, it is important to provide clarity on the purpose of a Fair Rate of Return Petition (Petition). Rent Stabilized Jurisdictions must provide an opportunity for a Landlord to receive a Fair Return on their property. The Petition process ensures that cities do not encroach on a Landlord's constitutional right to a Fair Return. The Petition allows for Landlords to request a rent increase that is above the City of Oxnard's rent limit of 4%, should they provide sufficient documentation and prove that the standard increase of 4% would not allow them to receive a "fair and reasonable return" on their property. As such, the Petition process is extensive, and requires substantial documentation, including the landlord's financial data (income vs. their expenses), to demonstrate that the Landlord is operating and facing undue financial hardship. A successful Petition request results in a one-time rent increase. In the following year, the landlord is again subject to the 4% annual rent increase limit. While a Petition may be submitted annually, once a Petition has been approved, rents are considered aligned to provide a fair rate of return. Accordingly, any subsequent Petition would require the landlord to demonstrate a substantial change in operating expenses sufficient to establish that a 4% increase would not yield a "fair and reasonable return" on the property.

BACKGROUND

On April 13, 2022, City Council approved the Just Cause Evictions and Tenant Protection (Just Cause) and Rent Stabilization Ordinances, which became effective on June 2, 2022. Key elements of the enacted ordinances include the limitation of annual rent increases, for specified properties to 4%, a mandate regarding tenant relocation assistance in cases of no-fault evictions of \$5,000 or two months of rent, whichever is greater, and the authorization for the city to enforce the ordinances through civil citations, misdemeanor prosecutions or civil injunction. Ordinance amendments were passed by City Council on January 25, 2024, and July 30, 2024, to provide additional tenant protections and provide clarifications on the Ordinances. On March 25, 2025, staff introduced amendments to the Just Cause Ordinance and four administrative regulations applicable to the Just Cause and Rent Stabilization Ordinances to the Community Services, Public Safety, Housing & Development Committee (“Committee”). The intent of the administrative regulations is to provide clarity, while the proposed amendments closed loopholes making it easier for tenants, landlords, and City staff to implement the ordinances.

At that meeting, staff received input from the Committee, public, and various community stakeholders. There were a number of changes discussed to the ordinance and regulations, which are further described below. Based on the feedback received, consensus was reached on the proposed ordinance amendments and three of the four administrative regulations: (1) Registration, (2) Right of First Refusal, and (3) Ellis Act regulations went forward and were approved by City Council on April 29, 2025. Staff did not advance the Fair Rate of Return Petition Regulations, which was referred to as Exhibit B in the March 25, 2025 agenda item. Instead, staff proposed to collaborate with community stakeholders to further refine the regulation and bring it back to Committee at a later date.

In the months following the March 25th Committee meeting, staff worked closely with CAUSE, Attorney at Law Barbara Macri-Ortiz, and the Ventura County Association of Realtors (community stakeholders) to revise the regulations and achieve compromise and consensus. This process included online meetings with the community stakeholders on April 18, 2025, and July 17, 2025, each lasting several hours, ongoing internal staff meetings, and follow-up dialogue with the community stakeholders. This process continued through October, at which time common understanding and compromise was achieved.

The revised Regulations were provided to the stakeholders on October 20, 2025 and presented to the Committee on January 13, 2026. The day prior to the January 13th Committee meeting Attorney Barbara Macri-Ortiz requested seven revisions to the Regulations. Staff recommended discussing each requested revision as presented in detail at Committee with active dialogue between Committee members, community stakeholders, and staff. Ultimately, two of the seven revisions were recommended for Council approval. In addition, as a result of the active dialogue, staff determined that an additional revision—specifically, the inclusion of clarifying language—was necessary for the Section. 1.07- Hardship Appeal.

The Committee recommended moving forward with the Regulations, subject to the three additional revisions.

DISCUSSION

Adoption of Fair Rate of Return Petition Regulations

As discussed earlier, a Fair Rate of Return is different from Rent Stabilization. The State enacted Rent Stabilization via AB1482 in 2019, which was later incorporated into the State Civil Code 1947.12. Rent Stabilization applies to specific units, and protects tenants from excessive rent hikes and stabilizes housing costs, by limiting rent increases to a fixed percentage. Oxnard’s Rent Stabilization ordinance restricts rent increases to no more than 4%, annually. A Fair Rate of Return Petition is an exception to Rent Stabilization rent cap, and applies to a specific property. In Oxnard, the Petition is owner driven (not automatic), allowing a landlord to petition for a rent increase above the 4% maximum annual increase when they can prove the standard increase doesn't allow for a "fair and reasonable return" on their investment. The landlord must submit detailed financial data (income vs. expenses) to the City, proving they are operating at a loss or facing undue financial burden. The Regulations before the Council are intended to clarify the Petition process by which a landlord may petition for a rent increase above the 4% maximum annual increase, and are distinct from Rent Stabilization.

During the past three years, staff have observed emerging issues that hinder the effectiveness of the Rent Stabilization

Ordinance (Ord. No. 3013), specifically, the Fair Rate of Return Petition process. In response, staff recommends enacting the Fair Rate of Return Petition Regulations to create consistency for all applications received and establish a clear process for processing Fair Rate of Return Petitions which will benefit both tenants and landlords. Since 2022, eight Petitions, affecting 218 units, have been filed with the City, two have been successful, which impacted a total of five units, four petitions were withdrawn involving 188 units, and two petitions are currently pending that may impact a total of 25 units.

Changes to Fair Rate of Return Petition Regulations:

During the March 25, 2025 Committee meeting, the community stakeholders identified drafting errors throughout the entire Fair Rate of Return Petition Regulations Exhibit, which were corrected. Additionally, clarification was requested regarding the usage of the Consumer Price Index “Inflation” for the region of Anaheim-Los Angeles versus a closer region. Staff clarified that the state does not provide such a number for the City of Oxnard or Ventura County and as such staff utilized the closest region that fit our city's demographics. In order to simplify and create consistency throughout the regulation, Staff renamed the Regulation Fair Rate of Return Petition Regulations, to create conformity and clarity throughout the document, and all supporting documents (attachments).

Based on the collaborative discussion between staff and community stakeholders, revised Fair Rate of Return Petition Regulations were presented to the Committee on January 13, 2026. The highlights of the revisions between March 2025 - through the January 2026 Committee meeting are summarized below, and incorporated into Attachments 1 & 2:

1. Regulation 1.02: Definitions

-Section 4 and 6: added language to define timeframe (base year).

-Section 7: added language which expands the definition of operating income and added detailed steps on how to determine a fair return.

2. Regulation 1.03: Petition, Initial Petition Review; Petitioner Payment of Costs

-Section 1(b): added details on what a financial report should demonstrate and added a clause which gives the presiding Hearing Officer the ability to request additional supporting information needed to make a determination.

-Section 1(c) and Section 2(a): the original language specified dates by which an owner must provide a copy of the petition submitted to the City for review to the tenant(s). The dates were based on the date of submission. This inferred that the petition submitted is “complete” and therefore, that the tenant received all of the relevant information and set up an expectation on when a decision would be rendered. Since petitions are usually incomplete the language was modified to ensure that the tenant receives a copy of the complete petition and provides a better timeframe on when a response can be expected.

-Section 3: new language was added to detail timeframes for a withdrawal of petition (cancellation of a hearing) to be filed by an owner in order to avoid cancellation charges for fees incurred by the City.

-Section 4: section was revamped to outline what documentation is needed for a petition to be considered complete and establishes timelines.

Typo 1 pursuant to January 13, 2026 committee meeting:

-Section 4(a): the following typo was corrected “...in Regulation 1.03 section 1, subsections (a) through (d) (c).”

3. Regulation 1.04: Decision by Hearing Officer

-Further expands on Regulation 1.03, Sections 1 through 3 updated to thoroughly outline the Hearing Officer’s and the City’s timeframe for deeming the Fair Rate of Return Petition complete and the timeframe to issue a decision.

Typo 2 pursuant to January 13, 2026 committee meeting:

- Section 1.04(2)(a) the first word was corrected to read “No” as it read “O”.

4. Regulation 1.05: Amortization of Capital Improvement Costs

Revision pursuant to January 13, 2026 committee meeting:

This section was reformatted to fix indentation errors caused by wrapped text to properly reflect which costs fall under each major category.

5. Regulation 1.07: Hardship Appeal (originally titled Limitation on Rent Increases Granted Under this Part)

-The original naming convention for this section caused confusion. It was simplified and renamed “Hardship Appeal”. In addition, language was added informing low or moderate income households of the timeline, documentation, and steps to file a claim of severe economic hardship resulting from an approved rent increase.

Revision pursuant pursuant to January 13, 2026 committee meeting:

Language was added throughout this section to provide clarification regarding what documentation will be distributed to the owner and the tenant and within which timeframe.

Attachment 1 is a redline copy of the corrections made and Attachment 2 is a clean copy.

STRATEGIC PRIORITIES

This agenda item supports the Quality of Life strategy. The purpose of the Quality of Life strategy is to restore and increase quality services and programs that enrich Oxnard's diverse community, promotes safe neighborhoods, encourages community engagement, and supports our residents in their efforts to improve their quality of life.

FINANCIAL IMPACT

There is no financial impact.

COMMITTEE OUTCOME

The Community Services, Public Safety, and Housing & Economic Development Committee approved 3-0 on January 13, 2026, to approve the staff recommendation, with modifications, and to forward the item for Council approval.

Please click [here](#) to view the March 25, 2025, Community Services, Public Safety, and Housing & Economic Development Committee.

Please click [here](#) to view the January 13, 2026, Community Services, Public Safety, and Housing & Economic Development Committee.

Prepared by: Brenda Lopez, Housing Director

ATTACHMENTS

1. Attachment 1- Redline Copy_Fair Rate of Return Petition
2. Attachment 2 - Clean Copy_Fair Rate of Return Petition Regulation Final
3. Attachment 3 - Fair Rate of Return Resolution
4. Attachment 4- Presentation

EXHIBIT D

EXHIBIT DB

Part 1: Fair Rate of Return Petition Regulations~~Petition by Owner for~~

~~Rent Increase to Achieve a Fair Return~~ Regulation 1.01. Purpose

1. ~~Pursuant to Oxnard City Code Section 27-23, a rental property owner~~ Under Rent Stabilization Ordinance Section 27-23, an owner may petition the city for an increase in rents, so that the owner may obtain “a fair and reasonable return.” The Petition for Fair Rate of Return process stated in section 27-23 and further defined by these regulations are ordinance provides for this process in conformity with the California Supreme Court’s opinion in *Birkenfeld v. City of Berkeley*, ~~but sets forth no standard by which an owner’s receipt, or nonreceipt, of a fair return is to be determined.~~
2. This regulation works in conjunction with the Section 27-23 of Chapter 27 of the Oxnard City Code as follows: fills in this gap left by Rent Stabilization Ordinance Section 27-23 in the following two ways:
 - a. ~~It~~ establishes the formula that must be used by the City Manager, or their designee, to determine whether a petitioning owner is receiving a fair and reasonable return; and
 - b. ~~It~~ establishes a mandatory petition and decision-making process.

Regulation 1.02. Definitions

1. *Base Year*. “Base year” means 12-month period preceding May 2022.
2. *Current Year*. “Current year” means the 12-month period preceding the date on which the owner files a Fair Rate of Return Petition with the city.
3. *Fair and Reasonable Return*. A “fair and reasonable return” means an increase in the owner’s net operating income as of the current year equal to 100 percent of the percentage increase in the Consumer Price Index for All Urban Consumers in the Los Angeles-Long Beach-Anaheim area over the owner’s net operating income for the base year. (For example, if the Consumer Price Index has increased by ten percent since the base year, the owner receives a fair and reasonable return if the owner’s net operating income for the current year has also increased by at least ten percent above the base year level).
 - a. Net operating income generated by a property in the base year is presumed to have generated a fair and reasonable return because rents established that year were established by the owner free of substantial limitations beyond market forces.
 - b. A petitioning owner may rebut the presumption that base year net operating income generated a fair return by submitting with his or her Fair Rate of Return Petition proof by a preponderance of evidence that the net operating income yielded in the base year did not generate a fair rate of return. Base year net operating expense may be found to not to have generated a fair rate of return only if:

EXHIBIT D

- i. The landlord's operating and maintenance expenses in the base year were unusual in comparison to other years, in which case base year operating expenses shall be adjusted to reflect average expenses for the property over a reasonable period or, in the discretion of the City Manager or his or her designee, another year shall be designated the base year for purposes of the Fair Rate of Return petition. In considering whether the base year operating and maintenance expenses were unusual, the City Manager or their designee shall consider the following factors:
 1. Whether the owner made substantial capital improvements during the base year that were not reflected in the base year rent levels;
 2. Whether substantial and necessary repairs were made due to damage caused by uninsured disaster or vandalism; or
 3. Whether other expenses were unreasonably high or low, notwithstanding prudent business practice.
- ii. The property's rental income for the base year was disproportionately low. Under this circumstance, the City Manager or his or her designee shall designate the Fair Rate of Return Petition a "Vega Petition" and shall follow the procedures set forth herein in Regulation 1.06. In accordance with the Under the California Court of Appeal opinion *Vega v City of West Hollywood*, such a petition for a rent increase may be granted only if base year rents were disproportionately low because:
 1. ~~T~~here existed between the tenant and the owner a family relationship or close friendship;
 2. ~~T~~he rent had not been increased for several years prior to the base date~~basedate~~ while rents in the community generally were increased;
 3. ~~T~~he tenant or tenants performed services for the owner;
 4. ~~T~~here was low maintenance of the property by the owner in exchange for low rent increases or no rent increases; or
 5. ~~T~~here existed any other special circumstances which affected the rent level outside of market factors.

4. *Gross Income*. "*Gross income*" means:

- a. Gross rents, computed on the basis of one hundred percent occupancy, with fair market rent attributed to any vacant unit, within the timeframe of the Current Year which is the 12-month period preceding the date on which the owner files a Fair Rate of Return Petition with the city, plus plus
- b. Interest from security and cleaning deposits (unless the interest is payable to the tenants), plus

EXHIBIT D

- c. Income from services provided at the property, such as coin-operated laundry machines and the like, plus
 - d. All other income or consideration received or receivable for or in connection with the use or occupancy of rental units and housing services, minus
 - e. Uncollected rents due to vacancy and bad debts, to the extent that they are beyond the owner's control and the owner has made a good-faith attempt to collect them.
5. *Hearing Officer*. "Hearing Officer" means the City Manager or their designee.
6. *Operating Expenses*. "Operating expenses" means the total of all factors affecting expenses included in Rent Stabilization Ordinance Section 27-23(c) and paragraph (a) of this subdivision within the timeframe of the Current Year which is the 12-month period preceding the date on which the owner files a Fair Rate of Return Petition with the city but shall not include any expense included in paragraph (b) of this subdivision.
- a. Included expenses are:
 - i. Fair Rate of Return Petition application fee, if the petition is found to be meritorious;
 - ii. Annual program fee;
 - iii. License fees, real property taxes, utility costs, insurance;
 - iv. Normal repair and maintenance expenses, which shall include, but not be limited to, painting, normal cleaning, fumigation, landscaping, repair and replacement of all standard services, including electrical, plumbing, carpentry, furnished appliances, drapes, carpets and furniture. Owner-performed labor, like other labor, shall be included only to the extent that it is charged at fair market value for such labor;
 - v. The cost of repairs the need for which was not caused by ordinary wear and tear and was not caused by deferred maintenance;
 - vi. Allowable legal expenses, and management expenses (contracted or owner performed), including necessary and reasonable advertising, accounting, and other managerial expenses. Allowable legal expenses and management expenses are presumed to be six percent of gross income, unless established otherwise. Allowable legal and management expenses in excess of eight percent of gross income are presumed to be unreasonable and shall not be allowed unless it is established that such expenses are reasonable and do not exceed those ordinarily charged by commercial management firms for similar residential properties;
 - vii. Attorney's fees and costs incurred in connection with successful good faith attempts to recover rents owing and successful good faith unlawful detainer actions not in violation of applicable law, to the extent that such fees and costs cannot be recovered from tenants;

EXHIBIT D

viii. Building improvements, major repairs, replacement and maintenance, unless such costs are compensated by insurance proceeds. These costs shall not be included in their entirety as a given year's expense, but shall be amortized as provided in Regulation 1.05

ix. The expenses for experts and city review allowed under Rent Stabilization Ordinance 27-23(B) and actually paid by the owner.

b. Excluded expenses are:

i. Maintenance and repair work which resulted from the intentional deferral of other repairs or work, which deferral caused significant deterioration of the building, any of its amenities, or individual units;

ii. Avoidable and unnecessary expense increases since the base year;

iii. Mortgage interest and principal payments and other payments, ~~excluding any such payments~~ that are not contractually necessary, such as double payments, and ~~excluding~~ any payment that results from financing that is unreasonable or that was unnecessary for the acquisition of the property at fair market value;

iv. Fees, other than fees expressly authorized by 1.02(6)(a)~~paragraph (1)~~ of this subdivision;

v. Penalties and interest awarded for violation of the Rent Stabilization Ordinance or any other law;

vi. Legal fees not expressly allowed under paragraph 1.02(6)(a)(vi)~~paragraph (1)~~ of this subdivision; and

vii. Depreciation of the property.

7. *Net Operating Income*. "Net Operating Income" means gross income minus operating expense.

Regulation 1.03: Petition; Initial Petition Review; Petitioner Payment of Costs

a. In California, the maintenance of net operating income ("MNOI") formula or standard is the most often used for determining a Fair Rate of Return Petition. Courts have praised the MNOI standard for its fairness and ease of administration, and because it preserves for a property owner the net operating income prior to the adoption of rent control. Generally, this involves a three-step process. (To take a simple example, assume a landlord has a 10 rental unit building, the base rent year net operating income, as adjusted by inflation, was \$100,000, and the NOI in the last twelve months was \$98,000; the difference being \$2000. The \$2000 is divided first by 10 (the number of units in the building) and then by 12 (months), to yield \$16.67. That would be the monthly rent increase to which the landlord would be entitled in order, under this formula, to receive a fair return.)

i. Step one is the determination of the Base Rent Year, which is the year ending on the year the Ordinance was adopted.

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- ii. Step two requires the calculation of the base rent year net operating income for 2022 as adjusted for inflation through the date of the notice of the rent increase.
- iii. Step three involves the calculation of the difference between the base rent year net operating income, as adjusted for inflation, and the most recent 12 months of net operating income. That difference is then divided first by the number of rental units and then by twelve. That number represents what the landlord is entitled to as a rent increase in order to receive a fair return.

Regulation 1.03: Petition, Initial Petition Review; Petitioner Payment of Costs

A petition for a rent increase must be on a form prescribed by the City Manager and must include all required ~~documentation attachments~~, as well as an email address at which the Petitioner consents to receive service by the city of all communications and documents related to the petition. A petition that is not made on the form prescribed by the City Manager, is not completely filled in, or does not include all required attachments will not be accepted. ~~Deficient Fair Rate of Return Petitions, but~~ will be promptly returned to the petitioner with an explanation of the defect. ~~Pursuant to Oxnard City Code section 27-23(B) OCC section the 27-23(B) requires that the~~ owner is responsible for all costs associated with the city's review of the Fair Rate of Return Petition.

1. ~~Required Fair Rate of Return Petition Documents Attachments~~. A petitioner must include with a ~~submitted completed~~ and signed Fair Rate of Return Petition form the following information:
 - a. Records, such as receipts and financial statements, establishing the base year gross income and base year operating expenses, and demonstrating the base year net operating income;
 - b. Pursuant to Oxnard City Code Section 27-23(A), and independent financial report, including verified financial data, that demonstrates the owner will not obtain a fair and reasonable return on their property.
 - i. ~~The financial report should demonstrate that the rRecords establishing base year and current year , such as receipts and financial statements, establishing the current year gross income and current year operating expenses show that under the criteria set forth in Regulation 1.02, subdivision (3), the petitioning owner is entitled to an increase in rents in order to obtain a fair and reasonable return, and demonstrating the current year net operating income.~~
 - ii. The Hearing Officer may request additional information from the Petitioner or Tenant to assist with determining whether or not there is a Fair Rate of Return Petition.
 - c. ~~A financial report demonstrating that the records establishing base year and current year operating expenses show that, under the criteria set forth in Regulation 1.02, subdivision (3), the petitioning owner is entitled to an increase in rents in order to obtain a fair and reasonable return.~~
 - cd. Proof that the owner provided all affected tenants with the ~~submitted complete~~ petition, including all attachments, ~~, on or within no more than two days before the~~

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~~date when the petition was submitted to the city.~~

2. *Time for Initial Review.* Upon receipt of a ~~submitted~~complete Fair Rate of Return Petition form with all required attachments, the designated hearing officer shall:

~~a. Mail to all affected tenants a notice that the city has received a Fair Return Petition and informing them that they have until 30 days from the date when the owner served the tenant with a copy of the petition to respond to that petition, including by providing the city with additional materials, if they wish to contest the petition;~~

~~ab.~~ Determine whether it will be necessary for the city to employ any independent experts in order to reach a final decision about whether the owner is entitled to a rent increase and in what amount;

~~be.~~ Within no more than 7 days from receipt of the petition form with all required attachments, inform the petitioner of the city's anticipated costs of reviewing, analyzing, and deciding the petition and the employment of any expert necessary to complete those things. If the city does not within 7 days inform the petitioner of anticipated costs of reviewing, analyzing, and deciding the petition, then such costs shall be deemed unnecessary.

3. *Petitioner Payment of Estimated Costs.* Within no more than 15 days of the city delivering the estimated costs to the petitioner, the petitioner must make payment to the city in the amount of the estimated costs.

a. Withdrawal of Petition. The landlord shall inform the city at least 5 days before the scheduled hearing date of the landlord's intent to withdraw the petition. If the landlord fails to inform the city at least 5 days before the scheduled hearing date of the landlord's intent to withdraw the petition, then the landlord will be responsible for the following costs.

i. Translator: Any cancellation must occur at least 48 hours prior to the scheduled hearing to avoid a cancellation charge.

ii. Court Reporter: Any cancellation must occur at least 48 hours prior to the scheduled hearing to avoid a cancellation charge.

iii. Hearing Officer: Any cancellation must occur at least 48 hours prior to the scheduled hearing to avoid a cancellation charge.

4. *Standard for Determining When Petition is Complete.* A Fair Rate of Return Petition shall be deemed complete upon receipt of all required documentation and information in the Fair Rate of Return Petition application as stated in the "Fair Rate of Return Petition Application Packet" which can be found on the Rent Stabilization Housing website. eight days after the petitioner has submitted to the city a completed Fair Return Petition form with all required attachments unless, within 7 days of such submission the city informs the petitioner of anticipated costs for reviewing, analyzing, and deciding the petition. In the latter case, the petition shall be deemed complete when such costs are fully paid to the city. The city will take no action on the petition, other than those specified in subdivision (2) of this regulation, until the petition is deemed complete.

a. Supporting documents needed for a complete Fair Rate of Return Petition application include but are not limited to the items stated in Regulation 1.03 section 1,

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subsections (a) through (c) and the following document: (i) copies of all written rental agreements in effect during this period; (ii) a spreadsheet demonstrating actual income; (iii) a spreadsheet demonstrating actual expenses; (iv) documentation to substantiate all claimed expenses (which demonstrates actual payment and a relationship to the property); (v), an independent financial report; sixth, the proposed rent increase(s).

b. A detailed description, including the date timelines, of all required supporting documents for a complete Fair Rate of Return Petition application can be found on page 5 of 8 of the Fair Rate of Return Petition Application Packet. If required documentation or information is missing, the City will contact the landlord and request the missing documentation or information. The landlord will have-14 days to provide the missing documentation or information, or the landlord's Fair Rate of Return Petition may be dismissed unless, within 14 days of such request, the city informs the petitioner of anticipated costs for reviewing, analyzing, and deciding the petition. In the latter case, the petition shall be deemed complete when all information and supporting documents are provided AND such costs are fully paid to the city.

5. The city will take no action on the petition, other than those specified in subdivision (2) of this regulation, until the petition is deemed complete.

a. Upon receipt of a deemed complete Fair Rate of Return Petition form with all required documents, the Hearing Officer shall mail a notice to all affected tenants noticing that the city has received a Fair Rate of Return Petition informing the tenants they have 30 days from the date upon which the City provides notice that the petition submission is deemed complete, to respond to the petition, and provide the city with additional materials, if they wish to use to contest the petition. Tenants are not entitled to any confidential landlord or property owner information.

b. The City shall send out a Notice of Hearing that includes the date, time, location and or video conference link for the Fair Rate of Return Petition Hearing.

Regulation 1.04: Decision by Hearing Officer

As specified by Rent Stabilization Ordinance 27-23, a decision about whether to grant an increase in rents as requested in a Fair **Rate of** Return Petition shall be made by the City Manager or his or her designee, referred to within this Part IV of these Regulations as "Hearing Officer."

1. *Time for Decision.* The Hearing Officer shall issue a written decision granting or denying the petition within 60 days of the date when the petition is deemed complete under Regulation 1.03, subdivision (4), unless for good cause shown, the Hearing Officer extends the time for issuance of the decision.
2. *Procedures for Decision.* In deciding whether to grant or deny a Fair **Rate of** Return Petition, the Hearing Officer shall fairly consider all documentary evidence, to which the following procedures shall apply.
 - a. By ~~Nn~~No later than the thirty-fifth~~st~~ (35th) day after the city deems the Fair Rate of Return Petition complete, petitioner provided all affected tenants with a copy of the petition, the Hearing Officer shall send to the petitioner at the email address provided in the petition an electronic copy of any submission received by affected

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tenants. Such tenant submission shall be deemed received by the petitioner on the day that the Hearing Officer sends it.

- b. Within 5 days of receipt of submission from the Hearing Officer of any tenant submission, the petitioner may reply to such submission. The Hearing Officer shall forward any such reply to the affected tenants at an email address provided by such tenants for that purpose or, if no email address is provided, to the tenants' address by first class mail. There shall be no right of rebuttal or other reply by affected tenants after the reply brief has been submitted. Any further reply shall be presented orally at the hearing.
 - c. If ~~the Hearing Officer has been~~ determines^d that it is necessary to engage the services of an expert, the Hearing Officer shall engage that expert without undue delay, and in no event later than 10 days after the date the petitioner has paid the costs as described in Regulation 1.03. when the petition is deemed complete. The Hearing Officer shall require that the expert provide their written opinion within 14 business days of the expert's engagement. If required the Hearing Officer should issue a notice of continued hearing to the petitioner and the tenants to allow for additional time for the expert review. no more than an additional 14 days.
 - d. The Hearing Officer shall require that the expert submit their opinion in an electronic format suitable for distribution by email.
 - e. The Hearing Officer shall immediately send to the petitioner at the email address provided in the petition, and via first class mail or email to all affected tenants, and their representative, if any, a copy of the expert's opinion, to which the petitioner and tenants shall have 14 days to respond if they wish to do so.
 - f. The hearing officer shall make their decision based only on the written submissions of the parties, the written opinions of any expert designated by the city after initial review of the petition, timely-submitted responses to such submissions and opinions, a hearing involving both the owner and tenant where both the owner and the tenant can only provide statements directly to the Hearing Officer but cannot cross examine each other, and any relevant public records maintained by any government entity or agency.
 - g. ~~In addition to sending their decision to all affected parties by email, the Hearing Officer shall convey the decision by first class mail with proof of mailing. At the hearing, the landlord will testify in a narrative fashion and will answer questions from the Hearing Officer, if any arise. The tenant will be afforded the opportunity to provide narrative testimony that the landlord may rebut within the time limits allowed by the hearing Officer for Testimony.~~
 - h. After the Hearing Officer has prepared the decision, they shall email the final decision to the City. The City shall serve the decision by first-class mail to the parties.
3. *Standards for Decision.* The Hearing Officer shall grant a Fair Rate of Return Petition only if the petitioning owner demonstrates that their current year net operating income does not equal at least the base year net operating incomeexpense plus 100% of the change in the Consumer Price Index since the end of the base year.

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4. *Challenge to Decision.* A decision of the Hearing Officer granting or denying a Fair Rate of Return Petition may be challenged by writ of administrative mandamus.

a. If a writ is not filed within 90 days of the Hearing Officer granting or denying a Fair Rate of Return Petition, the decision of the Hearing Officer is final.

5. Initiating a Rent Increase. A landlord may only initiate an authorized rent increase after the Hearing Officer’s decision has become final including through the disposition of a Writ proceeding. However, no rent increase authorized as the result of a successful Fair Return petition may be imposed until the owner complies with all state and local noticing requirements.

Regulation 1.05: Amortization of Capital Improvement Costs *

1. In amortizing capital improvements, the following schedule shall be used to determine the amortization period of the capital improvement:

*Schedule was reformatted to align categories, subcategories, and year column

<i>Improvement</i>	<i>Years</i>
Air conditioning or heating system	10
Other appliances	
Refrigerator	5
Stove	5
Garbage disposal	5
Water heater	5
Dishwasher	5
Microwave oven	5
Washer/dryer	5
Fans	6
Cabinets	10
Miscellaneous carpentry	10
Countertops	10
Doors	10
Knobs	5
Screen doors	5

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Earthquake expenses

Architect/Engineer fees	5
Emergency services	5
Clean-up	5
Fencing and security	5
Management	5
Tenant assistance	5
Structural repair or retrofitting	
Foundation repair	10
Foundation replacement	20
Foundation bolting	20
Iron or steel work	20
Masonry/chimney repair	20
Shear wall installation	10
Electrical wiring	10
Elevator	20
Fencing and gates	
Chain link	10
Masonry	10
Wood	10
Wrought iron	<u>25</u>
Fire alarm system	10
Fire sprinkler system	20
Fire escape	10

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Flooring/floor covering	
Hardwood	10
Tile or Linoleum	5
Carpet	5
Carpet Pad	5
Subfloor	10
Fumigation tenting	5
Glass	
Windows	5
Doors	5
Mirrors	5
Insulation	10
Landscaping	
Planting	10
Sprinklers	10
Tree replacement	10
Lighting (interior or exterior)	10
Locks	5
Mailboxes	10
Meters	10
Plumbing	
Fixtures	10
Pipe replacement	10
Re-pipe entire building	20
Shower doors	5

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Paint	5
Paving or decking	10
Plastering	10
Railings	10
Roofing	10
Security systems or installations	10
Sidewalks and walkways	10
Stairs	10
Stucco	10
Sump pump	10
Tile work	10
Wallpaper	5
Window coverings	5

2. The costs of capital improvements shall be included in the calculation of a given year's operating expenses, and included in the calculation of any increase in each affected unit's monthly rent, according to the following formula: the total cost, divided by the amortization period, divided by 12.
3. Rent increases authorized pursuant to this section shall be allocated as follows:
 - a. Rent increases for unit-specific capital improvements shall be allocated to that unit;
 - b. Rent increases for building-wide or common area capital improvements shall be allocated equally among all units;
 - c. Rent increases resulting from the Net Operating Income analysis shall be allocated equally among all units;
 - d. Notwithstanding the subsections above, the ~~H~~hearing ~~Officer-examiner or the Board~~, in the interests of justice, shall have the discretion to apportion the rent increases in a manner and to the degree necessary to ensure fairness. Such circumstances include, but are not limited to, units that are vacant or owner occupied.

Regulation 1.06 Rent Increase Based on Disproportionately Low Base Year Rents (Vega Petition)

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If the contents of a Fair Rate of Return petition make clear that the basis for the petition is that current rents cannot yield a fair return solely or principally because base year rents were disproportionately low under criteria set forth in Regulation 1.02, subdivision (3) paragraph (b) subparagraph (ii), and if the petition has been deemed complete, the hearing examiner shall rule on the petition using the following criteria:

1. The petitioning owner must prove by documentary evidence, and by a preponderance of evidence:
 - a. The level of fair market rents for units comparable to those as to which the petitioner seeks a rent increase. Units are comparable if they are in the same neighborhood of the city, of similar size, in substantially similar condition, and include substantially similar amenities; and
 - b. That base year rents for the property that is the subject of the petition were determined not by market criteria, but as the result of one or more of the factors set forth in Regulation 1.02, subdivision (3) paragraph (b) subparagraph (ii);
2. If the petitioner satisfies the criteria of subdivision (1) of this Regulation, the hearing officer shall grant the petition and shall adjust affected units rents according to the following formula:
 - a. Fair market rent for comparable units as of the base year plus 4% for each year since the base year during which the criteria set forth in Regulation 1.02, subdivision (3) paragraph (b) subparagraph (ii) continued to apply.
 - b. A 4% increase shall not be applied for any year after the base year during which the criteria set forth in Regulation 1.02, subdivision (3) paragraph (b) subparagraph (ii) did not apply and the current or previous owner did not apply the permitted 4% increase.

Regulation 1.07. Hardship Appeal Limitation on Rent Increases Granted under this Part

1. Any low- or moderate-income household shall have 30 days from the date when the hearing officer's decision granting a rent increase is mailed to them to inform the owner, tenant and the city, to inform the owner and the city that the authorized increase would cause a severe economic hardship. The Tenant's claim must be made in writing and must include: No rent increase authorized as the result of a successful Fair Return petition may be imposed unless the owner complies with all state and local noticing requirements;
 - a. Proof of the household's low- or moderate-income status;
 - b. Proof that the authorized rent increase would cause a severe economic hardship. Economic hardship is severe if it would interfere either directly or indirectly with the household's ability to remain housed or afford other basic necessities of life.
2. No monthly rent increase of more than the greater of 102%, twice the Employment Cost Index (ECI), or \$100 shall be authorized for any unit occupied by a low- or moderate-income household if such an increase would result in severe economic hardship.
 - a. The applicable figure for the ECI shall be the most recently reported calendar year

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figure as of the date when the petition was filed.

- ~~b. If the amount of a monthly rent increase affecting a low- or moderate-income household that would otherwise have been authorized as the result of a successful Fair Return petition would be greater than the limit specified in this subdivision (2), the full increase shall be granted over a period of years such that the increase is no greater than that limit in any given year.~~
- ~~c. Any low- or moderate-income household shall have 30 days from the date when the hearing officer's decision granting a rent increase is mailed to inform the owner and the city that the authorized increase would cause a severe economic hardship. That claim must be made in writing and must include:~~
- ~~i. Proof of the household's low- or moderate-income status;~~
 - ~~ii. Proof that the authorized rent increase would cause a severe economic hardship. Economic hardship is severe if it would interfere either directly or indirectly with the household's ability to remain housed or afford other basic necessities of life.~~
- 3d. If tenants of a household make a claim of severe economic hardship, the owner shall not impose any rent increase affecting that household, other than any 4% increase generally permitted annually by the Rent Stabilization Ordinance, until the Hearing Officer rules on the tenants' claim.
- 4e. If tenants of a household make a claim of severe economic hardship, the ~~ownerpetitioner~~ shall have ten days from the date that the owner is informed of the tenant's ~~made that~~ written claim to file both the owner and the city ~~to file with the city~~ any written objection to the claim. Any such objection must include all relevant supporting evidence and shall be mailed to the tenant.
- 5f. The tenant shall have the burden to prove the existence of severe economic hardship by a preponderance of evidence.
- 6g. The ~~H~~hearing ~~Officer~~ ~~examiner~~ shall rule on the claim of severe economic hardship within 30 days after the ~~of the~~ tenant's claim having was provided to ~~provided the claim to~~ the owner, tenant and the city, ~~and shall do so in the form of an addendum to the original decision.~~
- 7h. If the ~~H~~hearing ~~Officer~~ ~~examiner~~ determines that the originally-determined rent increase would cause a severe economic hardship, the affected unit's rent shall annually increase by the amount of the 5% permitted under the ECI plus any applicable 4% annual general adjustment until the unit's rent reaches the level that it would have been under the original decision.

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Part 1: Fair Rate of Return Petition Regulations

Regulation 1.01. Purpose

1. Pursuant to Oxnard City Code Section 27-23, a rental property owner may petition the city for an increase in rents, so that the owner may obtain “a fair and reasonable return.” The Petition for Fair Rate of Return process stated in section 27-23 and further defined by these regulations are in conformity with the California Supreme Court’s opinion in *Birkenfeld v. City of Berkeley*.
2. This regulation works in conjunction with the Section 27-23 of Chapter 27 of the Oxnard City Code as follows:
 - a. Establishes the formula that must be used by the City Manager, or their designee, to determine whether a petitioning owner is receiving a fair and reasonable return; and
 - b. Establishes a mandatory petition and decision-making process.

Regulation 1.02. Definitions

1. *Base Year*. “Base year” means 12-month period preceding May 2022.
2. *Current Year*. “Current year” means the 12-month period preceding the date on which the owner files a Fair Rate of Return Petition with the city.
3. *Fair and Reasonable Return*. A “fair and reasonable return” means an increase in the owner’s net operating income as of the current year equal to 100 percent of the percentage increase in the Consumer Price Index for All Urban Consumers in the Los Angeles-Long Beach-Anaheim area over the owner’s net operating income for the base year. (For example, if the Consumer Price Index has increased by ten percent since the base year, the owner receives a fair and reasonable return if the owner’s net operating income for the current year has also increased by at least ten percent above the base year level).
 - a. Net operating income generated by a property in the base year is presumed to have generated a fair and reasonable return because rents established that year were established by the owner free of substantial limitations beyond market forces.
 - b. A petitioning owner may rebut the presumption that base year net operating income generated a fair return by submitting with his or her Fair Rate of Return Petition proof by a preponderance of evidence that the net operating income yielded in the base year did not generate a fair rate of return. Base year net operating expense may be found to not to have generated a fair rate of return only if:
 - i. The landlord’s operating and maintenance expenses in the base year were unusual in comparison to other years, in which case base year operating expenses shall be adjusted to reflect average expenses for the property over a reasonable period or, in the discretion of the City Manager or his or her designee, another year shall be designated the base year for purposes of the Fair Rate of Return petition. In considering whether the base year operating

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and maintenance expenses were unusual, the City Manager or their designee shall consider the following factors:

1. Whether the owner made substantial capital improvements during the base year that were not reflected in the base year rent levels;
 2. Whether substantial and necessary repairs were made due to damage caused by uninsured disaster or vandalism; or
 3. Whether other expenses were unreasonably high or low, notwithstanding prudent business practice.
- ii. The property's rental income for the base year was disproportionately low. Under this circumstance, the City Manager or his or her designee shall designate the Fair Rate of Return Petition a "Vega Petition" and shall follow the procedures set forth herein in Regulation 1.06. In accordance with the California Court of Appeal opinion *Vega v City of West Hollywood*, such a petition for a rent increase may be granted only if base year rents were disproportionately low because:
1. There existed between the tenant and the owner a family relationship or close friendship;
 2. The rent had not been increased for several years prior to the base date while rents in the community generally were increased;
 3. The tenant or tenants performed services for the owner;
 4. There was low maintenance of the property by the owner in exchange for low rent increases or no rent increases; or
 5. There existed any other special circumstances which affected the rent level outside of market factors.

4. *Gross Income*. "Gross income" means:

- a. Gross rents, computed on the basis of one hundred percent occupancy, with fair market rent attributed to any vacant unit, within the timeframe of the Current Year which is the 12-month period preceding the date on which the owner files a Fair Rate of Return Petition with the city, plus
- b. Interest from security and cleaning deposits (unless the interest is payable to the tenants), plus
- c. Income from services provided at the property, such as coin-operated laundry machines and the like, plus
- d. All other income or consideration received or receivable for or in connection with the use or occupancy of rental units and housing services, minus
- e. Uncollected rents due to vacancy and bad debts, to the extent that they are beyond

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the owner's control and the owner has made a good-faith attempt to collect them.

5. *Hearing Officer*. "Hearing Officer" means the City Manager or their designee.
6. *Operating Expenses*. "Operating expenses" means the total of all factors affecting expenses included in Rent Stabilization Ordinance Section 27-23(c) and paragraph (a) of this subdivision within the timeframe of the Current Year which is the 12-month period preceding the date on which the owner files a Fair Rate of Return Petition with the city but shall not include any expense included in paragraph (b) of this subdivision.

a. Included expenses are:

- i. Fair Rate of Return Petition application fee, if the petition is found to be meritorious;
- ii. Annual program fee;
- iii. License fees, real property taxes, utility costs, insurance;
- iv. Normal repair and maintenance expenses, which shall include, but not be limited to, painting, normal cleaning, fumigation, landscaping, repair and replacement of all standard services, including electrical, plumbing, carpentry, furnished appliances, drapes, carpets and furniture. Owner-performed labor, like other labor, shall be included only to the extent that it is charged at fair market value for such labor;
- v. The cost of repairs the need for which was not caused by ordinary wear and tear and was not caused by deferred maintenance;
- vi. Allowable legal expenses, and management expenses (contracted or owner performed), including necessary and reasonable advertising, accounting, and other managerial expenses. Allowable legal expenses and management expenses are presumed to be six percent of gross income. Allowable legal and management expenses in excess of eight percent of gross income are presumed to be unreasonable and shall not be allowed unless it is established that such expenses are reasonable and do not exceed those ordinarily charged by commercial management firms for similar residential properties;
- vii. Attorney's fees and costs incurred in connection with successful good faith attempts to recover rents owing and successful good faith unlawful detainer actions not in violation of applicable law, to the extent that such fees and costs cannot be recovered from tenants;
- viii. Building improvements, major repairs, replacement and maintenance, unless such costs are compensated by insurance proceeds. These costs shall not be included in their entirety as a given year's expense, but shall be amortized as provided in Regulation 1.05;
- ix. The expenses for experts and city review allowed under Rent Stabilization Ordinance 27-23(B) and actually paid by the owner.

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b. Excluded expenses are:

- i. Maintenance and repair work which resulted from the intentional deferral of other repairs or work, which deferral caused significant deterioration of the building, any of its amenities, or individual units;
- ii. Avoidable and unnecessary expense increases since the base year;
- iii. Mortgage interest and principal payments and other payments that are not contractually necessary, such as double payments, and any payment that results from financing that is unreasonable or that was unnecessary for the acquisition of the property at fair market value;
- iv. Fees, other than fees expressly authorized by 1.02(6)(a) of this subdivision;
- v. Penalties and interest awarded for violation of the Rent Stabilization Ordinance or any other law;
- vi. Legal fees not expressly allowed under paragraph 1.02(6)(a)(vi) of this subdivision; and
- vii. Depreciation of the property.

7. *Net Operating Income.* “Net Operating Income” means gross income minus operating expense.

- a. In California, the maintenance of net operating income (“MNOI”) formula or standard is the most often used for determining a Fair Rate of Return Petition. Courts have praised the MNOI standard for its fairness and ease of administration, and because it preserves for a property owner the net operating income prior to the adoption of rent control. Generally, this involves a three-step process. (To take a simple example, assume a landlord has a 10 rental unit building, the base rent year net operating income, as adjusted by inflation, was \$100,000, and the NOI in the last twelve months was \$98,000; the difference being \$2000. The \$2000 is divided first by 10 (the number of units in the building) and then by 12 (months), to yield \$16.67. That would be the monthly rent increase to which the landlord would be entitled in order, under this formula, to receive a fair return.)
 - i. Step one is the determination of the Base Rent Year, which is the year ending on the year the Ordinance was adopted.
 - ii. Step two requires the calculation of the base rent year net operating income for 2022 as adjusted for inflation through the date of the notice of the rent increase.
 - iii. Step three involves the calculation of the difference between the base rent year net operating income, as adjusted for inflation, and the most recent 12 months of net operating income. That difference is then divided first by the number of rental units and then by twelve. That number represents what the landlord is entitled to as a rent increase in order to receive a fair return.

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Regulation 1.03: Petition, Initial Petition Review; Petitioner Payment of Costs

A petition for a rent increase must be on a form prescribed by the City Manager and must include all required documentation as well as an email address at which the Petitioner consents to receive service by the city of all communications and documents related to the petition. A petition that is not made on the form prescribed by the City Manager, is not completely filled in, or does not include all required attachments will not be accepted. Deficient Fair Rate of Return Petitions will be promptly returned to the petitioner with an explanation of the defect. Pursuant to Oxnard City Code section 27-23(B) the owner is responsible for all costs associated with the city's review of the Fair Rate of Return Petition.

1. *Required Fair Rate of Return Petition Documents.* A petitioner must include with a submitted and signed Fair Rate of Return Petition form the following information:
 - a. Records, such as receipts and financial statements, establishing the base year gross income and base year operating expenses, and demonstrating the base year net operating income;
 - b. Pursuant to Oxnard City Code Section 27-23(A), and independent financial report, including verified financial data, that demonstrates the owner will not obtain a fair and reasonable return on their property.
 - i. The financial report should demonstrate that the records establishing base year and current year operating expenses show that under the criteria set forth in Regulation 1.02, subdivision (3), the petitioning owner is entitled to an increase in rents in order to obtain a fair and reasonable return.
 - ii. The Hearing Officer may request additional information from the Petitioner or Tenant to assist with determining whether or not there is a Fair Rate of Return Petition.
 - c. Proof that the owner provided all affected tenants with the submitted petition, including all attachments.
2. *Time for Initial Review.* Upon receipt of a submitted Fair Rate of Return Petition form with all required attachments, the designated hearing officer shall:
 - a. Determine whether it will be necessary for the city to employ any independent experts in order to reach a final decision about whether the owner is entitled to a rent increase and in what amount;
 - b. Within no more than 7 days from receipt of the petition form with all required attachments, inform the petitioner of the city's anticipated costs of reviewing, analyzing, and deciding the petition and the employment of any expert necessary to complete those things. If the city does not within 7 days inform the petitioner of anticipated costs of reviewing, analyzing, and deciding the petition, then such costs shall be deemed unnecessary.
3. *Petitioner Payment of Estimated Costs.* Within no more than 15 days of the city delivering the estimated costs to the petitioner, the petitioner must make payment to the city in the amount of the estimated costs.

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- a. *Withdrawal of Petition.* The landlord shall inform the city at least 5 days before the scheduled hearing date of the landlord's intent to withdraw the petition. If the landlord fails to inform the city at least 5 days before the scheduled hearing date of the landlord's intent to withdraw the petition, then the landlord will be responsible for the following costs.
 - i. Translator: Any cancellation must occur at least 48 hours prior to the scheduled hearing to avoid a cancellation charge.
 - ii. Court Reporter: Any cancellation must occur at least 48 hours prior to the scheduled hearing to avoid a cancellation charge.
 - iii. Hearing Officer: Any cancellation must occur at least 48 hours prior to the scheduled hearing to avoid a cancellation charge.
4. *Standard for Determining When Petition is Complete.* A Fair Rate of Return Petition shall be deemed complete upon receipt of all required documentation and information in the Fair Rate of Return Petition as stated in the "Fair Rate of Return Petition Packet" which can be found on the Rent Stabilization Housing website.
 - a. Supporting documents needed for a complete Fair Rate of Return Petition include but are not limited to the items stated in Regulation 1.03 section 1, subsections (a) through (c) and the following document: (i) copies of all written rental agreements in effect during this period; (ii) a spreadsheet demonstrating actual income; (iii) a spreadsheet demonstrating actual expenses; (iv) documentation to substantiate all claimed expenses (which demonstrates actual payment and a relationship to the property); (v), an independent financial report; sixth, the proposed rent increase(s).
 - b. A detailed description, including the date timelines, of all required supporting documents for a complete Fair Rate of Return Petition application can be found on page 5 of 8 of the Fair Rate of Return Petition Packet. If required documentation or information is missing, the City will contact the landlord and request the missing documentation or information. The landlord will have 14 days to provide the missing documentation or information, or the landlord's Fair Rate of Return Petition may be dismissed unless, within 14 days of such request, the city informs the petitioner of anticipated costs for reviewing, analyzing, and deciding the petition. In the latter case, the petition shall be deemed complete when all information and supporting documents are provided AND such costs are fully paid to the city.
5. The city will take no action on the petition, other than those specified in subdivision (2) of this regulation, until the petition is deemed complete.
 - a. Upon receipt of a deemed complete Fair Rate of Return Petition form with all required documents, the Hearing Officer shall mail a notice to all affected tenants noticing that the city has received a Fair Rate of Return Petition informing the tenants they have 30 days from the date upon which the City provides notice that the petition submission is deemed complete, to respond to the petition, and provide the city with additional materials, if they wish to use to contest the petition. Tenants are not entitled to any confidential landlord or property owner information.
 - b. The City shall send out a Notice of Hearing that includes the date, time, location

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and or video conference link for the Fair Rate of Return Petition Hearing.

Regulation 1.04: Decision by Hearing Officer

As specified by Rent Stabilization Ordinance 27-23, a decision about whether to grant an increase in rents as requested in a Fair Rate of Return Petition shall be made by the City Manager or his or her designee, referred to within this Part IV of these Regulations as “Hearing Officer.”

1. *Time for Decision.* The Hearing Officer shall issue a written decision granting or denying the petition within 60 days of the date when the petition is deemed complete under Regulation 1.03, subdivision (4), unless for good cause shown, the Hearing Officer extends the time for issuance of the decision.
2. *Procedures for Decision.* In deciding whether to grant or deny a Fair Rate of Return Petition, the Hearing Officer shall fairly consider all documentary evidence, to which the following procedures shall apply.
 - a. No later than the thirty-fifth (35th) day after the city deems the Fair Rate of Return Petition complete, the Hearing Officer shall send to the petitioner at the email address provided in the petition an electronic copy of any submission received by affected tenants. Such tenant submission shall be deemed received by the petitioner on the day that the Hearing Officer sends it.
 - b. Within 5 days of receipt of submission from the Hearing Officer of any tenant submission, the petitioner may reply to such submission. The Hearing Officer shall forward any such reply to the affected tenants at an email address provided by such tenants for that purpose or, if no email address is provided, to the tenants’ address by first class mail. There shall be no right of rebuttal or other reply by affected tenants after the reply brief has been submitted. Any further reply shall be presented orally at the hearing.
 - c. If the Hearing Officer determines that it is necessary to engage the services of an expert, the Hearing Officer shall engage that expert without undue delay, and in no event later than 10 days after the date the petitioner has paid the costs as described in Regulation 1.03. The Hearing Officer shall require that the expert provide their written opinion within 14 business days of the expert’s engagement. If required the Hearing Officer should issue a notice of continued hearing to the petitioner and the tenants to allow for additional time for the expert review.
 - d. The Hearing Officer shall require that the expert submit their opinion in an electronic format suitable for distribution by email.
 - e. The Hearing Officer shall immediately send to the petitioner at the email address provided in the petition, and via first class mail or email to all affected tenants, and their representative, if any, a copy of the expert’s opinion, to which the petitioner and tenants shall have 14 days to respond if they wish to do so.
 - f. The hearing officer shall make their decision based only on the written submissions of the parties, the written opinions of any expert designated by the city after initial review of the petition, timely-submitted responses to such submissions and opinions, a hearing involving both the owner and tenant where both the owner and the tenant can only provide statements directly to the Hearing Officer but cannot

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cross examine each other, and any relevant public records maintained by any government entity or agency.

- g. At the hearing, the landlord will testify in a narrative fashion and will answer questions from the Hearing Officer, if any arise. The tenant will be afforded the opportunity to provide narrative testimony that the landlord may rebut within the time limits allowed by the hearing Officer for Testimony.
 - h. After the Hearing Officer has prepared the decision, they shall email the final decision to the City. The City shall serve the decision by first-class mail to the parties.
3. *Standards for Decision.* The Hearing Officer shall grant a Fair Rate of Return Petition only if the petitioning owner demonstrates that their current year net operating income does not equal at least the base year net operating income plus 100% of the change in the Consumer Price Index since the end of the base year.
 4. *Challenge to Decision.* A decision of the Hearing Officer granting or denying a Fair Rate of Return Petition may be challenged by writ of administrative mandamus.
 - a. If a writ is not filed within 90 days of the Hearing Officer granting or denying a Fair Rate of Return Petition, the decision of the Hearing Officer is final.
 5. *Initiating a Rent Increase.* A landlord may only initiate an authorized rent increase after the Hearing Officer’s decision has become final including through the disposition of a Writ proceeding. However, no rent increase authorized as the result of a successful Fair Return petition may be imposed until the owner complies with all state and local noticing requirements.

Regulation 1.05: Amortization of Capital Improvement Costs

1. In amortizing capital improvements, the following schedule shall be used to determine the amortization period of the capital improvement:

<i>Improvement</i>	<i>Years</i>
Air conditioning or heating system	10
Other appliances	
Refrigerator	5
Stove	5
Garbage disposal	5
Water heater	5
Dishwasher	5
Microwave oven	5

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Washer/dryer	5
Fans	6
Cabinets	10
Miscellaneous carpentry	10
Countertops	10
Doors	10
Knobs	5
Screen doors	5
Earthquake expenses	
Architect/Engineer fees	5
Emergency services	5
Clean-up	5
Fencing and security	5
Management	5
Tenant assistance	5
Structural repair or retrofitting	
Foundation repair	10
Foundation replacement	20
Foundation bolting	20
Iron or steel work	20
Masonry/chimney repair	20
Shear wall installation	10
Electrical wiring	10
Elevator	20
Fencing and gates	

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Chain link	10
Masonry	10
Wood	10
Wrought iron	25
Fire alarm system	10
Fire sprinkler system	20
Fire escape	10
Flooring/floor covering	
Hardwood	10
Tile or Linoleum	5
Carpet	5
Carpet Pad	5
Subfloor	10
Fumigation tenting	5
Glass	
Windows	5
Doors	5
Mirrors	5
Insulation	10
Landscaping	
Planting	10
Sprinklers	10
Tree replacement	10
Lighting (interior or exterior)	10

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Locks	5
Mailboxes	10
Meters	10
Plumbing	
Fixtures	10
Pipe replacement	10
Re-pipe entire building	20
Shower doors	5
Paint	5
Paving or decking	10
Plastering	10
Railings	10
Roofing	10
Security systems or installations	10
Sidewalks and walkways	10
Stairs	10
Stucco	10
Sump pump	10
Tile work	10
Wallpaper	5
Window coverings	5

2. The costs of capital improvements shall be included in the calculation of a given year's operating expenses, and included in the calculation of any increase in each affected unit's monthly rent, according to the following formula: the total cost, divided by the amortization period, divided by 12.
3. Rent increases authorized pursuant to this section shall be allocated as follows:

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- a. Rent increases for unit-specific capital improvements shall be allocated to that unit;
- b. Rent increases for building-wide or common area capital improvements shall be allocated equally among all units;
- c. Rent increases resulting from the Net Operating Income analysis shall be allocated equally among all units;
- d. Notwithstanding the subsections above, the Hearing Officer, in the interests of justice, shall have the discretion to apportion the rent increases in a manner and to the degree necessary to ensure fairness. Such circumstances include, but are not limited to, units that are vacant or owner occupied.

Regulation 1.06 Rent Increase Based on Disproportionately Low Base Year Rents (Vega Petition)

If the contents of a Fair Rate of Return petition make clear that the basis for the petition is that current rents cannot yield a fair return solely or principally because base year rents were disproportionately low under criteria set forth in Regulation 1.02, subdivision (3) paragraph (b) subparagraph (ii), and if the petition has been deemed complete, the hearing examiner shall rule on the petition using the following criteria:

1. The petitioning owner must prove by documentary evidence, and by a preponderance of evidence:
 - a. The level of fair market rents for units comparable to those as to which the petitioner seeks a rent increase. Units are comparable if they are in the same neighborhood of the city, of similar size, in substantially similar condition, and include substantially similar amenities; and
 - b. That base year rents for the property that is the subject of the petition were determined not by market criteria, but as the result of one or more of the factors set forth in Regulation 1.02, subdivision (3) paragraph (b) subparagraph (ii);
2. If the petitioner satisfies the criteria of subdivision (1) of this Regulation, the hearing officer shall grant the petition and shall adjust affected units rents according to the following formula:
 - a. Fair market rent for comparable units as of the base year plus 4% for each year since the base year during which the criteria set forth in Regulation 1.02, subdivision (3) paragraph (b) subparagraph (ii) continued to apply.
 - b. A 4% increase shall not be applied for any year after the base year during which the criteria set forth in Regulation 1.02, subdivision (3) paragraph (b) subparagraph (ii) did not apply and the current or previous owner did not apply the permitted 4% increase.

Regulation 1.07. Hardship Appeal

1. Any low- or moderate-income household shall have 30 days from the date when the hearing officer's decision granting a rent increase is mailed to the owner, tenant and city, to inform

EXHIBIT D

the owner and the city that the authorized increase would cause a severe economic hardship. The Tenant's claim must be made in writing and must include:

- a. Proof of the household's low- or moderate-income status;
 - b. Proof that the authorized rent increase would cause a severe economic hardship. Economic hardship is severe if it would interfere either directly or indirectly with the household's ability to remain housed or afford other basic necessities of life.
2. No monthly rent increase of more than the greater of 10%, twice the Employment Cost Index (ECI), or \$100 shall be authorized for any unit occupied by a low- or moderate-income household if such an increase would result in severe economic hardship.
 - a. The applicable figure for the ECI shall be the most recently reported calendar year figure as of the date when the petition was filed.
 3. If tenants of a household make a claim of severe economic hardship, the owner shall not impose any rent increase affecting that household, other than any 4% increase generally permitted annually by the Rent Stabilization Ordinance, until the Hearing Officer rules on the tenants' claim.
 4. If tenants of a household make a claim of severe economic hardship, the owner shall have ten days from the date that the owner is informed of the tenant's written claim to file with the city any written objection to the claim. Any such objection must include all relevant supporting evidence and shall be mailed to the tenant.
 5. The tenant shall have the burden to prove the existence of severe economic hardship by a preponderance of the evidence.
 6. The Hearing Officer shall rule on the claim of severe economic hardship within 30 days after the tenant's claim was provided to the owner and the city, and the rule on the claim shall be in the form of an addendum to the original decision and mailed to the owner, tenant and city.
 7. If the Hearing Officer determines that the originally-determined rent increase would cause a severe economic hardship, the affected unit's rent shall annually increase by the amount of the 5% until the unit's rent reaches the level that it would have been under the original decision.

3. Effective Date. This resolution shall be effective upon adoption.

PASSED AND ADOPTED this _____ day of _____, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Luis A. Mc Arthur, Mayor

ATTEST:

Lourdes A. López, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney

Resolution Establishing an Administrative Regulation regarding the Fair Rate of Return Petition Regulation to Implement the City's Rent Stabilization Ordinance

Brenda Lopez, Housing Director
Housing Department

City Council
February 3, 2026

- 1) On April 13, 2022, City Council adopted the Just Cause Evictions and Other Tenant Protections (Just Cause) Ordinances which became effective June 2, 2022.
- 2) On January 25, 2024 and July 30, 2024 ordinance amendments were passed by City Council to provide additional tenant protections and provide clarifications.
- 3) On March 25, 2025 staff introduced amendments to the Just Cause Ordinance and four administrative regulations applicable to both ordinances. Staff did not advance the Fair Rate of Return Petition Regulation (Exhibit B), based on Committee feedback. Instead, staff proposed to collaborate with community stakeholders to further refine the regulation and bring it back to Committee at a later date. On April 29, 2025, City Council adopted an omnibus code city update that amended both ordinances and adopted the three of four proposed administrative regulations: Registration, Right of First Refusal, and Ellis Act regulations.

- 4) In the months following the March 25th Committee meeting, staff worked closely with CAUSE, Attorney at Law Barbara Macri-Ortiz, and the Ventura County Association of Realtors (community stakeholders) to revise the Fair Rate of Return Petition Regulation and achieve consensus among all parties.
- 5) This process included online meetings with the community stakeholders on April 18, 2025, and July 17, 2025, each lasting several hours, as well as ongoing internal staff meetings. This process continued through October, at which time a compromise was achieved.
- 6) The revised Regulations were provided to the stakeholders on October 20, 2025 and presented to the Committee on January 13, 2026. The day prior to the January 13th Committee meeting Attorney Barbara Macri-Ortiz requested seven revisions to the Regulations. Staff recommended discussing each requested revision as presented in detail at Committee with active dialogue between Committee members, community stakeholders, and staff. Ultimately, two of the seven revisions were recommended for Council approval. In addition, as a result of the active dialogue, staff determined that an additional revision—specifically, the inclusion of clarifying language—was necessary for the Section. 1.07- Hardship Appeal.

The Committee recommended moving forward with the Regulations, subject to the three additional revisions.

- 1) The revised Fair Rate of Return Petition Regulation was presented before the Committee on January 13, 2026.
- 2) Staff received a letter on the day prior to the Committee meeting from Attorney Barbara Macri-Ortiz requesting seven revisions. The recommendations were discussed during the January 13th Committee meeting in a workshop format which included feedback from staff, committee members, and community stakeholders.
- 3) Two of the seven revisions were accepted and staff identified a third revision as well.
- 4) Based on the discussion at Committee, it is important to provide clarity on the purpose of a Fair Rate of Return Petition. Rent Stabilized Jurisdictions must provide an opportunity for a Landlord to receive a Fair Return on their property and the Petition process ensures that cities do not encroach on their constitutional right to a Fair Return and allows for them to *request* a rent increase that is above the City's rent limit of 4%, should they provide sufficient documentation and prove that the standard increase of 4% would not allow them to receive a "fair and reasonable return" on their property.
- 5) The process is extensive, and requires documentation, including the landlord's financial data (income vs. their expenses), that demonstrates that they are operating and facing undue financial hardship. A successful Petition request results in a one-time rent increase. In the following year, the landlord would again be subject to the 4% annual rent increase limit. While a Petition may be submitted annually, typically once approved, rents are considered aligned to provide a fair rate of return. As such, any subsequent Petition would require the landlord to demonstrate a substantial change in operating expenses sufficient to establish that a 4% increase would not yield a "fair and reasonable return" on the property.

During the past three years, staff have observed emerging issues that hinder the effectiveness of the Rent Stabilization Ordinance (Ord. No. 3013), specifically, the Fair Rate of Return Petition process. The Rent Stabilization Ordinance applies to specific units, and protects tenants from excessive rent hikes and stabilizes housing costs, by limiting rent increases to a fixed percentage of 4% annually. A Fair Rate of Return Petition is an exception to the Rent Stabilization rent cap, and applies to a specific property, which allows a landlord to petition for a rent increase above the 4% maximum annual increase when they can prove the standard increase doesn't allow for a "fair and reasonable return" on their investment. The landlord must submit detailed financial data (income vs. expenses) to the City, proving they are operating at a loss or facing undue financial burden.

In response, staff recommends enacting the Fair Rate of Return Petition Regulations to create consistency for all applications received and establish a clear process for processing Fair Rate of Return Petitions which will benefit both tenants and landlords alike. Based on collaborative discussion between staff and community stakeholders, revised Fair Rate of Return Petition Regulations were presented to the Committee on January 13, 2026. The highlights of the revisions between March 2025 - through the January 2026 Committee meeting are summarized below and are intended to clarify the Petition Process:

1) **Regulation 1.02: Definitions**

-Section 4 and 6: added language to define time frame (base year).

-Section 7: added language which expands the definition of operating income and added detailed steps on how to determine a fair return.

2) **Regulation 1.03: Petition, Initial Petition Review; Petitioner Payment of Costs**

- Section 1(b): added details on what a financial report should demonstrate and added a clause which gives the presiding Hearing Officer the ability to request additional supporting information needed to make a determination.
- Section 1(c) and Section 2(a): the original language specified dates by which an owner must provide a copy of the petition submitted to the City for review to the tenant(s). The dates were based on the date of submission. This inferred that the petition submitted is “complete” and therefore, that the tenant received all of the relevant information and set up an expectation on when a decision would be rendered. Since petitions are usually incomplete the language was modified to ensure that the tenant receives a copy of the complete petition and provides a better timeframe on when a response can be expected.
- Section 3: new language was added to detail timeframes for a withdrawal of petition (cancellation of a hearing) to be filed by an owner in order to avoid cancellation charges for fees incurred by the City.
- Section 4: section was revamped to outline what documentation is needed for a petition to be considered complete and establishes timelines.

Typo 1 pursuant to January 13, 2026 committee meeting:

- Section 4(a): the following typo was corrected “...in Regulation 1.03 section 1, subsections (a) through ~~(d)~~(c).”

3) **Regulation 1.04: Decision by Hearing Officer**

- Further expands on Regulation 1.03, Sections 1 through 3 updated to thoroughly outline the Hearing Officer’s and the City’s timeframe for deeming the Fair Rate of Return Petition complete and the timeframe to issue a decision.

Typo 2 pursuant to January 13, 2026 committee meeting:

- Section 1.04(2)(a) the first word was corrected to read “No” as it read “O”.

4) **Regulation 1.05: Amortization of Capital Improvement Costs**

Revision pursuant to January 13, 2026 committee meeting:

This section was reformatted to fix indentation errors caused by wrapped text to properly reflect which costs fall under each major category.

- 5) **Regulation 1.07: Hardship Appeal (originally titled Limitation on Rent Increases Granted Under this Part)**
-The original naming convention for this section caused confusion. It was simplified and renamed “Hardship Appeal”. In addition, language was added informing low or moderate income households of the timeline, documentation, and steps to file a claim of severe economic hardship resulting from an approved rent increase.

Revision pursuant pursuant to January 13, 2026 committee meeting:

Language was added throughout this section to provide clarification regarding what documentation will be distributed to the owner and the tenant and within which timeframe.

That the City Council review and approve the proposed resolution establishing the administrative regulation to implement the provisions of the Rent Stabilization Ordinance regarding Fair Rate of Return Petition regulation.



End of Presentation



CITY COUNCIL AGENDA REPORT

REPORTS AGENDA ITEM NO. N.2

DATE: February 3, 2026
TO: City Council
FROM: Brenda Lopez, Housing Director, (805) 385-8092, brenda.lopez@oxnard.org
SUBJECT: Lease Agreement with Teatro de las Américas.

RECOMMENDATION

That the City Council:

1. Authorize the Mayor to execute a Lease Agreement (A-8604) with Teatro de las Américas for the use of property owned by the City located at 321 West Sixth Street for a term of three years with two one-year options to extend the Agreement, at the discretion of the City Manager, for a total of five years, at an annual fee of \$1 and quarterly rent up to \$2,970 of their quarterly gross revenues in excess of \$10,560; and
2. Authorize the Mayor to forgive past due rent to the City in the amount of \$15,690 for past due rent through January 2026, plus a daily pro-rata share through February 2026.

(The Community Services, Public Safety, and Housing & Economic Development Committee approved 2-1 on January 13, 2026, to approve the staff recommendation, with amendments, and to forward the item for Council)

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/yCxoLJLM-Zs>

BACKGROUND

EXECUTIVE SUMMARY

Teatro de las Américas (Teatro) has been a tenant at 321 West Sixth Street since November 2019. The lease agreement required a payment of \$990/per month. Teatro has faced a series of unexpected setbacks that significantly reduced its income stream, therefore Teatro requested a reduction of rent and forgiveness of past due rent.

At the Committee, the first motion by Committee Member Perello to charge \$300/month during the first year, \$600/month during the second year, and \$900/month the third year did not receive a second. A subsequent motion was made to accept staff's recommendation, with the addition to require Teatro to submit additional financial information. That motion was approved 2-1. Based on the recommendation of the Committee meeting (vote of 2-1), staff revised the proposed lease agreement (A-8604) with Teatro. A new Section 3.3, titled "Monthly Activity Reports," was added, requiring Teatro to submit a monthly report detailing its fundraising and activity efforts, as well as information on plays and events held during the month.

BACKGROUND

The City of Oxnard owns certain real property located at 321 West Sixth Street in Downtown Oxnard. The property consists of a building of 1,980 square feet and is currently occupied by Teatro de las Américas (Teatro), a local nonprofit organization. Teatro de las Américas was founded in Oxnard in the early 1990s as a bilingual theater company focused on connecting diverse communities through live stage productions. With a vision to be the dominant Spanish-language

theatre on the Central Coast, Teatro de las Américas values respect among people and envisions that every segment of our community will come together in artistic and creative efforts to promote these values. Teatro de las Américas produces work by Hispanic playwrights and offers live stage performances accessible to both English and Spanish speakers.

The City of Oxnard entered into a lease agreement (8828-19-CD) Teatro on November 18, 2019 authorizing their occupancy and use of the building for small live theater-related programs at a monthly rental rate of fifty-cents per square foot (.50c/SF), resulting in a total monthly rent of \$990. As part of this initial lease, Section 4.4.1 authorized up to \$35,000 in rent credit to cover costs incurred by Teatro for permanent improvements to the building. In addition to being responsible for permanent tenant improvements on the building, Teatro covers the cost of ongoing maintenance and operational stability for the facility. The term of that lease expired on November 20, 2022 and converted to a month to month tenancy.

On June 29, 2023, the City Council approved the first amendment to the lease agreement, extending the term to November 20, 2024. The monthly rental rate remained the same (\$990/month) including Teatro's obligation to make permanent improvements and upgrades to the Building as needed, at no cost to the City. It was further recognized that Section 4.4.1 of the original lease, which allowed for the aforementioned \$35,000 rent credit, was complied with and based on receiving the full credit, no rent would be received by the City for the rent owed by Teatro from 4/1/2020 through 5/31/2023. In addition, the City Council approved a rental credit in the amount of \$15,000 due to the building's closure that resulted from the COVID-19 State of Emergency. The First Amendment rental revenue totaled \$17,820, minus the \$15,000 approved rent credit, resulting in an outstanding rent balance owed by Teatro in the amount of \$2,820 to be paid before the end of the term, November 20, 2024. A payment in the amount of \$990 was received reducing the amount to \$1,830.

The First Amendment term expired and the agreement converted to a month to month tenancy, meaning the same terms apply from November 20, 2024 to the current date.

DISCUSSION

During the 2025 calendar year, Teatro faced a series of unexpected setbacks that significantly reduced its income stream. In the first quarter, a nearly completed production was cancelled, resulting in unrecoverable costs that strained their limited resources. Because every production depends entirely on volunteers, additional plays had to be cancelled when Teatro struggled to recruit the volunteer support needed to bring performances to life. Compounding these challenges, Teatro saw a sharp decline in attendance, in 2024 total attendance was 930 people versus 620 people through December 2025.

Based on the financial information provided by Teatro, the organization incurred a net loss of \$5,834.80 for the 2024 calendar year and \$5,969.84 for 2025. On December 31, 2025, Teatro received a grant award totaling \$20,000 from the County of Ventura, which is to be used for Teatro to create a program to address mental health needs through artistic and creative engagement programming. As a result, Teatro's 2025 profit and loss statement reflects a net income of \$14,030.16. However, these funds are restricted as described and cannot be used to cover regular operating expenses. As previously mentioned, Teatro is responsible for rent, permanent tenant improvements, and ongoing maintenance and utilities for the building. Teatro has a regular staff person to perform urgent repairs that prevent service disruptions, and ensure compliance with municipal safety standards, among other routine building maintenance. For the time period of November 2024 - November 2025, expenditures for this service totaled \$3,272.68.

A copy of Teatro's 2024 and 2025 profit and loss statement is attached to this report (Attachment 3).

Teatro currently has an outstanding balance of \$1,830 for the First Amendment terms (6/1/23-11/20/24) and \$13,860 from December 2024 through January 2026 for a total of \$15,690. On October 9, 2025 Teatro submitted a request for consideration of rent forgiveness, in addition to a new lease with modified terms. Teatro is seeking approval of the following:

1. A new lease with an initial three year term and two one-year options to extend the lease for a maximum lease term of five years.
2. An annual lease fee of \$1.00.

3. Forgiveness of past due rent totaling \$15,690 through January 2026 as well as a daily pro rata (\$35.36) rental forgiveness until effective date of new lease in the month of February 2026.

In developing a recommendation, the following factors were considered:

Vacant spaces and properties can result in significant City expenses related to maintenance and security, including property management, boarding broken windows, graffiti removal, utility costs, and responses from police and fire departments. As reflected in Teatro's financial records, property maintenance costs totaled \$3,272.68 for the 12-month period from November 2024 through November 2025. The City previously owned a building on this same block and, after years of expenses related to vandalism and fire incidents, ultimately allocated \$162,284.13 for its demolition. Having a tenant in place, at a minimum, helps offset City expenses and reduces visual blight.

Secondly, the City is a majority property owner of this block of downtown, where the parcels have been approved for surplus. There have been past proposals to redevelop the City owned parcels, and also proposals to combine privately owned parcels with the City parcels for a large-scale redevelopment project, consistent with the Council accepted Downtown Vision Plan and City Code. As the City continues to explore those options, long-term use of the City owned properties has not been entertained, which limits their leasability and City resources being invested to make improvements to the building.

Third, fostering the arts is a large part of the Downtown Vision Plan, Downtown Arts Hub, and in alignment with Downtown Oxnard Improvement Association's (DOIA) goals. Recently DOIA and the Oxnard Performing Arts Center submitted an application for Downtown Oxnard to be recognized as a California Cultural District. In December 2026 the California Arts Council approved the application. Teatro de las Américas was listed as a local asset and amenity associated within that application.

Lastly, a stated City Council priority is to focus on business retention. In this particular case, with the facts discussed above, Teatro cannot continue without a rent subsidy at this time.

In light of this information, staff recommends approving Teatro's request for a \$1/year rent as well as forgiving the back rent owed to help offset financial challenges experienced to date, however; with the expectation that rent payments will begin once revenues permit.

Should Teatro become profitable, the proposed lease agreement includes language where Teatro would pay the City a quarterly rent up to \$2,970 (\$990/month) of their quarterly gross revenues in excess of \$10,560. The gross revenue figure was calculated based on the average gross annual revenue of Teatro's most profitable years (2022 and 2024). According to CBRE, the City's contracted real estate firm, the October Comp Report for Single tenant building is approximately \$1.50/Square foot/month for a triple net lease, which is approximately the same market rate as when the original lease was first extended. Staff recommends keeping the same reduced rate of .50 sq/ft totaling \$990/month.

This action helps sustain the community arts, preserves a dedicated arts venue in Downtown, and ensures the City's building remains occupied and properly maintained at no cost to the City.

STRATEGIC PRIORITIES

This agenda item supports Economic Development strategy. The purpose of Economic Development strategy is to focus on the retention and expansion of Oxnard businesses by increasing the skills and employability of our local workforce, invite new business investments, and target site-based redevelopment opportunities.

This agenda item also supports the Quality of Life strategy. The purpose of the Quality of Life strategy is to restore and increase quality services and programs that enrich Oxnard's diverse community, promotes safe neighborhoods, encourages community engagement, and supports our residents in their efforts to improve their quality of life.

FINANCIAL IMPACT

If the City Council approves the proposed lease agreement, rental revenue of \$3 is anticipated to be received into the General Fund account during the proposed initial three-year lease, prior to any optional lease extensions. The financial

impact to the City would be a loss of \$15,690 in rental revenue for the past due rental payments, and up to 28 days of daily pro-rata rental forgiveness in the month of February 2026 at a daily cost of \$35.36. Should Teatro's quarterly gross revenues not be sufficient, as noted in this staff report, to require quarterly rent payments to the City of up to \$2,970, there is a potential loss of future rental revenue for the proposed initial three year lease term, which equates to up to \$35,640. However, the City would experience cost savings for building maintenance expenses for the initial term of the lease.

COMMITTEE OUTCOME

During discussion of the item, Committee Member Perello made the first motion, which did not receive a second, to charge \$300/month during the first year, \$600/month during the second year, and \$900/month the third year. Although Teatro's President, Juan Gonzalez, responded that capping the rent at \$600/month may work, the Council Committee did not pursue the concept further.

Ultimately, the Community Services, Public Safety, and Housing & Economic Development recommended on a vote of 2-1 to forward the item to the City Council with a modification to the agreement to require Teatro to provide the Housing Director a monthly activity report detailing fundraising and activity efforts, as well as information on plays and events held throughout the month.

Please click [here](#) to view the January 13, 2025, Community Services, Public Safety, and Housing & Economic Development Committee.

Prepared by: Brenda Lopez, Housing Director

ATTACHMENTS

1. Attachment 1 - Proposed Lease Agreement A-8604
2. Attachment 2- Agreement and First Amendment 8828-19-CD
3. Attachment 3 - 2024 and 2025 Profit and Loss
4. Attachment 4 - Presentation

LEASE

This Lease ("Lease") is made as of the ____ day of February, 2026, by and between the City of Oxnard ("City") and Teatro de las Americas ("Tenant"). Each of City and Tenant are sometimes hereinafter referred to as a "Party" and collectively as the "Parties."

1. Building

City is the owner of a 1,980 square foot building located at 321 West 6th Street, Oxnard, California, ("Building"). City hereby leases Building to Tenant, and Tenant leases the Building from City for the term, at the rental, and pursuant to the covenants, provisions and conditions set forth herein,

2. Term

The term of this Lease ("Term") shall commence on February ____, 2026 (the "Commencement Date") and shall expire on February ____, 2029 (the "Expiration Date"), subject to earlier termination as provided herein. Upon mutual agreement of the Parties, this Lease may be extended for 2 additional one-year terms, at the discretion of the City. Following the lease commencement date of February ____, 2026 Tenant shall have continued access to the Building.

3. Rent

3.1 Tenant shall pay the City a fee of \$1.00 annually.

3.2 Additionally, Tenant shall pay the City quarterly rent up to \$2,970 of the Tenant's gross revenues in excess of Ten Thousand Five Hundred and Sixty Dollars (\$10,560.00) This rent amount shall be due to the City on April 15th for the quarter year ending March 31, July 15th for the quarter year ending June 30, October 15th for the quarter year ending September 30, and January 15th for the quarter year ending December 31. Each quarterly payment shall be accompanied by a report by the Tenant that provides the following information with supporting documentation:

3.2.1. Quarterly Gross Revenues

Tenant, subject to review and approval by the City, shall either:

- I. Deliver Rent payment to City, by the due date required above to the Housing Director at the following address: City of Oxnard Housing Department 435 S. D Street, Oxnard, CA 93030 by the due date identified above; or
- II. Request that the City approve that the Tenant invest the applicable Rent as identified above that would otherwise have been paid to the City to pay for permanent property improvements to the building and provide the City with receipts on a quarterly basis demonstrating that such funds have been used to pay for permanent property improvements to the building. Tenant will be required to submit a written request to the Housing Director, by the due date required above, identifying the amount of funding Tenant wants to use to pay for the permanent property improvements and the type of property improvements the Tenant wants to make. If the Housing Director approves this request, then the Rent amount must be used to complete the approved property improvements and the funds must be expended prior to the end of the next annual quarterly period, unless a

longer period is approved by the Housing Director. If the Housing Director denies this request,

- III. then the Rent must be paid to the City at the address identified in Section 3.2.1.(I) of this Lease within ten days of the Housing Director's notice of denial.
- IV. A late charge of \$500 applies on the last day of the month following the end of each quarter if Tenant has not complied with the requirements of this Lease to pay Rent.

3.3 Monthly Activity Reports. Tenant shall provide a monthly activity report (Report) to the City's Housing Director detailing fundraising and activity efforts, as well as plays and events held throughout the month. The Report shall include, at a minimum: (i) a summary of fundraising initiatives, amounts raised, and intended uses; (ii) descriptions of all plays, events, and other activities conducted, including dates, attendance figures, and outcomes; and (iii) any challenges encountered or planned improvements related to operations. Such Report shall be delivered by the 15th day of the following month to the Housing Director at the address specified in Section 3.2.1.(I). Failure to provide the report as required shall constitute a default under Section 14.1.3 of this Lease. This Report may be submitted to the City via electronic mail. Tenant shall be provided with a designated email address by Housing Department Staff to submit the Report. Tenant is required to get City confirmation of receipt of report by Housing Department staff, if no receipt is received within 10 business days or if report is not deliverable via electronic mail then Tenant is required to submit monthly reports at the address listed in section 3.2.1(I).

4. Delivery and Condition of Building

4.1 Tenant hereby accepts the Building in its existing "AS IS" condition as of the date hereof subject to all applicable zoning, municipal, county and state ordinances and regulations governing the use of the Building, and any easements, licenses, covenants, conditions or restrictions of record executed by City, and accepts this Lease subject thereto and subject to all matters disclosed thereby.

4.2 Prior to the execution of this Lease, Tenant and/or its agents fully inspected the Building and are fully aware of its current condition. Tenant acknowledges the Building is an older structure that has deferred maintenance and has not been upgraded to the current standards for new construction. Tenant also acknowledges that City has not made any representation or warranty whatsoever as to the condition of the Building including, but not limited to, its electrical, plumbing, roof, lighting, or the present or future suitability of the Building for the conduct of Tenant's business. It is hereby the responsibility of the tenant to perform regular maintenance on the building, make permanent improvements to the building as needed, and return the Building to City at the expiration of this Lease in same or improved condition of commencement of this Lease. City shall not be liable for any latent or patent defects in or about the Building. Tenant hereby waives all other express or implied warranties or representations regarding any latent or patent defects in the Building.

4.3 Tenant shall, upon execution of this Lease, with City's prior written approval, prepare plans ("Plans") and obtain all necessary permits for, and commence construction upon the Building of,

any and all improvements necessary to open and operate Tenant's business, and to make specific improvements to the Building (the "Improvements"), including regular maintenance

5. Use of Building

5.1 Limitation on Use. Tenant shall use the Building solely for its small live theater-related or similar/complimentary programs. Total occupancy of the Building shall not exceed 49 persons at any time.

5.2 Tenant's Operation of Business. Tenant shall continuously and uninterruptedly during the entire Lease Term:

5.2.1 Adequately staff its business with sufficient employees;

5.2.2 Conduct Tenant's business at all times in a first-class manner consistent with reputable business standards and practices, in good faith and in such a manner that the high reputation of the City and the Building is maintained.

5.2.3 Tenant may sublease the Building for similar live theater or live music purposes, with prior written approval from the City.

5.3 Anti-discrimination and Equal Opportunity. Tenant, for itself, its successors and assigns and all persons claiming under or through it, covenants that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin or ancestry, in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the Building, nor shall Tenant or any person claiming under or through it, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy, of tenants, licensees, employees or vendees in the Building or the improvements thereon. The foregoing covenants shall run with the land.

Tenant, for itself, its successors and assigns and all persons claiming under or through it, covenants that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin or ancestry in the construction of any improvements on the Building.

The Tenant shall refrain from restricting the rental or lease of the Building on the basis of race, color, creed, religion, sex, sexual orientation, marital status, ancestry or national origin of any person. All leases, deeds or contracts which Tenant proposes to enter into with respect to the lease, sublease, transfer, use, occupancy, tenure or enjoyment of any land in the Building shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses which shall be binding on all contracting parties or transferees: "There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Building, nor shall any party to this contract, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the land."

5.4 Prohibited Uses; Alterations. Tenant shall not do or permit anything to be done in or about the

Building that in any way increases the existing rate of any fire or other insurance on the Building or any of its contents, or that causes a cancellation of any insurance policy covering the Building, the Building or any part of them or any of the contents thereof, or which constitutes an activity specifically excluded from the City's insurance policy or any insurance Tenant is required by City to obtain, which policies are described in Section 6 of this Lease. Tenant shall not commit or cause to be committed any nuisance or waste in or on the Building or permit anything to be done in or about the Building that will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or hereafter in force. Tenant shall not display, store, or sell merchandise or allow carts, portable signs, devices or any other objects to be stored or to remain outside the exterior walls and permanent doorways of the Building without City's prior written consent. Tenant shall not, without the prior written consent of City, sell merchandise from vending machines or allow any coin operated vending or gaming machines on the Building. Except as otherwise provided herein, Tenant shall not make or cause to be made any alterations, repairs, additions or improvements to any part of the Building, without the prior written consent of City, which consent may be withheld in City's sole and absolute discretion.

6. Insurance

6.1 Tenant shall obtain and maintain the Term the insurance coverages as specified in **Exhibit A**.

6.2 Tenant shall, prior to occupancy, file with the Risk Manager evidence of insurance coverage as specified in **Exhibit A**. Evidence of insurance coverage shall be forwarded to the Risk Manager, addressed as specified in **Exhibit A**.

6.3 Maintenance of proper insurance coverages by Tenant is a material element of this Lease. Tenant's failure to maintain or renew insurance coverages or to provide evidence of renewal will be considered a material breach of this Lease.

7. Damage

7.1 Partial Damage-Insured. In the event the Building is damaged by any casualty which is covered under fire and extended coverage insurance carried by City, then City shall restore such damage provided sufficient insurance proceeds are available to pay for the cost of restoration and provided such restoration can be completed within one hundred and eighty (180) days after the commencement of the work in the opinion of a registered architect or engineer appointed by City. In such event this Lease shall continue in full force and effect, and Tenant shall not be entitled to any abatement or reduction of Rent.

7.2 Partial Damage-Uninsured. In the event the Building is damaged by a risk not covered by City's insurance or the proceeds of available insurance are less than the cost of restoration, or if the restoration cannot be completed within one hundred and eighty (180) days after the commencement of work in the opinion of the registered architect or engineer appointed by City, then City shall have the option either to (1) repair or restore sue continuing in full force and effect and Tenant shall not be entitled to any abatement or reduction of Rent, or (2) give notice to Tenant at any time within thirty (30) days after such damage terminating this Lease as of a date to be specified in such notice, which date shall be not less than thirty (30) nor more than sixty (60) days after giving such notice. In the event of the giving of such notice, this Lease shall expire and all interest of Tenant in the Building shall terminate on such date so specified in such notice and all Rent shall be paid to the date of such termination; provided, however, that City agrees to refund to the Tenant any Rent theretofore paid in advance for any period of time subsequent to such date.

7.3 Total Destruction. In the event the Building is totally destroyed or the Building cannot be restored as required herein under applicable laws and regulations, notwithstanding the availability of insurance

proceeds, this Lease shall be terminated effective the date of the damage.

7.4 City's Obligations. The City shall not be required to repair any injury or damage by fire or other cause, or to make any restoration or replacement of any decorations, partitions, floor covering or any other improvements or property installed in the Building by Tenant or at the direct or indirect expense of Tenant. Tenant shall be required to restore or replace same in the event of damage. Tenant shall have no claim against City for any damage suffered by reason of any such damage, destruction, repair or restoration; nor shall Tenant have the right to terminate this Lease as the result of any statutory provision now or hereafter in effect pertaining to the damage and destruction of the Building.

8. Condemnation

If all or any part of the Building shall be taken or appropriated for public or quasi public use by right of eminent domain with or without litigation or transferred by agreement in connection with such public or quasi-public use, either Party hereto shall have the right at its option exercisable within thirty (30) days of receipt of notice of such taking to terminate this Lease as of the date possession is taken by the condemning authority; provided, however, that before Tenant may terminate this Lease by reason of taking or appropriation as provided hereinabove, such taking or appropriation shall be of such an extent and nature as to substantially handicap, impede or impair Tenant's use of the Building. No award for any partial or entire taking shall be apportioned, and Tenant hereby assigns to City any award which may be made in such taking or condemnation, together with any and all rights of Tenant now or hereafter arising in or to the same or any part thereof; provided, however, that nothing contained herein shall be deemed to give City any interest in or to require Tenant to assign to City any award made to Tenant for the taking of personal property and fixtures belonging to Tenant and/or for the interruption of or damage to Tenant's business.

9. Security

Tenant shall be responsible for locking and securing Building and providing any desired security services to the Building, if any, during the Term or any extensions thereof.

10. Utilities

Tenant shall pay for all water, gas, heat and electricity services supplied to the Building. City shall not be liable in damages or otherwise for any failure, interruption or unavailability of any utility service being furnished to the Building and no such failure or interruption shall entitle Tenant to terminate this Lease or receive any abatement of Rent hereunder.

11. Taxes

Tenant shall pay at least ten (10) days before due, and before any fine, penalty, interest or cost shall be charged thereon, directly to the appropriate taxing or other governmental authority, all:

11.1 Real estate and other ad valorem taxes and assessments of every kind and nature levied and assessed upon the Building and the underlying realty including, but not limited to, possessory interest taxes assessed against the leasehold interest created hereby and general and special assessments, whether foreseen or unforeseen, and

11.2 Taxes, assessments, license fees and public charges levied, assessed or imposed upon its business operation on the Building, (collectively, "Taxes") and Tenant shall deliver to City copies of receipted bills for such Taxes within fifteen (15) days after receipt of such bills by Tenant.

12. Compliance with Laws

Tenant agrees to comply with all applicable zoning, municipal, county and state laws, ordinances and

regulations governing the use of the Building, and any covenants or restrictions of record. Tenant agrees to secure any federal, state or local licenses or permits required in order to use the Building for the purposes specified hereinabove. Tenant shall secure such licenses and permits before the Commencement Date of this Lease.

13. Indemnity and Exculpation

13.1 Indemnity. Tenant shall indemnify, defend and hold harmless City, and its officers, officials, employees and agents against any and all claims, liabilities, losses, costs, expenses, including without limitation attorneys' fees and costs including without limitation those resulting from theft, vandalism, personal injury, disability or death, and even if caused in whole or in part by the passive negligence of City and/or its officers, officials, employees and/or agents (e.g., failure to supervise or control, or warn of or remove a condition on or about the Building) arising from:

- i. The condition of the Building and surrounding areas which are used by Tenant and Tenant's employees, staff, consultants, agents, contractors, suppliers, invitees, guests, patrons, licensees, successors and assigns (collectively, "Tenant's Representatives"),
- ii. Tenant's and Tenant's Representatives' use of the Building including without limitation the construction of the Improvements and any other work performed therein,
- iii. Any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease, or
- iv. The conduct of Tenant's business operated on or about the Building or any act or negligence of Tenant, or any of Tenant's Representatives, except that Tenant shall not indemnify, defend and hold harmless City from and against any claims to the extent they result solely from the active negligence or willful misconduct of City and/or its officers, officials, employees and/or agents (collectively, "City's Representatives").

In case any action or proceeding is brought against City, Tenant, upon notice from any such party, shall defend the same at Tenant's expense by counsel reasonably satisfactory to City. Tenant, as a material part of the consideration given to City, hereby (i) assumes all risk of damage to property or injury to persons in, upon or about the Building arising from any cause including, but not limited to, any theft, vandalism, damage, injury to person or death resulting from the condition of the Building during the Term hereof but excluding any claims (except for those claims arising from City's alleged failure to supervise or control Tenant's actions or Tenant's use of the Building) arising from the active negligence or willful misconduct of City, and (ii) waives all claims in respect thereof against City and its officers, officials, employees and agents.

13.2 Exemption of City from Liability. It is hereby agreed that City shall not be liable for any injury or damage which may be sustained by the person, goods, wares, merchandise or property of Tenant, its employees, invitees or customers, or by any other person in or about the Building caused by or resulting from fire, steam, electricity, gas, water or rain which may leak or flow from or into any part of the Building, or from the breakage, leakage, obstruction or other defects of the pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures, whether said damage or injury results from conditions arising upon the Building or from other sources.

14. Default and Remedies

14.1 Default. The occurrence of any of the following shall constitute a material default and breach of this Lease by Tenant:

14.1.1 Any failure by Tenant to pay any Rent at the time said payment is due:

14.1.2 The abandonment or vacation (defined to be ten (10) or more days of continuous absence from the Building) of the Building by Tenant;

14.1.3 The failure by Tenant to observe and perform any other provision of this Lease to be observed or performed by Tenant, where such failure continues for fifteen (15) days after written notice thereof by City to Tenant; provided, however, that if the nature of the default is such that the same cannot reasonably be cured within said fifteen (15) day period, Tenant shall not be deemed to be in default if Tenant shall within such period commence such cure and thereafter diligently prosecute the same to completion;

14.1.4 The making by Tenant of any general assignment or general arrangement for the benefit of creditors; the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Building or Tenant's interest in this Lease, where possession is not restored to Tenant within thirty (30) days; or the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Building or of Tenant's interest in this Lease, where such seizure is not discharged within thirty (30) days.

14.2 Termination. In the event of any such default by Tenant, then in addition to any other remedies available to City at law or in equity, City shall have the immediate option to terminate this Lease and all rights of Tenant hereunder by giving written notice of such termination. In the event that City shall elect to so terminate this Lease then City may recover from Tenant the worth at the time of award of the amount by which the unpaid Rent for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided, plus any other amount necessary to compensate City for all the detriment proximately caused by Tenant's failure to perform his obligations under this Lease or which in the ordinary course of events would be likely to result therefrom. At City's election, such other amounts in addition to or instead of the foregoing as may be permitted from time to time by applicable California law.

14.2.1 Additional Remedies. In the event of the vacation or abandonment of the Building by Tenant (as defined in Section 14.1.2 above), and if City does not elect to terminate this Lease and Tenant's right to possession of the Building by electing the remedy provided in Section 14.2 above, then City may recover all Rent as it becomes due.

14.2.2 City entry into the Building for maintenance purposes or in an attempt to relet the Building shall not be considered to terminate Tenant's right to possession of the Building and no entry of the Building by City shall be construed as an election to terminate this Lease unless a written notice of such intention be given to Tenant

or unless a court of competent jurisdiction decree the termination thereof. City may at any time after any default by Tenant elect to terminate this Lease pursuant to Section 14.2 above.

14.2.3 The rights of City under this Lease shall be cumulative to all other rights or remedies now or hereafter available to City at law or in equity.

15. Maintenance

15.1 Tenant's Obligations. Tenant, at its sole cost and expense, shall keep, maintain and, if necessary, repair all portions of the Building as well as all improvements on the Building and all facilities appurtenant to the Building in good order and repair and in a safe and clean condition, including without limitation the interior surface of exterior walls, windows, window frames, doors, door frames, locks, plate or other glass, floor covering, interior ceiling and walls, all electrical equipment, all heating, ventilation, exhaust, make-up and air conditioning equipment, all plumbing, sewage and sprinkler systems, if any, and all other equipment installed in or located outside of the Building but otherwise exclusively serving the Building. In the event Tenant fails to make repairs and/or maintain the Building or any part thereof in good order, condition and repair, City may give Tenant ten (10) days notice to do such acts as are reasonably required to so repair or maintain the Building. In the event Tenant fails to promptly commence such work within said ten (10) day period and diligently prosecute same to completion, then City shall have the right, but not the obligation, to do such acts and expend such funds at the expense of Tenant as are reasonably required to perform such work. Any amount so expended, together with interest thereon at the Default Rate from the date of payment by City until the date of repayment by Tenant, shall be paid by Tenant as Additional Rent hereunder. City shall have no liability to Tenant for any damage, inconvenience, or interference with the use of the Building by Tenant as a result of performing any such work. In the event of emergency repairs, Tenant hereby grants to City the right to enter upon the Building at any time. Any permanent building improvements shall be the responsibility of the Tenant.

15.2 Maintenance of Glass. Notwithstanding anything which may be or appear to be herein to the contrary, Tenant shall, at its own cost and expense, repair and replace any plate or other glass in any window on the Building that is broken for any reason. Should Tenant fail to repair or replace any broken glass within two (2) days after same is broken, City may, without notice to Tenant, replace or repair such glass and Tenant shall immediately reimburse City as additional rent for the cost thereof.

15.3 Waiver by Tenant. City shall have no obligation to repair or maintain the Building or improvements constructed therein except as provided in this Lease. Tenant hereby waives all right to make repairs at the expense of City as provided for in any statute or law in effect at the time of execution of this Lease or any amendment thereof or any other statute or law which may be hereafter enacted during the term of this Lease.

16. City's Right of Entry

Tenant shall permit City or City's Representatives to enter the Building at all reasonable times for the purpose of inspecting the Building to determine whether Tenant is complying with the terms of this Lease and for the purpose of doing other lawful acts that may be necessary to protect City's interest in the Building under this Lease or to perform City's duties under this Lease. City also reserves and shall at any and all times have the right to enter the Building to submit said Building to inspection by prospective purchasers or tenants or prospective or existing mortgagees, to post notices of non-responsibility and "for lease" signs, and to alter, improve or repair the Building and any portion of the Building without abatement of rent. Tenant hereby waives any claim for damages for any injury or inconvenience to or interference with Tenant's business, any loss of occupancy or quiet enjoyment of

the Building, and any other loss occasioned thereby. For each of the aforesaid purposes, City shall at all times have and retain a key with which to unlock all of the doors in, upon and about the Building, excluding Tenant's vaults and safes, and City shall have the right to use any and all means which City may deem proper to open said doors in an emergency, the existence of which shall be determined by City in its sole discretion, in order to obtain entry to the Building. Any entry to the Building obtained by City by any of said means, or otherwise, shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into, or a detainer of, the Building, or an eviction of Tenant from the Building or any portion thereof.

17. Transfers

Assignment and Subletting. Tenant shall not voluntarily or by operation of law assign, license, franchise, transfer, mortgage or otherwise encumber all or any part of Tenant's interest in this Lease or in the Building, and shall not sublet, franchise, or license all or any part of the Building, without the prior written consent of City in each instance and any attempted assignment, license, franchise, transfer, mortgage, encumbrance or subletting without such written consent shall be wholly void.

18. Attorney's Fees.

In case of any action or proceeding brought by either Party against the other under this Lease, the prevailing Party shall be entitled to recover reasonable attorneys' fees and costs incurred.

19. Notices

All communications, notices, and demands of any kind that either Party may be required or desires to give to or serve on the other Party shall be made in writing personally or sent by registered or certified mail or Federal Express (or other like overnight delivery service) to the following addresses:

To City: Oxnard Housing Department
 ATTN: Housing Director
 435 S. D Street
 Oxnard, CA 93030

Tenant: Board President
 ATTN: [Juan Gonzalez](#)
 Teatro de las Americas
 P.O. Box 50177
 Oxnard, CA 93030

Any such notice shall be presumed to have been received on the earlier of:

- i. Personal delivery to the address(es) shown above,
- ii. One (1) day after delivery to Federal Express or other like overnight delivery service, or
- iii. Forty-eight (48) hours after posting in the United States mail. Either Party may change its address by giving the other Party written notice of its new address.

20. Subordination: Atonement

20.1 Upon request of City or any mortgagee or beneficiary of City, Tenant shall, in a writing provided by City or any mortgagee or beneficiary of City, subordinate its rights hereunder to the lien of any mortgage or deed of trust or ground lease ("Mortgage"), now or hereafter in force against the land, Building and Building, and to all advances made or hereafter to be made upon the security thereof, provided that such Mortgage shall not materially impair Tenant's rights under this Lease, or impose any additional obligations upon Tenant. Tenant further agrees, upon request of City or any mortgagee or beneficiary of City, to provide to City and/or any such mortgagee or beneficiary, financial statements of Tenant and the principal owners of Tenant within ten (10) days after request therefor.

20.2 The provisions of this Section 21 to the contrary notwithstanding, and so long as Tenant is not in default hereunder, this Lease shall remain in full force and effect for the full term thereof.

21. Surrender

By entry hereunder, Tenant accepts the Building as being in good and sanitary order, condition and repair and agrees on the last day of the said Term, or sooner termination of this Lease, to surrender unto City the Building with said appurtenances in the same condition as when received, reasonable use and wear excepted, and to remove all of the Tenant's personal property from the Building. Tenant shall, upon the request of City, remove from the Building those trade fixtures and other improvements identified by City and installed in the Building by or at the direction of Tenant, and Tenant shall repair any damage occasioned by such removal

22. Estoppel Certificate

Within ten (10) days after request by City (which request may be from time to time as often as reasonably required by City), Tenant shall execute and deliver to City a statement that this Lease is in full force and effect without modification except as may be represented by City, that there are no uncured defaults in City's performance hereunder, and the specific number of months or years of rent that has been paid in advance (if any). Any such statement may be conclusively relied upon by any prospective purchaser or encumbrances, of the Building. Tenant's failure to deliver such statement within ten (10) days of City's written request therefor shall be a binding agreement of Tenant:

- i. That this Lease is in full force and effect without modification except as may be represented by City,
- ii. That there are no uncured defaults in City's performance hereunder, and
- iii. That not more than one installment of Rent has been paid in advance.

Further, such failure to deliver such certificate (showing any exceptions to any of the statements of fact required thereby) shall be a material default under this Lease.

23. Binding on Successors and Assigns

Each provision of this Lease performable by Tenant shall be deemed both a covenant and a condition. The terms, conditions and covenants of this Lease shall be binding upon and shall inure to the benefit of each of the Parties, their heirs, personal representatives, and permitted successors and assigns.

24. Waivers

No waiver by City of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Tenant of the same or any other provisions. The subsequent acceptance of Rent hereunder by City shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant, or condition of this Lease, other than the failure of Tenant to pay the particular Rent so accepted, regardless

of City's knowledge of such preceding breach at the time of acceptance of such Rent. No term, covenant or condition of this Lease shall be deemed to have been waived by City unless such waiver be in writing and signed by City.

25. Entire Agreement; Amendments

There are no oral or written agreements or representations between the Parties affecting this Lease, and this Lease supersedes and cancels any and all previous negotiations, arrangements, representations, agreements and understandings, if any, between the Parties with respect to the subject matter thereof, and none thereof shall be used to interpret or construe this Lease. All reliance by either Party with respect to representations and warranties shall be solely upon the representations and agreements contained in this Lease. No amendment or addition to this Lease shall be binding upon the Parties unless in writing, signed and delivered by the Party to be charged.

26. Time

Time is of the essence of this Lease.

27. No Broker

Tenant represents and warrants that it has dealt with no real estate brokers, leasing agents or finders in connection with or arising out of any of the transactions contemplated by this Lease, and covenants and agrees to indemnify, defend and save City harmless from any and all losses, liability, damages and expenses (including reasonable attorneys' fees and costs), that may arise from a breach of this representation and warranty.

28. Severability

If any provisions of this Lease shall be determined to be void by any court of competent jurisdiction, then such determination shall not affect any other provision of this Lease, and all such other provisions shall remain in full force and effect. The Parties intend that if any provision of this Lease is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

29. Applicable Law

The laws of the State of California shall govern the validity, performance and enforcement of this Lease. This Lease shall not be construed either for or against City or Tenant, but this Lease shall be interpreted in accordance with the general tenor of the language in an effort to reach an equitable result.

30. Waiver of Redemption Rights

Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event of City obtaining possession of the Building by reason of the violation by Tenant of any of the covenants and conditions of this Lease or otherwise. The rights given to City herein are in addition to any rights that may be given to City by any statute or otherwise.

31. No Reservation or Option

The submission of this Lease for examination does not constitute a reservation of or option for the Building, and this Lease shall become effective as a lease only upon execution thereof by City and Tenant.

32. Counterparts

This Lease may be executed in counterparts, each of which shall be deemed to be an original document.

33. Captions

The captions of the paragraphs of this Lease are for convenience only and shall not be deemed to be relevant in resolving any question of interpretation or construction of any section of this Lease.

IN WITNESS WHEREOF, City and Tenant have executed this Lease as of the day and year first written above.

CITY OF OXNARD

TENANT

Luis A. Mc Arthur
Mayor

Juan Gonzalez
President, Teatro de las Americas

ATTEST

TENANT

Lourdes A. López
City Clerk

James Donlon
Treasurer

APPROVED AS TO FORM

Stephen M. Fischer
City Attorney

Exhibit INS-A

**INSURANCE REQUIREMENTS FOR CONSULTANTS
(WITH ERRORS AND OMISSIONS REQUIREMENT)**

1. Consultant shall obtain and maintain during the performance of any services under this Agreement the following insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of services hereunder by Consultant, its agents, representatives, employees or subconsultants.

a. Commercial General Liability Insurance, including Contractual Liability, in an amount not less than \$1,000,000 combined single limit for bodily injury and property damage for each claimant for general liability with coverage equivalent to Insurance Services Office Commercial General Liability Coverage (Occurrence Form CG 0001). If a general aggregate limit is used, that limit shall apply separately to the project or shall be twice the occurrence amount;

b. Business automobile liability insurance in an amount not less than \$1,000,000 combined single limit for bodily injury and property damage for each claimant for automobile liability with coverage equivalent to Insurance Services Office automobile liability coverage (Occurrence Form CA0001) covering Code No. 1, "any auto;"

c. Professional liability/errors and omissions insurance appropriate to Consultant's profession to a minimum coverage of \$1,000,000, with neither Consultant nor listed subconsultants having less than \$500,000 individually. The professional liability/errors and omissions insurance must be project specific with at least a one year extended reporting period, or longer upon request.

d. Workers' compensation insurance in compliance with the laws of the State of California, and employer's liability insurance in an amount not less than \$1,000,000 per claimant. Additionally, the workers' compensation policy shall include a waiver of all rights of subrogation which the insurer may have against the City.

2. Consultant shall, prior to performance of any services, file with the Risk Manager certificates of insurance with original endorsements effecting coverage required by this Exhibit INS-A. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on the attached forms or on other forms approved by the Risk Manager. All certificates and endorsements are to be received and approved by the Risk Manager before commencement of services. City reserves the right to require complete certified copies of all required insurance policies at any time. The certificates of insurance and endorsements shall be sent via email. If you have not received your request or are having difficulty with electronic upload, contact insurance@oxnard.org

3. Consultant agrees that all insurance coverages shall be provided by a California admitted insurance carrier with an A.M. Best rating of A:VII or better and shall be endorsed to state that coverage may not be suspended, voided, canceled, or reduced in coverage or limits without 30 days' prior written notice to the Risk Manager. The Risk Manager shall not approve or accept any endorsement if the endorsement contains "best effort" modifiers or if the insurer is relieved from the responsibility to give such notice.

4. Consultant agrees that the commercial general liability and business automobile liability insurance policies shall be endorsed to name City, its City Council, officers, employees, agents and volunteers as additional insureds as respects: liability arising out of activities performed by or on behalf of Consultant; products and completed operations of Consultant; premises owned, occupied or used by Consultant; or automobiles owned, leased, hired or borrowed by Consultant. The coverage shall contain no special limitations on the scope of protection afforded to City, its City Council, officers, employees, agents and volunteers. **The General Liability Special Endorsement Form and Automobile Liability Special Endorsement Form attached to this Exhibit INS-A or substitute forms containing the same information and acceptable to the Risk Manager shall be used to provide the endorsements (ISO form CG 2010 11/85 or if not available, CG 2010 with an edition date prior to 01/04 and CG 2037).**

5. The coverages provided to City shall be primary and not contributing to or in excess of any existing City insurance or self-insurance coverages (**this must be endorsed**). Additionally, the workers' compensation policy shall include a waiver of all rights of subrogation which the insurer may have against the City. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to City, its City Council, officers, employees and volunteers. The insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

6. The insurer shall declare any deductibles or self-insured retentions to and be approved by the Risk Manager. At the option of the Risk Manager, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City, its City Council, officers, employees and volunteers, or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

7. All insurance standards applicable to Consultant shall also be applicable to Consultant's subconsultants. Consultant agrees to maintain appropriate agreements with subconsultants and to provide proper evidence of coverage upon receipt of a written request from the Risk Manager.

INSTRUCTION FOR SUBMITTING INSURANCE CERTIFICATES AND ENDORSEMENT FORMS

Certificates of Insurance

The sample accord form on the following page is provided to facilitate your preparation and submission of certificates of insurance. You may use this or any industry form that shows coverage as broad as that shown on the attached sample. **Please note the certificate holder address must be as shown on the attached sample accord form with the contract number and insurance exhibit identification information completed.** Improperly addressed certificates may delay the contract start-up date because the City's practice is to return unidentifiable insurance certificates to the insured for clarification as to the contract number. **Cancellation provisions must be endorsed to the policy. Modifying the certificate does not change coverage or obligate the carrier to provide notice of cancellation.**

Endorsement Forms

Original endorsements are required for commercial general liability and business automobile liability insurance policies and must be attached to the applicable certificate of insurance. City preference is that the Consultant/insurer use the endorsement forms which are attached. Substitute forms will be accepted, however, as long as they include provisions comparable to the sample accord form.

INS-A.doc

ACORD CERTIFICATE OF INSURANCE						ISSUE DATE (MM/DD/YY)
PRODUCER		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.				
CODE	SUB-CODE	COMPANIES AFFORDING INSURANCE COVERAGE				
INSURED		COMPANY LETTER A SPECIFY COMPANY NAMES IN THIS SPACE				
		COMPANY LETTER B				
COVERAGES THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.						
	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
	GENERAL LIABILITY [x] COMMERCIAL GENERAL LIABILITY [] CLAIMS MADE [x] OCCUR.				GENERAL AGGREGATE \$1,000,000 PRODUCTS COMP/OP AGG . \$1,000,000 PERSONAL & ADV. INJURY \$1,000,000	

<p>TYPE OF INSURANCE</p>	<p>CITY AGREEMENTS/PERMITS</p>						
<p>GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> COMPREHENSIVE GENERAL LIABILITY <input type="checkbox"/> OWNERS & CONTRACTORS PROTECTIVE</p>	<p>OTHER PROVISIONS</p> <p><input type="checkbox"/> Claims Made Retroactive Date _____ <input type="checkbox"/> Occurrence</p>						
<p>COVERAGES</p> <p><input type="checkbox"/> GENERAL <input type="checkbox"/> PRODUCTS/COMPLETED OPERATIONS <input type="checkbox"/> PERSONAL & ADVERTISING INJURY <input type="checkbox"/> FIRE DAMAGE <input type="checkbox"/> _____ <input type="checkbox"/> _____</p>	<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:30%;"></th> <th style="width:35%;">LIABILITY THOUSANDS \$</th> <th style="width:35%;">LIMITS IN AGGREGATE</th> </tr> </thead> <tbody> <tr> <td style="height: 100px;"></td> <td></td> <td></td> </tr> </tbody> </table> <p>CLAIMS: Underwriter's representative for claims pursuant to this insurance.</p> <p>Name: _____ Address: _____ - Telephone: _____ (____) _____</p>		LIABILITY THOUSANDS \$	LIMITS IN AGGREGATE			
	LIABILITY THOUSANDS \$	LIMITS IN AGGREGATE					
<p>In consideration of the premium charged and notwithstanding any inconsistent statement in the policy to which this endorsement is attached or any endorsement now or hereafter attached thereto, insurance company agrees as follows:</p> <ol style="list-style-type: none"> INSURED. The City, its officers, agents, employees and volunteers are included as insureds with regard to liability and defense of suits arising from the operations, products and activities performed by or on behalf of the named insured. CONTRIBUTION NOT REQUIRED. As respects: (a) work performed by the named insured for or on behalf of the City; or (b) products sold by the named insured to the City; or (c) premises leased by the named insured from the City, the insurance afforded by this policy shall be primary insurance as respects the City, its officers, agents, employees or volunteers; or stand in an unbroken chain of coverage excess of the named insured's scheduled underlying primary coverage. In either event, any other insurance maintained by the City, its officers, agents, employees or volunteers shall be in excess of this insurance and shall not contribute with it. SEVERABILITY OF INTEREST. This insurance applies separately to each insured against whom claim is made or suit is brought except with respect to the company's limits of liability. The inclusion of any person or organization as an insured shall not affect any right which such person or organization would have as a claimant if not so included. CANCELLATION NOTICE. With respect to the interests of the City, this insurance shall not be canceled, or materially reduced in coverage or limits except after thirty (30) days prior written notice by receipted delivery has been given to the City. PROVISIONS REGARDING THE INSURED'S DUTIES. Any failure to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the City, its officers, agents, employees or volunteers. SCOPE OF COVERAGE. This policy, if primary, affords coverage at least as broad as: <ol style="list-style-type: none"> Insurance Services Office Commercial General Liability Coverage, "occurrence" form CG0001; or If excess, affords coverage which is at least as broad as the primary insurance form CG0001. <p>Except as stated above nothing herein shall be held to waive, alter or extend any of the limits, conditions, agreements or exclusions of the policy to which this endorsement is attached.</p>							
<p>ENDORSEMENT HOLDER</p>							
<p>CITY OF OXNARD % Evident ID, Inc. 8520 Allison Pointe Blvd. Ste 223 PMB 5210 Indianapolis, Indiana 462500-4299 US</p>	<p>AUTHORIZED REPRESENTATIVE</p> <p><input type="checkbox"/> Broker/Agent <input type="checkbox"/> Underwriter <input type="checkbox"/> _____</p> <p>I _____ (print/type name), warrant that I have authority to bind the above-mentioned insurance company and by my signature hereon do so bind this company to this endorsement.</p> <p>Signature _____ <i>(original signature required)</i> Telephone: (____) _____ Date Signed: _____</p>						

**AUTOMOBILE LIABILITY SPECIAL ENDORSEMENT
FOR THE CITY OF OXNARD (the "City")**

SUBMIT IN DUPLICATE

ENDORSEMENT NO.	ISSUE DATE (MM/DD/YY)
-----------------	-----------------------

PRODUCER

Telephone: _____

POLICY INFORMATION:

Insurance Company: _____
 Policy No.: _____
 Policy Period: (from) _____ (to) _____
 LOSS ADJUSTMENT EXPENSE Included in Limits
 In Addition to Limits

NAMED INSURED

Deductible Self-Insured Retention (check which) of \$ _____
 with an Aggregate of \$ _____ applies to _____
 coverage. Per Occurrence Per Claim (which)

APPLICABILITY. This insurance pertains to the operations, products and/or tenancy of the named insured under all written agreements and permits in force with the City unless checked here in which case only the following specific agreements and permits with the City are covered:

CITY AGREEMENTS/PERMITS

TYPE OF INSURANCE

- COMMERCIAL AUTO POLICY
- BUSINESS AUTO POLICY
- OTHER

OTHER PROVISIONS

LIMIT OF LIABILITY

\$ _____ per accident, for bodily injury and property damage.

CLAIMS: Underwriter's representative for claims pursuant to this insurance.

Name: _____
 Address: _____
 Telephone: (_____) _____

In consideration of the premium charged and notwithstanding any inconsistent statement in the policy to which this endorsement is attached or any endorsement now or hereafter attached thereto, insurance company agrees as follows:

1. **INSURED.** The City, its officers, agents, volunteers and employees are included as insureds with regard to liability and defense of suits arising from the operations, products and activities performed by or on behalf of the named insured.
2. **CONTRIBUTION NOT REQUIRED.** As respects: (a) work performed by the named insured for or on behalf of the City; or (b) products sold by the named insured to the City; or (c) premises leased by the named insured from the City, the insurance afforded by this policy shall be primary insurance as respects the City, its officers, agents, employees or volunteers; or stand in an unbroken chain of coverage excess of the named insured's scheduled underlying primary coverage. In either event, any other insurance maintained by the City, its officers, agents, employees or volunteers shall be in excess of this insurance and shall not contribute with it.
3. **SEVERABILITY OF INTEREST.** This insurance applies separately to each insured against whom claim is made or suit is brought except with respect to the company's limits of liability. The inclusion of any person or organization as an insured shall not affect any right which such person or organization would have as a claimant if not so included.
4. **CANCELLATION NOTICE.** With respect to the interests of the City, this insurance shall not be canceled, or materially reduced in coverage or limits except after thirty (30) days prior written notice by receipted delivery has been given to the City.
5. **PROVISIONS REGARDING THE INSURED'S DUTIES.** Any failure to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the City, its officers, agents, employees or volunteers.
6. **SCOPE OF COVERAGE.** This policy, if primary, affords coverage at least as broad as:
 - a. Insurance Services Office Automobile Liability Coverage, "occurrence" form CA0001, code ("any auto"); or
 - b. If excess, affords coverage which is at least as broad as the primary insurance form referenced in the preceding section (1).

Except as stated above nothing herein shall be held to waive, alter or extend any of the limits, conditions, agreements or exclusions of the policy to which this endorsement is attached.

ENDORSEMENT HOLDER

CITY OF OXNARD % Evident ID, Inc.
8520 Allison Pointe Blvd. Ste 223
PMB 5210
Indianapolis, Indiana 46250-4299 US

AUTHORIZED REPRESENTATIVE

Broker/Agent Underwriter _____

I _____ (print/type name), warrant that I have authority to bind the above-mentioned insurance company and by my signature hereon do so bind this company to this endorsement.

Signature _____
 (original signature required)

Telephone: (_____) _____ Date Signed _____

FIRST AMENDMENT TO LEASE WITH TEATRO DE LAS AMERICAS

This First Amendment ("First Amendment") to the Lease of 321 West 6th Street ("Lease") is made and entered into in the County of Ventura, State of California, this 29th day of June, 2023, by and between the City of Oxnard, a municipal corporation ("City") and Teatro de las Americas ("Tenant"). This First Amendment amends the Lease entered into on November 18, 2019 by City and Tenant.


City and Tenant agree as follows:

1. The first sentence of Section 2 of the Lease is hereby deleted and replaced with the following: "The term of this Lease ("Term") shall commence on November 20, 2019 (the "Commencement Date") and shall expire on November 20, 2024 (the "Expiration Date"), subject to earlier termination as provided herein."
2. Section 3 of the Lease is hereby deleted and replaced with the following term: "Commencing on June 1, 2023, Tenant agrees to pay City as rent for the Building, the sum of Fifty Cents (\$.50) per square foot per month in advance."
3. Section 3.1 is hereby added to the Agreement to read as follows: "As a result of the Building's closure due to the COVID-19 State of Emergency, Tenant shall receive a rent credit for a period of approximately sixteen months, with the credit amount not exceeding \$15,000."
4. The City and Tenant acknowledge that Section 4.4.1 of the Lease has been complied with and has no further force or effect. Neither City or Tenant owes any further obligation arising from Section 4.4.1 of the Lease.
5. All other terms of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed the Agreement on the date first written above.

CITY OF OXNARD

TEATRO DE LAS AMERICAS



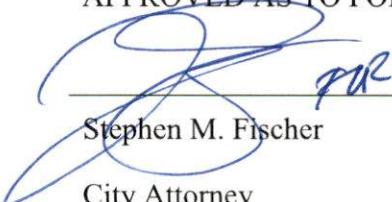
Alexander Nguyen

6/29/2023  6-29-23
Date Juan Gonzalez Date

City Manager

President, Teatro de las Americas

APPROVED AS TO FORM:



Stephen M. Fischer
City Attorney

6/20/23
Date

LEASE

This Lease ("Lease") is made as of the 18th day of November, 2019, by and between the City of Oxnard ("City") and Teatro de las Americas ("Tenant"). Each of City and Tenant are sometimes hereinafter referred to as a "Party" and collectively as the "Parties."

1. Building

City is the owner of that certain building of 1,980 square feet situated at 321 West 6th Street, Oxnard, California, ("Building"). City hereby leases Building to Tenant, and Tenant leases the Building from City for the term, at the rental, and pursuant to the covenants, provisions and conditions set forth herein,

2. Term

2.1 The term of this Lease ("Term") shall commence on November 20, 2019 (the "Commencement Date") and shall expire on November 20, 2022 (the "Expiration Date"), subject to earlier termination as provided herein. Upon mutual agreement of the Parties, this Agreement may be extended for 2 additional one year terms. Following the lease commencement date of November 20, 2019 Tenant shall have access to the Building.

3. Rent

Commencing on April 1, 2020, Tenant agrees to pay City as rent for the Building, the sum of Fifty Cents (\$.50) per square foot per month in advance. As further described below, additional consideration for the City's lease of the Building to Tenant shall be Tenant's obligation to make permanent improvements and upgrades to the Building at no cost to the City.

4. Delivery and Condition of Building

4.1 City shall deliver physical possession of the Building to Tenant upon the execution of this Lease by both parties. Tenant hereby accepts the Building in its existing "AS IS" condition as of the date hereof subject to all applicable zoning, municipal, county and state ordinances and regulations governing the use of the Building, and any easements, licenses, covenants, conditions or restrictions of record executed by City, and accepts this Lease subject thereto and subject to all matters disclosed thereby.

4.2 Prior to the execution of this Agreement, Tenant and/or its agents fully inspected the Building and are fully aware of its current condition. Tenant acknowledges the Building is an older, unoccupied structure that has deferred maintenance and has not been upgraded to the current standards for new construction. Tenant also acknowledges that City has not made any representation or warranty whatsoever as to the condition of the Building including, but not limited to, its electrical, plumbing, roof, lighting, or the present or future suitability of the Building for the conduct of Tenant's business.

4.3 City shall not be liable for any latent or patent defects in or about the Building. Tenant hereby waives all other express or implied warranties or representations regarding any latent or patent defects in the Building.

4.4 Tenant shall, upon taking possession of the Building, and with City's prior written approval, prepare plans ("Plans") and obtain all necessary permits for, and commence construction upon the Building of, any and all improvements necessary to open and operate Tenant's business, and to make specific improvements to the Building (the "Improvements").

4.4.1 All appropriate and verified cost by Tenant to provide permanent improvements to the Building shall be credited toward the lease payment obligation of the Tenant to City up to a not-to-exceed amount of \$35,000. Should the City or the Tenant seek to terminate the lease prior to the full credit of these permanent improvements toward the lease payment obligation, the City will remit to the Tenant the balance owed

5. Use of Building

5.1 Limitation on Use. Tenant shall use the Building solely for its small live theater-related or similar/complimentary programs. Total occupancy of the Building shall not exceed 49 persons at any time.

5.2 Tenant's Operation of Business. Tenant shall continuously and uninterruptedly during the entire Lease Term:

5.2.1 Adequately staff its business with sufficient employees;

5.2.2 Conduct Tenant's business at all times in a first-class manner consistent with reputable business standards and practices, in good faith and in such a manner that the high reputation of the City and the Building is maintained.

5.2.3 Tenant may sublease the Building for similar live theater or live music purposes.

5.3 Anti-discrimination and Equal Opportunity.

Tenant, for itself, its successors and assigns and all persons claiming under or through it, covenants that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin or ancestry, in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the Building, nor shall Tenant or any person claiming under or through it, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy, of tenants, licensees, employees or vendees in the Building or the improvements thereon. The foregoing covenants shall run with the land.

Tenant, for itself, its successors and assigns and all persons claiming under or through it,

covenants that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin or ancestry in the construction of any improvements on the Building.

The Tenant shall refrain from restricting the rental or lease of the Building on the basis of race, color, creed, religion, sex, sexual orientation, marital status, ancestry or national origin of any person. All leases, deeds or contracts which Tenant proposes to enter into with respect to the lease, sublease, transfer, use, occupancy, tenure or enjoyment of any land in the Building shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses which shall be binding on all contracting parties or transferees: "There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Building, nor shall any party to this contract, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the land."

5.4 Prohibited Uses; Alterations. Tenant shall not do or permit anything to be done in or about the Building that in any way increases the existing rate of any fire or other insurance on the Building or any of its contents, or that causes a cancellation of any insurance policy covering the Building, the Building or any part of them or any of the contents thereof, or which constitutes an activity specifically excluded from the City's insurance policy or any insurance Tenant is required by City to obtain, which policies are described in Section 6 of this Lease. Tenant shall not commit or cause to be committed any nuisance or waste in or on the Building or permit anything to be done in or about the Building that will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or hereafter in force. Tenant shall not display, store, or sell merchandise or allow carts, portable signs, devices or any other objects to be stored or to remain outside the exterior walls and permanent doorways of the Building without City's prior written consent. Tenant shall not, without the prior written consent of City, sell merchandise from vending machines or allow any coin operated vending or gaming machines on the Building. Except as otherwise provided herein, Tenant shall not make or cause to be made any alterations, repairs, additions or improvements to any part of the Building, without the prior written consent of City, which consent may be withheld in City's sole and absolute discretion.

6. Insurance

Tenant shall deliver to the City copies of policies of insurance and certificates evidencing the existence and amounts of the insurance described herein below with loss payable clauses and additional insured endorsements in favor of City and cross-liability endorsements. Each policy shall provide that such policy shall not be cancelable or subject to redu coverage or other modification during the Term except after thirty (30) days prior written notice to City. All insurance required to be carried by Tenant hereunder shall be issued by responsible insurance companies, qualified to do business in the State of California and reasonably acceptable to City. All public liability and property damage policies shall contain a provision that City, although named as an insured, shall nevertheless be entitled to recovery under said policies for any loss

occasioned to it, its servants, agents, and employees by reason of the negligence of Tenant. All public liability, property damages and other casualty policies shall be written as primary policies, not contributing with, and not in excess of coverage which City may carry. Executed copies of all policies, or certificates evidencing the existence and amounts of such insurance, shall be delivered to City by Tenant no later than ten (10) days after Commencement Date, and thereafter, executed copies of renewal policies or certificates thereof shall be delivered to City thirty (30) days prior to the expiration of any such p Tenant fails to maintain any of the insurance set forth herein below, City may, but shall not be required to, obtain such insurance on behalf of Tenant and, in such event, Tenant shall reimburse City as Additional Rent and immediately on demand, for the cost incurred by City together with interest on such cost at the Default Rate from the date the cost is incurred by City to the date same is reimbursed to City by Tenant. Tenant shall, at Tenant's sole expense, obtain and keep in force during the Term, the following coverages:

6.1 **Liability Insurance.** A liability insurance policy insuring City and Tenant against any liability for bodily injury and property damage arising out of the ownership, use, occupancy or maintenance of the Building and/or the Building by Tenant, its guests and/or invitees. Such insurance shall be a combined single limit policy in an amount not less than \$1,000,000.00 per occurrence. The policy shall insure performance by Tenant of the indemnity provisions of Section 13. The limits of said insurance shall not, however, limit the liability of Tenant hereunder;

6.2 **Insurance of Improvements and Contents.** A policy or policies of insurance against damage (by fire, theft, vandalism, malicious mischief, all risks normally insured against by extended coverage, and if the Building has sprinklers, the added perils of sprinkler leakage and earthquake sprinkler leakage) to the Improvements, any other improvements made to the Building by Tenant, and Tenant's stock in trade, furniture, personal property, fixtures and equipment on the Building, with coverage in an amount equal to the actual cash value thereof. Tenant may, with City's prior written consent, elect to have a reasonable deductible in connection with such insurance;

6.3 **Worker's Compensation Insurance.** Tenant shall, during the Term, keep in full force and effect a policy or policies of worker's compensation insurance, with coverage not less than the minimum required by the State of California. City and Tenant hereby waive their rights (and, to the extent permitted by law, the subrogation rights of their respective insurers) against each other and any other tenant of space in the Building (as well as the officers, employees, agents, authorized representatives, and invitees of same) with respect to any claims (including, but not limited to claims for injury to any person(s), and/or damage to the Building or any other part of the City's Building, and/or any fixtures, equipment, personal property, furniture, improvements and/or alterations in or to the Building or the Building) which are caused by or result from risks insured against under any valid and collectible insurance contract or policy carried by City or Tenant (whichever the case may be) and in force at the time of any such injury and/or damage. However, the above waiver shall apply only to the extent that such claim is covered by such insurance contracts or policies. Tenant shall obtain (for City) from its insurer(s) under each policy required to be obtained pursuant to Sections 7.1 and 7.2 above, a waiver of all rights of subrogation which such insurer(s) of Tenant might have against City.

7. Damage

7.1 Partial Damage-Insured. In the event the Building is damaged by any casualty which is covered under fire and extended coverage insurance carried by City, then City shall restore such damage provided sufficient insurance proceeds are available to pay for the cost of restoration and provided such restoration can be completed within one hundred and eighty (180) days after the commencement of the work in the opinion of a registered architect or engineer appointed by City. In such event this Lease shall continue in full force and effect, and Tenant shall not be entitled to any abatement or reduction of Rent.

7.2 Partial Damage-Uninsured. In the event the Building is damaged by a risk not covered by City's insurance or the proceeds of available insurance are less than the cost of restoration, or if the restoration cannot be completed within one hundred and eighty (180) days after the commencement of work in the opinion of the registered architect or engineer appointed by City, then City shall have the option either to (1) repair or restore such continuing in full force and effect and Tenant shall not be entitled to any abatement or reduction of Rent, or (2) give notice to Tenant at any time within thirty (30) days after such damage terminating this Lease as of a date to be specified in such notice, which date shall be not less than thirty (30) nor more than sixty (60) days after giving such notice. In the event of the giving of such notice, this Lease shall expire and all interest of Tenant in the Building shall terminate on such date so specified in such notice and all Rent shall be paid to the date of such termination; provided, however, that City agrees to refund to the Tenant any Rent theretofore paid in advance for any period of time subsequent to such date.

7.3 Total Destruction. In the event the Building is totally destroyed or the Building cannot be restored as required herein under applicable laws and regulations, notwithstanding the availability of insurance proceeds, this Lease shall be terminated effective the date of the damage.

7.4 City's Obligations. The City shall not be required to repair any injury or damage by fire or other cause, or to make any restoration or replacement of any decorations, partitions, floor covering or any other improvements or property installed in the Building by Tenant or at the direct or indirect expense of Tenant. Tenant shall be required to restore or replace same in the event of damage. Tenant shall have no claim against City for any damage suffered by reason of any such damage, destruction, repair or restoration; nor shall Tenant have the right to terminate this Lease as the result of any statutory provision now or hereafter in effect pertaining to the damage and destruction of the Building or the Building including Sections 1932(2) and 1933(4) of the Civil Code of the State of California, except as expressly provided herein.

8. Condemnation

If all or any part of the Building shall be taken or appropriated for public or quasi public use by right of eminent domain with or without litigation or transferred by agreement in connection with such public or quasi-public use, either Party hereto shall have the right at its option exercisable within thirty (30) days of receipt of notice of such taking to terminate this Lease as of the date possession is taken by the condemning authority; provided, however, that

before Tenant may terminate this Lease by reason of taking or appropriation as provided hereinabove, such taking or appropriation shall be of such an extent and nature as to substantially handicap, impede or impair Tenant's use of the Building. No award for any partial or entire taking shall be apportioned, and Tenant hereby assigns to City any award which may be made in such taking or condemnation, together with any and all rights of Tenant now or hereafter arising in or to the same or any part thereof; provided, however, that nothing contained herein shall be deemed to give City any interest in or to require Tenant to assign to City any award made to Tenant for the taking of personal property and fixtures belonging to Tenant and/or for the interruption of or damage to Tenant's business.

9. Security

Tenant shall be responsible for locking and securing Building and providing any desired security services to the Building, if any, during the Term or any extensions thereof.

10. Utilities

Tenant shall pay for all water, gas, heat and electricity services supplied to the Building. City shall not be liable in damages or otherwise for any failure, interruption or unavailability of any utility service being furnished to the Building and no such failure or interruption shall entitle Tenant to terminate this Lease or receive any abatement of Rent hereunder.

11. Taxes

Tenant shall pay at least ten (10) days before due, and before any fine, penalty, interest or cost shall be charged thereon, directly to the appropriate taxing or other governmental authority, all:

- (i) Real estate and other ad valorem taxes and assessments of every kind and nature levied and assessed upon the Building and the underlying realty including, but not limited to, possessory interest taxes assessed against the leasehold interest created hereby and general and special assessments, whether foreseen or unforeseen, and
- (ii) Taxes, assessments, license fees and public charges levied, assessed or imposed upon its business operation on the Building, (collectively, "Taxes") and Tenant shall deliver to City copies of receipted bills for such Taxes within fifteen (15) days after receipt of such bills by Tenant.

12. Compliance with Laws

Tenant agrees to comply with all applicable zoning, municipal, county and state laws, ordinances and regulations governing the use of the Building, and any covenants or restrictions of record. Tenant agrees to secure any federal, state or local licenses or permits required in order to use the Building for the purposes specified hereinabove. Tenant shall secure such licenses and permits before the Commencement Date of this Lease.

13. Indemnity and Exculpation

13.1 Indemnity. Tenant shall indemnify, defend and hold harmless City, and its officers, officials, employees and agents against any and all claims, liabilities, losses, costs, expenses, including without limitation attorneys' fees and costs including without limitation those resulting from theft, vandalism, personal injury, disability or death, and even if caused in whole or in part by the passive negligence of City and/or its officers, officials, employees and/or agents (e.g., failure to supervise or control, or warn of or remove a condition on or about the Building) arising from:

- (i) The condition of the Building and surrounding areas which are used by Tenant and Tenant's employees, staff, consultants, agents, contractors, suppliers, invitees, guests, patrons, licensees, successors and assigns (collectively, "Tenant's Representatives"),
- (ii) Tenant's and Tenant's Representatives' use of the Building including without limitation the construction of the Improvements and any other work performed therein,
- (iii) Any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease, or
- (iv) The conduct of Tenant's business operated on or about the Building or any act or negligence of Tenant, or any of Tenant's Representatives, except that Tenant shall not indemnify, defend and hold harmless City from and against any claims to the extent they result solely from the active negligence or willful misconduct of City and/or its officers, officials, employees and/or agents (collectively, "City's Representatives").

In case any action or proceeding be brought against City, Tenant, upon notice from any such party, shall defend the same at Tenant's expense by counsel reasonably satisfactory to City.

Tenant, as a material part of the consideration given to City, hereby (i) assumes all risk of damage to property or injury to persons in, upon or about the Building arising from any cause including, but not limited to, any theft, vandalism, damage, injury to person or death resulting from the condition of the Building during the Term hereof but excluding any claims (except for those claims arising from City's alleged failure to supervise or control Tenant's actions or Tenant's use of the Building) arising from the active negligence or willful misconduct of City, and (ii) waives all claims in respect thereof against City and its officers, officials, employees and agents.

13.2 Exemption of City From Liability. It is hereby agreed that City shall not be liable for any injury or damage which may be sustained by the person, goods, wares, merchandise or property of Tenant, its employees, invitees or customers, or by any other person in or about the Building caused by or resulting from fire, steam, electricity, gas, water or rain which may leak or

flow from or into any part of the Building, or from the breakage, leakage, obstruction or other defects of the pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures, whether said damage or injury results from conditions arising upon the Building or from other sources.

14. Default and Remedies

14.1 Default. The occurrence of any of the following shall constitute a material default and breach of this Lease by Tenant:

14.1.1 Any failure by Tenant to pay any Rent at the time said payment is due:

14.1.2 The abandonment or vacation (defined to be ten (10) or more days of continuous absence from the Building) of the Building by Tenant;

14.1.3 The failure by Tenant to observe and perform any other provision of this Lease to be observed or performed by Tenant, where such failure continues for fifteen (15) days after written notice thereof by City to Tenant; provided, however, that if the nature of the default is such that the same cannot reasonably be cured within said fifteen (15) day period, Tenant shall not be deemed to be in default if Tenant shall within such period commence such cure and thereafter diligently prosecute the same to completion;

14.1.4 The making by Tenant of any general assignment or general arrangement for the benefit of creditors; the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Building or Tenant's interest in this Lease, where possession is not restored to Tenant within thirty (30) days; or the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Building or of Tenant's interest in this Lease, where such seizure is not discharged within thirty (30) days.

14.2 Termination. In the event of any such default by Tenant, then in addition to any other remedies available to City at law or in equity, City shall have the immediate option to terminate this Lease and all rights of Tenant hereunder by giving written notice of such termination. In the event that City shall elect to so terminate this Lease then City may recover from Tenant the worth at the time of award of the amount by which the unpaid Rent for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided, plus any other amount necessary to compensate City for all the detriment proximately caused by Tenant's failure to perform his obligations under this Lease or which in the ordinary course of events would be likely to result therefrom. At City's election such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable California law.

14.3 Additional Remedies

14.3.1 In the event of the vacation or abandonment of the Building by Tenant (as defined in Section 14.1.2 above), and if City does not elect to terminate this Lease and Tenant's right to possession of the Building by electing the remedy provided in Section 14.2 above, then City may, pursuant to Section 1951.4 of the Civil Code of the State of California, recover all Rent as it becomes due.

14.3.2 City entry into the Building for maintenance purposes or in an attempt to relet the Building shall not be considered to terminate Tenant's right to possession of the Building and no entry of the Building by City shall be construed as an election to terminate this Lease unless a written notice of such intention be given to Tenant or unless the termination thereof be decreed by a court of competent jurisdiction. City may at any time after any default by Tenant elect to terminate this Lease pursuant to Section 14.2 above.

14.3.3 The rights of City under this Lease shall be cumulative to all other rights or remedies now or hereafter available to City at law or in equity.

15. Maintenance

15.1 Tenant's Obligations. Tenant, at its sole cost and expense, shall keep, maintain and, if necessary, repair all portions of the Building as well as all improvements on the Building and all facilities appurtenant to the Building in good order and repair and in a safe and clean condition, including without limitation the interior surface of exterior walls, windows, window frames, doors, door frames, locks, plate or other glass, floor covering, interior ceiling and walls, all electrical equipment, all heating, ventilation, exhaust, make-up and air conditioning equipment, all plumbing, sewage and sprinkler systems, if any, and all other equipment installed in or located outside of the Building but otherwise exclusively serving the Building. In the event Tenant fails to make repairs and/or maintain the Building or any part thereof in good order, condition and repair, City may give Tenant ten (10) days notice to do such acts as are reasonably required to so repair or maintain the Building. In the event Tenant fails to promptly commence such work within said ten (10) day period and diligently prosecute same to completion, then City shall have the right, but not the obligation, to do such acts and expend such funds at the expense of Tenant as are reasonably required to perform such work. Any amount so expended, together with interest thereon at the Default Rate from the date of payment by City until the date of repayment by Tenant shall be paid by Tenant as Additional Rent hereunder. City shall have no liability to Tenant for any damage, inconvenience or interference with the use of the Building by Tenant as a result of performing any such work. In the event of emergency repairs, Tenant hereby grants to City the right to enter upon the Building at any time.

15.2 Maintenance of Glass. Notwithstanding anything which may be or appear to be herein to the contrary, Tenant shall, at its own cost and expense, repair and replace any plate or other glass in any window on the Building that is broken for any reason.

Should Tenant fail to repair or replace any broken glass within two (2) days after same is broken, City may, without notice to Tenant, replace or repair such glass and Tenant shall immediately reimburse City as additional rent for the cost thereof together with interest on such cost at the default rate (discount rate of the Federal Reserve of San Francisco at the time of award plus one percent) from the date the cost is incurred by City to the date same is reimbursed to City by Tenant.

15.3 Waiver by Tenant. City shall have no obligation to repair or maintain the Building or improvements constructed therein except as provided in this Lease. Tenant hereby waives all right to make repairs at the expense of City as provided for in any statute or law in effect at the time of execution of this Lease (including Section 1942 of the Civil Code of the State of California) or any amendment thereof or any other statute or law which may be hereafter enacted during the term of this Lease.

16. City's Right of Entry

Tenant shall permit City or City's Representatives to enter the Building at all reasonable times for the purpose of inspecting the Building to determine whether Tenant is complying with the terms of this Lease and for the purpose of doing other lawful acts that may be necessary to protect City's interest in the Building under this Lease or to perform City's duties under this Lease. City also reserves and shall at any and all times have the right to enter the Building to submit said Building to inspection by prospective purchasers or tenants or prospective or existing mortgagees, to post notices of non-responsibility and "for lease" signs, and to alter, improve or repair the Building and any portion of the Building without abatement of rent. Tenant hereby waives any claim for damages for any injury or inconvenience to or interference with Tenant's business, any loss of occupancy or quiet enjoyment of the Building, and any other loss occasioned thereby. For each of the aforesaid purposes, City shall at all times have and retain a key with which to unlock all of the doors in, upon and about the Building, excluding Tenant's vaults and safes, and City shall have the right to use any and all means which City may deem proper to open said doors in an emergency, the existence of which shall be determined by City in its sole discretion, in order to obtain entry to the Building. Any entry to the Building obtained by City by any of said means, or otherwise, shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into, or a detainer of, the Building, or an eviction of Tenant from the Building or any portion thereof.

17. Transfers

Assignment and Subletting. Tenant shall not voluntarily or by operation of law assign, license, franchise, transfer, mortgage or otherwise encumber all or any part of Tenant's interest in this Lease or in the Building, and shall not sublet, franchise, or license all or any part of the Building, without the prior written consent of City in each instance and any attempted assignment, license, franchise, transfer, mortgage, encumbrance or subletting without such written consent shall be wholly void.

18. Attorneys' Fees

In case of any action or proceeding brought by either Party against the other under this Lease, the prevailing Party shall be entitled to recover reasonable attorneys' fees and costs incurred.

19. Notices

All communications, notices and demands of any kind that either Party may be required or desires to give to or serve on the other Party shall be made in writing personally or sent by registered or certified mail or Federal Express (or other like overnight delivery service) to the following addresses:

To City: City Manager
 City of Oxnard
 300 West Third Street
 Oxnard, California 93030

With a copy to: City Attorney
 City of Oxnard
 305 West Third Street
 Oxnard, California 93030

Tenant: Board President
 Teatro de las Americas
 P.O. Box 50177
 Oxnard, CA 93030

Any such notice shall be presumed to have been received on the earlier of:

- (i) Personal delivery to the address(es) shown above,
- (ii) One (1) day after delivery to Federal Express or other like overnight delivery service, or
- (iii) Forty-eight (48) hours after posting in the United States mail. Either Party may change its address by giving the other Party written notice of its new address.

20. Subordination; Attornment

20.1 Upon request of City or any mortgagee or beneficiary of City, Tenant shall, in a writing provided by City or any mortgagee or beneficiary of City, subordinate its rights hereunder to the lien of any mortgage or deed of trust or ground lease

("Mortgage"), now or hereafter in force against the land, Building and Building, and to all advances made or hereafter to be made upon the security thereof, provided that such Mortgage shall not materially impair Tenant's rights under this Lease, or impose any additional obligations upon Tenant. Tenant further agrees, upon request of City or any mortgagee or beneficiary of City, to provide to City and/or any such mortgagee or beneficiary, financial statements of Tenant and the principal owners of Tenant within ten (10) days after request therefor.

20.2 In the event any proceedings are brought for the foreclosure of any mortgage or deed of trust encumbering the Building, or any portion thereof, or in the event of the exercise of the power of sale under any mortgage or deed of trust made by the City covering the Building, Tenant shall attorn to the purchaser upon any such foreclosure or sale and recognize such purchaser as the City under this Lease.

20.3 The provisions of this Section 21 to the contrary notwithstanding, and so long as Tenant is not in default hereunder, this Lease shall remain in full force and effect for the full term hereof.

21. Surrender

By entry hereunder, Tenant accepts the Building as being in good and sanitary order, condition and repair and agrees on the last day of the said Term, or sooner termination of this Lease, to surrender unto City the Building with said appurtenances in the same condition as when received, reasonable use and wear excepted, and to remove all of the Tenant's personal property from the Building. Tenant shall, upon the request of City, remove from the Building those trade fixtures and other improvements identified by City and installed in the Building by or at the direction of Tenant, and Tenant shall repair any damage occasioned by such removal.

22. Holding Over

If Tenant, with City's express written consent, remains in possession of the Building after expiration of this Lease, such possession by Tenant shall be deemed to be a tenancy from month-to-month at a Rent determined in accordance with Sections 3.1 and 3.2 above (with the commencement date of such tenancy constituting an Adjustment Date) and upon all provisions of this Lease applicable to such a month-to-month tenancy. If Tenant remains in possession of the Building after expiration or earlier termination of this Lease without the express written consent of City, such possession by Tenant shall be deemed a tenancy at sufferance at a rental rate of Two Thousand Five Hundred Dollars (\$2,500.00) a month.

23. Estoppel Certificate

Within ten (10) days after request by City (which request may be from time to time as often as reasonably required by City), Tenant shall execute and deliver to City a statement that this Lease is in full force and effect without modification except as may be represented by City, that there are no uncured defaults in City's performance hereunder, and the specific number of

months or years of rent that has been paid in advance (if any). Any such statement may be conclusively relied upon by any prospective purchaser or encumbrances, of the Building. Tenant's failure to deliver such statement within ten (10) days of City's written request therefor shall be a binding agreement of Tenant:

- (i) That this Lease is in full force and effect without modification except as may be represented by City,
- (ii) That there are no uncured defaults in City's performance hereunder, and
- (iii) That not more than one installment of Rent has been paid in advance.

Further, such failure to deliver such certificate (showing any exceptions to any of the statements of fact required thereby) shall be a material default under this Lease.

24. Binding on Successors and Assigns

Each provision of this Lease performable by Tenant shall be deemed both a covenant and a condition. The terms, conditions and covenants of this Lease shall be binding upon and shall inure to the benefit of each of the Parties, their heirs, personal representatives, and permitted successors and assigns.

25. Waivers

No waiver by City of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Tenant of the same or any other provisions. The subsequent acceptance of Rent hereunder by City shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the particular Rent so accepted, regardless of City's knowledge of such preceding breach at the time of acceptance of such Rent. No term, covenant or condition of this Lease shall be deemed to have been waived by City unless such waiver be in writing signed by City.

26. Entire Agreement; Amendments

There are no oral or written agreements or representations between the Parties affecting this Lease, and this Lease supersedes and cancels any and all previous negotiations, arrangements, representations, agreements and understandings, if any, between the Parties with respect to the subject matter thereof, and none thereof shall be used to interpret or construe this Lease. All reliance by either Party with respect to representations and warranties shall be solely upon the representations and agreements contained in this Lease. No amendment or addition to this Lease shall be binding upon the Parties unless in writing, signed and delivered by the Party to be charged.

27. Time

Time is of the essence of this Lease.

28. No Broker

Tenant represents and warrants that it has dealt with no real estate brokers, leasing agents or finders in connection with or arising out of any of the transactions contemplated by this Lease, and covenants and agrees to indemnify, defend and save City harmless from any and all losses, liability, damages and expenses (including reasonable attorneys' fees and costs), that may arise from a breach of this representation and warranty.

29. Severability

If any provisions of this Lease shall be determined to be void by any court of competent jurisdiction, then such determination shall not affect any other provision of this Lease and all such other provisions shall remain in full force and effect. It is the intention of the Parties that if any provision of this Lease is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

30. Applicable Law

The laws of the State of California shall govern the validity, performance and enforcement of this Lease. This Lease shall not be construed either for or against City or Tenant, but this Lease shall be interpreted in accordance with the general tenor of the language in an effort to reach an equitable result.

31. Waiver of Redemption Rights

Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event of City obtaining possession of the Building by reason of the violation by Tenant of any of the covenants and conditions of this Lease or otherwise. The rights given to City herein are in addition to any rights that may be given to City by any statute or otherwise.

32. No Reservation or Option

The submission of this Lease for examination does not constitute a reservation of or option for the Building, and this Lease shall become effective as a lease only upon execution thereof by City and Tenant.

33. Counterparts

This Lease may be executed in counterparts, each of which shall be deemed to be an original document.

34. Captions


The captions of the paragraphs of this Lease are for convenience only and shall not be deemed to be relevant in resolving any question of interpretation or construction of any section of this Lease.

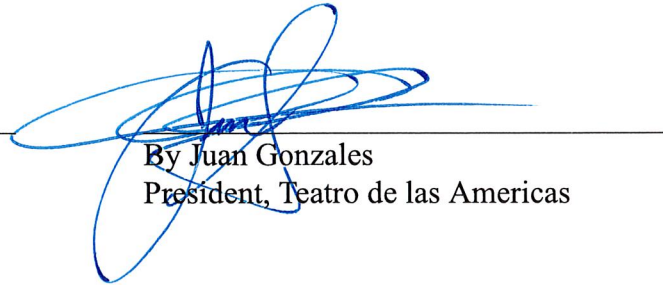
IN WITNESS WHEREOF, City and Tenant have executed this Lease as of the day and year first written above.

CITY:

TENANT:

CITY OF OXNARD


Alexander Nugyen, City Manager


By Juan Gonzales
President, Teatro de las Americas

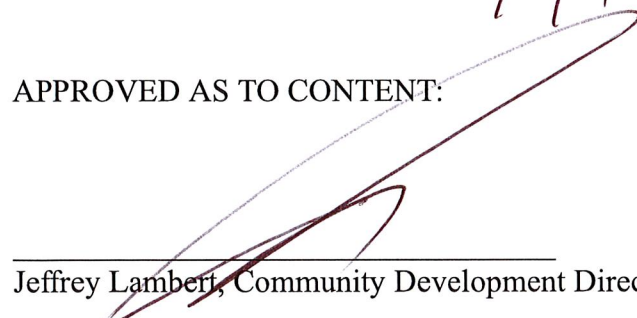
ATTEST:

Michelle Ascencion, City Clerk

APPROVED AS TO FORM:


Stephen M. Fischer, City Attorney 11/24/15

APPROVED AS TO CONTENT:



Jeffrey Lambert, Community Development Director

APPROVED AS TO INSURANCE:



Mike More, Risk Manager

Profit and Loss

Teatro de las Americas

January-December, 2024

DISTRIBUTION ACCOUNT	TOTAL
Income	
Grants	12,500.00
Individual Donations	1,724.90
Recycling	91.59
Services	\$650.00
Adan, Eva y la otra	349.89
After School Program	1,085.29
First Jueves	119.00
Fundraiser Karaoke	306.91
Fundraiser Paul & Raquel	8,886.85
iStarELA	3,395.84
Juguetones	350.00
La Sirenita	3,747.14
Luchadora	3,902.52
Mecánico de Sueños	1,126.15
Muero por Vivir	345.00
Nos Traen Cortitos	694.63
Practicas Teatrales	541.50
Private Events	253.00
Salsa class	173.00
Taller de Cine	420.00
Total for Services	\$26,346.72
Uncategorized Income	2,579.96
Total for Income	\$43,243.17
Gross Profit	\$43,243.17
Expenses	
Advertising & Marketing	6,432.38
Bank Charges & Fees	203.42
Contractors	750.00
Insurance	2,189.00
Job Supplies	5,250.45
Legal & Professional Services	
Adan, Eva y la otra	739.29
iStarEla	2,242.03
Juguetones	750.00
La Sirenita	2,705.00
Luchadora	3,585.78
Mecánico de Sueños	390.00
Muero por Vivir	197.13
Nos Traen Cortitos	2,104.15
Practicas Teatrales	270.75

Profit and Loss

Teatro de las Americas

January-December, 2024

DISTRIBUTION ACCOUNT	TOTAL
Taller de cine	65.00
Total for Legal & Professional Services	\$13,049.13
Meals & Entertainment	530.93
Office Supplies & Software	1,323.22
Reimbursable Expenses	764.75
Repairs & Maintenance	13,235.00
Taxes & Licenses	358.00
Uncategorized Expense	2,000.00
Utilities	2,991.69
Total for Expenses	\$49,077.97
Net Operating Income	-\$5,834.80
Net Other Income	
Net Income	-\$5,834.80

Profit and Loss

Teatro de las Americas

January-December, 2025

DISTRIBUTION ACCOUNT	TOTAL
Income	
Board Donations	5,262.99
Grants	25,000.00
Individual Donations	1,371.66
Insurance.	192.00
Recycling	21.27
Services	\$250.00
33rd Anniversary Fundraiser	571.00
Adventures in Dance	203.01
After School Program	1,303.30
Alicia´s Miracle	2,142.76
Drawing Group	50.00
El Teatrito	1,727.64
Fundraiser Karaoke	62.00
Luchadora	18.61
Luciano Brindisi-Solo Chistes	852.80
Noche de Cine	80.00
Nos Traen Cortitos	444.64
Poesia Workshop	40.00
Practiclas Teatrales	250.00
Private Events	869.00
Regreso a mi CUBA	1,591.00
Sonidos de Ausencias	3,325.13
Storytelling Workshop	60.00
Taller de Cine	640.00
Taller de Dramaturgia (Juan Pablo)	20.00
Total for Services	\$14,500.89
Tax Refund/ Tax Overpayment Refund	824.23
Total for Income	\$47,173.04
Gross Profit	\$47,173.04
Expenses	
Advertising & Marketing	5,783.96
Bank Charges & Fees	156.82
Contractors	4,000.00
Insurance	651.00
Job Supplies	139.10
Legal & Professional Services	
After School Program	651.65
Alicia's Miracle	2,796.97
El Teatrito	1,619.04
Luchadora	43.44
Luciano Brindisi-Solo Chistes	594.78

Profit and Loss

Teatro de las Americas

January-December, 2025

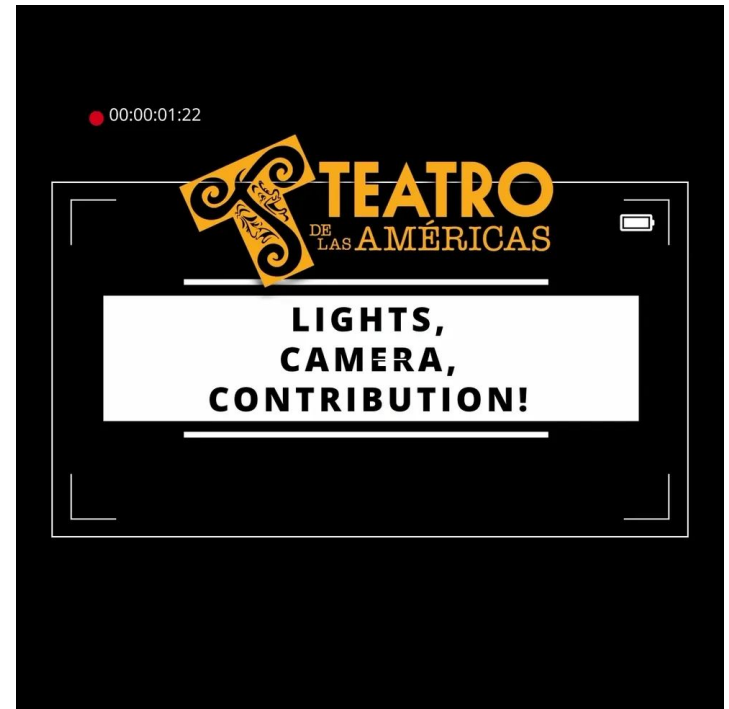
DISTRIBUTION ACCOUNT	TOTAL
Nos Traen Cortitos	50.00
Poesía Workshop	90.00
Regreso a mi CUBA	934.44
Sonidos de Ausencias	3,715.79
Taller de cine	1,128.00
Total for Legal & Professional Services	\$11,624.11
Meals & Entertainment	263.18
Memberships	230.00
Office Supplies & Software	2,280.66
Other Business Expenses	90.00
Reimbursable Expenses	241.38
Repairs & Maintenance	2,922.68
Taxes & Licenses	1,808.73
Utilities	2,951.26
Total for Expenses	\$33,142.88
Net Operating Income	\$14,030.16
Net Other Income	
Net Income	\$14,030.16

Teatro de las Américas Lease Agreement

Brenda Lopez, Director
Housing Department

City Council
February 3, 2026

1. Teatro de las Américas is a non profit bilingual theatre company that engages in performing arts and education reflecting and nurturing the community located in the heart of downtown Oxnard.
2. With a vision to be the dominant Spanish-language theatre on the Central Coast, Teatro de las Américas values respect among peoples and envisions that every segment of our community will come together in artistic and creative ways to promote these values.



1. The City of Oxnard owns a 1,980 square foot building at 321 West Sixth Street in downtown Oxnard.
2. The City of Oxnard entered into an initial lease agreement (8828-19-CD) with Teatro de las Américas (Teatro) on November 18, 2019 for theatre and performing arts.
3. The monthly rental rate was calculated at fifty-cents per square foot (.50c/SF) (*1,980 sq ft x \$.50= \$990/ month*).
4. The initial term expired on November 20, 2022.
5. On June 29, 2023 City Council approved a First Amendment extending the term to November 20, 2024, recognized a rent credit of \$35,000 for property improvements made by Teatro, and approved a \$15,000 rental credit due to building's closure resulting from COVID-19.
6. Teatro has been operating on a month-to-month lease since November 2024.

1. In 2025, Teatro experienced major setbacks that reduced its income, including the last-minute cancellation of a nearly completed production and additional cancellations caused by a shortage of volunteer support. Attendance has also dropped sharply.
2. Based on financial information provided by Teatro, there was a net loss for 2024 of \$5,834.80 and \$5,969.84 for 2025.
3. Given their limited revenue, Teatro has an outstanding unpaid rent balance of \$13,860 for the period of December 2024 to January 2026, plus an outstanding balance of \$1,830 from the initial lease term (total of \$15,690).



On October 9, 2025, Teatro de las Américas (Teatro) submitted a request for consideration of rent forgiveness and a new lease with modified terms. Teatro is seeking:

1. A new lease with an initial three year term and two one-year options to extend the lease for a maximum lease term of five years.
2. An annual lease fee of \$1.00.
3. Forgiveness of past due rent totaling \$15,690 through January 2026 as well as a daily pro rata (\$35.36) rental forgiveness in the month of February 2026 until effective date of new lease.

Staff recommends approving Teatro's request with the expectation that rent payments will begin once revenues permit. Should Teatro become profitable, Teatro would pay quarterly rent up to \$2,970 of their quarterly gross revenues in excess of \$10,560.

This action helps sustain the community arts, preserves a dedicated arts venue in Downtown, and ensures the City's building remains occupied and properly maintained at no cost.

If the City Council approves the proposed lease agreement, rental revenue of \$3 is anticipated to be received into the General Fund account during the proposed initial three year lease, prior to any optional lease extensions.

The financial impact to the City would be a loss of \$15,690 in rental revenue for the past due rental payments, and up to 28 days of daily pro-rata rental forgiveness in the month of February 2026 at a daily cost of \$35.36.

Should Teatro's quarterly gross revenues not be sufficient, as noted in the staff report, to require quarterly rent payments to the City of up to \$2,970, there is potential loss of future rental revenue for the proposed initial three year lease term, which equates to up to \$35,640.

However, the City would experience cost savings for building maintenance expenses for the initial term of the lease.

The Community Services, Public Safety, and Housing & Economic Development committee heard the item on January 13, 2026.

During discussion of the item, Committee Member Perello made the first motion, which did not receive a second, to charge \$300/month during the first year, \$600/month during the second year, and \$900/month the third year. Although Teatro's President, Juan Gonzalez, responded that capping the rent at \$600/month may work, the Council Committee did not pursue the concept further.

Ultimately, the Community Services, Public Safety, and Housing & Economic Development recommended on a vote of 2-1 to forward the item to the City Council with a modification to the agreement to require Teatro to provide the Housing Director a monthly activity report detailing fundraising and activity efforts, as well as information on plays and events held throughout the month.

That the City Council:

1. Authorize the Mayor to execute a Lease Agreement (A-8604) with Teatro de las Américas for the use of property owned by the City located at 321 West Sixth Street for a term of three years with two one-year options to extend the Agreement, at the discretion of the City Manager, for a total of five years, at an annual fee of \$1 and quarterly rent up to \$2,970 of their quarterly gross revenues in excess of \$10,560; and
2. Authorize the Mayor to forgive past due rent to the City in the amount of \$15,690 for past due rent through January 2026, plus a daily pro-rata share through February 2026.



End of Presentation



CITY COUNCIL AGENDA REPORT

REPORTS AGENDA ITEM NO. N.3

DATE: February 3, 2026
TO: City Council
FROM: Michael Wolfe, Public Works Director, (805) 385-8055, michael.wolfe@oxnard.org
SUBJECT: Introduction of Cross-Connection Control and Backflow Prevention Ordinance.

RECOMMENDATION

That the City Council introduce and waive first reading of the proposed Ordinance entitled: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OXNARD AMENDING ARTICLE IV OF CHAPTER 22 OF THE CITY CODE IN ITS ENTIRETY PERTAINING TO THE REGULATION OF CROSS-CONNECTION AND BACKFLOW STANDARDS.

(The Public Works and Transportation Committee approved 3-0 on January 27, 2026 with an amended Ordinance.)

Please click the following link to view the required Measure M pre-recorded presentation video:

<https://youtu.be/h8n4DJZfXy8>

BACKGROUND

The State Water Resources Control Board (“SWRCB”) requires all potable water systems to follow the cross-connection protection mandates set forth in the Cross-Connection Control Policy Handbook. A cross-connection is an interconnection between a potable (aka drinking) water supply and a non-potable source via any connection or structural arrangement between a public water system (“PWS”) and any source or distribution system containing liquid, gas, or other substances not from an approved water supply. Bypass arrangements, jumper connections, removable sections, improperly installed swivel or change-over devices, and other temporary or permanent devices through which, or because of which, backflow can occur are considered to be cross-connections. Backflow is the undesired or unintended reversal of flow of water and/or other liquids, gases, or other substances into a PWS. It is industry standard to utilize backflow prevention assemblies to protect the potable water distribution systems. The assemblies prevent water that has been delivered to a customer through a water meter from re-entering the cityside of the water system, thus protecting the City’s system and other City water customers from contamination and pollution.

The purpose of the Cross-Connection Program is the protection of public health through the establishment of standards intended to ensure a PWS is protected against contamination or pollution by:

- Isolating the PWS from actual or potential cross-connections that may occur because of undiscovered or unauthorized connections;
- Eliminating existing connections between the PWS and other sources of water that are not approved as safe and potable for human consumption;
- Eliminating cross-connections between drinking water systems and other sources of water or process water used for any purpose whatsoever that jeopardize the safety of the PWS;
- Preventing future cross-connections; and
- Protecting the PWS from plumbing defects or cross-connections that may endanger the drinking water supply.

On April 19, 1966, City Council adopted City Ordinance 1009, which established the City’s Cross-Connection Program. Additionally, the intent of ordinance 1009 was to recognize varying degrees of hazard and to apply the principle that the degree of protection should be commensurate with the degree of hazard.

On July 13, 2004, City Council adopted Oxnard City Ordinance 2661 which amended the City code regarding contamination prevention and water security programs and established certain fees and charges for these programs.

On July 11, 2017, City Council adopted Oxnard City Ordinance 2921. This ordinance amended fees and penalties for failing to comply with the ordinance above.

DISCUSSION

The SWRCB previously regulated Cross-Connection Programs under the California Code of Regulations Title 17, amended to CCR Title 22 and pursuant with the Safe Water Drinking Act. The California Cross Connection Policy Handbook (“CCCPH”), adopted by the State December 19, 2023, and effective on July 1, 2024, is the primary enforcement and regulatory authority for cross-connection control and backflow prevention of public water systems.

With the most recent adoption of the CCCPH, there are regulatory changes and mandates that affect all Cross-Connection Control Programs. Most notably, the changes impacting the City of Oxnard’s current ordinance are:

- CCCPH 3.1.1 (a) ((1)) Operating Rules or Ordinances
 - “The public water system’s legal authority to implement corrective actions due to noncompliance in one of the following ways:
 - Deny or discontinue water service to a water user,
 - Install, inspect field test, and/or maintain a backflow prevention assembly (BPA) at a water user’s premises, or
 - Otherwise address in a timely manner a failure to comply with the CCCPH
- CCCPH 3.1.1 ((2)) Cross-Connection Control Program Coordinator
 - For PWS with more than 3,000 service connections the Cross-Connection Control Program Coordinator must be a cross-connection control specialist.
- CCCPH 3.1.1.3 Hazard Assessments
 - The Public Water System (PWS) must survey its service area and conduct hazard assessments per Article 2 of this Chapter (CCCPH 3) that identifies actual or potential cross-connection hazards, degree of hazard, and any backflow protection needed.
- CCCPH 3.1.1.3 (9) Public Outreach and Education
 - The PWS must implement a cross-connection control public outreach program and education program element that includes educating staff, customers, and the community about backflow protection and cross-connection control. The PWS may implement this requirement through a variety of methods which may include providing information on cross-connection control and backflow in periodic water bill inserts, pamphlet distribution, new customer documentation, email, and consumer confidence reports.

In order to comply with the CCCPH, the City Attorney's Office and Water Division have developed an Ordinance that complies with the State’s regulatory standards. The City’s proposed Ordinance, which amends Article IV of Chapter 22 of the Oxnard City Code pertaining to the regulation of cross-connection and backflow standards, has been submitted to and reviewed by SWRCB.

A summary of the key changes from the existing Ordinance (2661) that was based on California Code of Regulations Title 17 to the proposed Ordinance, based on the CCCPH are:

- Previous ordinance 2661 relied on adopted California Department of Health Services (CDHS) rules and California Uniform Plumbing Code provisions by reference. New ordinance: Makes the Cross-Connection Control Policy Handbook (CCCPH) the core governing standard and states the most current CCCPH (as adopted/amended) must be used.
- Previous ordinance 2661 did not have formal, statewide-mandated elements for public outreach, incident response, local entity coordination to the extent in CCCPH

- Previous ordinance 2661 required surveys of service connections and backflow protection, but the hazard-assessment concept was less explicitly developed and did not include customer/owner must provide access within five (5) business days for a hazard assessment; failure can require air gap or reduced pressure principle backflow prevention assembly protection or termination until access is granted.
- Previous ordinance 2661 required paper reports, per CCCPH guidelines this ordinance requires digital inspection and testing forms that must be uploaded to the Water Division Backflow Portal

Without passage of this ordinance, the Water Division may face increased public health and safety risk and reduced program effectiveness. The SWRCB Division of Drinking Water’s Cross-Connection Control Policy Handbook (CCCPH) states that if a public water system fails to comply, enforcement may include compliance, enforcement, or other corrective actions. While the CCCPH does not specify a fine schedule, any monetary penalties would come from separate enforcement authority under California’s Safe Drinking Water Act—such as administrative penalties that may be assessed up to \$1,000 per day per violation (Health & Safety Code § 116650) and related enforcement tools like compliance orders (Health & Safety Code § 116655).

STRATEGIC PRIORITIES

This agenda item supports the Infrastructure and Natural Resources strategy. The purpose of the Infrastructure and Natural Resources strategy is to preserve and improve our roads, utilities, parks, trees, water supply and natural resources through effective planning, prioritization, and an equitable and efficient use of available funding.

This agenda item supports Public Safety strategy. The purpose of the Public Safety strategy is to restore and modernize the delivery of public safety services to provide for the safety of our neighborhoods and health of our community.

FINANCIAL IMPACT

There is no direct fiscal impact to approving this Ordinance. The proposed Ordinance, similar to the existing City Ordinance, includes fines and fees to ensure customer compliance and to support the costs associated with the Water Division’s Cross-Connection Program.

COMMITTEE OUTCOME

The Public Works and Transportation Committee approved 3-0 on January 27, 2026. The Committee's approval to forward the ordinance to the City Council for their consideration included an amended ordinance that had no substantive changes from the initial draft ordinance. A redline version of the updated draft ordinance is attached as well as a clean final version.

Please click [here](#) to view the Measure M pre-recorded presentation video.

Please click [here](#) to view the January 27, 2026 Public Works and Transportation Committee Meeting recording.

Prepared by: Timothy Beaman, Assistant Public Works Director, Chris Peyton, Water Division Manager

ATTACHMENTS

1. Updated Ordinance Draft - Redline Version
2. Updated Ordinance Draft - Clean Version
3. Existing Ordinance 2661
4. Presentation

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OXNARD
AMENDING ARTICLE IV OF CHAPTER 22 OF THE CITY CODE IN ITS
ENTIRETY PERTAINING TO THE REGULATION OF
CROSS-CONNECTION AND BACKFLOW STANDARDS

WHEREAS, the California Department of Drinking Water requires water service connection to any premises ~~in~~within the City to comply with ~~state~~State cross connection ~~control~~ and backflow regulations; and

WHEREAS, the purpose of this ~~Ordinance~~ordinance is to comply with ~~State~~state regulations and protect the public potable water supply from actual or potential cross-connections; and

WHEREAS, cross-connection control standards are governed by the Cross-Connection Policy Handbook and compliance is required for all California Public Water Systems; and

WHEREAS, the Oxnard Water ~~Resources~~ Division has received approval regarding the following rules, regulations and implementation of City cross-connection and backflow standards from the State Water Resources Control Board; and

WHEREAS, this ~~Ordinance~~ordinance requires owners of backflow prevention assemblies to adhere to inspections, repairs, and testing by the Oxnard Water ~~Resources~~ Division to insure proper backflow protection and public health; and

WHEREAS, this ordinance includes penalties upon premises where required backflow prevention assemblies are not installed, inspected, or properly maintained; where backflow prevention assemblies are found to have been removed, altered, or rendered inoperative; where unprotected cross-connections or other hazards to the water system are found to exist; and where a required low pressure cut-off prevention assembly is not installed, inspected tested or properly operating and maintained.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF OXNARD DOES ORDAIN AS FOLLOWS:

Part 1. Incorporation of Recitals. The findings and determinations reflected above are true and correct, and are incorporated by this reference as though fully set forth herein as the cause and foundation for the action taken by and through this Ordinance.

Part 2. Codified Amendment. The City Clerk is directed to request that the publisher of the City Code add thereto the amendments listed in Part 3 of this Ordinance to Chapter 22, Article IV of the City Code as set forth below.

Part 3. Sections 22-70 through 22-78 of Article IV in Chapter 22 of the City Code are repealed in their entirety and replaced with the following code Sections 22-70 through 22-82 as follows:

Section 22-70. PURPOSE AND INTENT.

(A) The purpose of this ~~Chapter~~Article is to:

1. Protect the public potable water supply from actual or potential cross-connections by isolating mechanically or physically, contamination or pollution that could backflow or siphon into the water supply system because of some undiscovered or unauthorized cross-connection on the premises;
2. Eliminate existing unprotected connections between drinking water systems and other sources of water that are not approved as safe and potable for human consumption or can cause an adverse water quality;
3. Eliminate cross-connections between drinking water systems and other sources of water or process water used for any purpose whatsoever that jeopardize the safety of the potable water supply;
4. Prevent the making of cross-connections in the future;
5. Protect the potable water supply where plumbing defects or cross-connections may endanger the potable water supply available on the premises; and
6. Provide for the maintenance and management of a cross-connection control program that will systematically and effectively prevent the contamination or pollution of all potable water systems.

(B) The intent of this ~~Chapter~~Article is to recognize that there are varying degrees of cross connection hazards and to apply the principle that the degree of protection should be commensurate with the degree of hazard.

Section 22-71. DEFINITIONS.

(A) For the purpose of this Article, unless the context clearly requires a different meaning, the words, terms and phrases hereinafter set forth shall have the meaning given them in this section:

1. *Backflow* means an undesired or unintended reversal of flow of water and/or other liquids, gasses, or other substances into a public water system's distribution system or approved water supply.
2. *Backflow ~~prevention assembly and devices~~Prevention Assembly* means mechanical assembly designed and constructed to prevent backflow, such that while in-line it can be maintained and its ability to prevent backflow, as designed, can be field tested, inspected and evaluated.

3. *Cross connection* means any actual or potential connection or structural arrangement between a public, private or consumer's potable water system and any other water source or system through which it is possible to introduce an unapproved potable or non-potable water source into the potable water system. Cross connections include bypass arrangements, jumper connections, removable sections, swivel or changeover devices, and other assemblies (temporary or permanent) through which or because of which backflow can occur and that are used in conjunction with backflow prevention.
1. ~~*Oxnard Water Division* means Oxnard Water as the authorized and enforcing owner of the public water system. ¶~~
4. ~~*Cross-Connection Control Policy Handbook (CCCPH)* contains the State of California's regulations pertaining to cross-connection control standards that are applicable to all California Public Water Systems. The most current adopted or as amended CCCPH shall be used in conjunction with this ordinance.~~
5. *Customer*, as also defined in Section 22-1(F) means Any person applying for water service and responsible for payment of waterbills.
6. *Oxnard Water Resources Division*, as also defined in Section 22-1(R) means the authorized and enforcing owner of the public water system subject to this Article.
7. *Public Water System (PWS)* A system for the provision of water for human consumption through pipes or other constructed conveyances that has 15 or more service connections or regularly serves at least 25 individuals daily at least 60 days out of the year. (Health & Safety Code 116275 (h).))
8. *Backflow Portal* means a website where required *certifications* shall be uploaded at <https://www.oxnard.gov/public-works/water/backflow-prevention>

Section 22-72. COMPLIANCE REQUIRED.

- (A) ~~All water service connections to any property or premise served by the Oxnard Water Resources Division shall be installed and maintained in accordance with state regulations and the provisions of this Chapter~~Article.
- (B) If any backflow prevention assembly on a property or premise is not in compliance with testing and inspection requirements as set forth in the CCCPH, then the Oxnard Water Resources Division may terminate all water service to the property.

Section 22-73. CROSS CONNECTION CONTROL STANDARDS.

- (A) ~~The passage of Assembly Bill 1671~~ Health and Safety Code section 116555.5 mandates that the Cross-Connection Control Policy Handbook and its standards apply to all California Public Water Systems, including the City of Oxnard's PWS.
- (B) The State Water Resources Control Board ("Board") is authorized to promulgate rules and regulations governing cross-connections. The City of Oxnard and its Water Resources

Division must adhere to and enforce all such rules and regulations promulgated by the Board within its PWS boundaries.

- (C) Cross connections within Oxnard ~~Water's~~ **Water Resources Division's** service area are required to comply with standards for the design, construction, installation, and maintenance of ~~backflow prevention assemblies~~ **Backflow Prevention Assemblies** as set forth by the CCCPH. The Oxnard Water **Resources** Division may set forth requirements for protective assemblies based on Hazard Assessments as ~~defined~~ **set forth** in Section 22-74(F)(1).

Section 22-74. INSPECTION OF PROTECTIVE DEVICES AND HAZARD ASSESSMENTS.

- (A) The ~~water account holder~~ **Customer** and/or the owner of ~~backflow prevention assemblies~~ **Backflow Prevention Assemblies** shall have inspections, repairs and proper testing made of all ~~backflow prevention assemblies~~ **Backflow Prevention Assemblies** installed on their premises annually, unless the Oxnard Water **Resources** Division deems additional inspections are necessary to insure proper backflow protection.
1. The ~~backflow prevention assembly~~ **Backflow Prevention Assembly** installed must be no less protective than that which is commensurate with the degree of hazard at user premises as specified in the CCCPH section 3.2.2 (b).
 2. ~~Tester certification must be~~ **All inspections, testing, repairs, and replacements shall be completed by a business or individual that possesses a certification stating they are a Certified Tester that is** current and in good standing with a certifying organization recognized by the State Water Resources Control Board.
 3. The ~~backflow prevention assembly~~ **Backflow Prevention Assembly** shall be tested, inspected, repaired, or replaced at the expense of the ~~account holder~~ **Customer**. The Oxnard Water **Resources** Division shall follow the requirements for the conducting and reporting of the testing, inspections, repairs, and replacements as set forth in CCCPH section 3.2.2.
 4. The Oxnard Water **Resources** Division shall verify the qualifications and certification required ~~of persons~~ **by the Board for individuals or Businesses** authorized to ~~inspect, maintain, repair, or replace backflow prevention assemblies~~ **perform inspections, maintenance, repairs, or replacements of Backflow Prevention Assemblies**.
- (B) The Oxnard Water **Resources** Division shall issue an annual notice to the ~~registered water account holder~~ **Customer** regarding each ~~backflow prevention assembly~~ **Backflow Prevention Assembly** in order to to arrange for the inspection and testing of each ~~backflow prevention assembly~~ **Backflow Prevention Assembly** on the premises. The ~~Notice~~ **notice** will include a \$21 administrative fee, which will be included on the ~~registered water account holder's~~ **Customer's** utility bill. The notice shall include the method ~~of reporting~~ **to report** compliance to the **Oxnard Water Resources** Division as well as information necessary to arrange for inspection and testing. All inspection reports must be uploaded to the Oxnard Water ~~Division~~ **Resources Division's** Backflow Portal **website**.

- (C) ~~After testing and inspection, and any required maintenance, repairs or replacements, then the certified tester must electronically submit the completed inspection and testing compliance forms to the Oxnard Water Resources Division backflow portal~~ Backflow Portal website by the due date stated in the annual notice.
- (D) If the certified tester does not upload the completed compliance forms to the Oxnard Water Resources Division Backflow Portal website by the due date stated in the annual notice, then the Oxnard Water Resources Division may issue a notice of first violation, and if the completed compliance forms are not uploaded to the ~~backflow portal~~ Backflow Portal within the time period stated in the notice of first violation, then a 72-hour notice shall be mailed to the ~~registered water account holder~~ customer and posted at the property or premise ~~stated at issue, stating~~ that all water services to the property may be terminated within 72 hours of the posted notice, unless the completed compliance forms are uploaded to the Oxnard Water Resources Division Backflow Portal website.
- (E) ~~Compliance with this section shall occur when the Oxnard Water Resources Division receives both the completed and in compliance inspection form in the Oxnard Water Resources Division electronic portal~~ Backflow Portal and payment of the annual inspection fee.
- (F) If the ~~registered water account holder~~ Customer fails to comply with the provisions of this Article, then the Oxnard Water Resources Division may authorize certified City employees or a certified third party service provider to perform inspections, maintenance, repairs, replacements and related testing services, to ensure the ~~backflow prevention assembly~~ Backflow Prevention Assembly is compliant with this Article. All costs incurred by the City due to the ~~registered water account holder's~~ Customer's failure to comply with the provisions of this Article shall be the sole responsibility of the ~~registered water account holder~~ Customer, and such costs shall be billed to the ~~registered water account holder~~ Customer on their monthly utility bill. Per Article 2 Section 3.2.1(a) of the ~~State Cross-Connection Policy Handbook~~ CCCPH, an initial Hazard Assessment to evaluate the potential for backflow into the PWS must be conducted by the Oxnard Water Resources Division. The assessment will include inspection of the ~~user~~ Customer premises within its system service area to identify potential hazards to the ~~public water distribution system~~ PWS.
1. The ~~hazard assessment~~ Hazard Assessment must consider the following:
 - i. (1) The existence of cross-connections;
 - ii. (2) the type and use of materials handled and present, or likely to be, on the user premises;
 - iii. (3) the degree of piping system complexity and accessibility;
 - iv. (4) access to auxiliary water supplies, pumping systems, or pressure systems;
 - v. (5) distribution system conditions that increase the likelihood of a backflow event (e.g., hydraulic gradient differences impacted by main breaks and high

water demand situations, multiple service connections that may result in flow-through conditions, etc.);

- vi. (6) user premises accessibility;
 - vii. (7) any previous backflow incidents on the user premises; and
 - viii. (8) the requirements and information provided in the CCCPH.
2. If a ~~registered water account holder~~Customer fails to comply with the provisions of this Article, and the Oxnard Water Resources Division determines that it must perform certified testing services, the Division shall mail a notice of such determination, and within five (5) business days from the date of the notice, ~~the water service customer and/or registered owner of the device~~ shall provide access to the property, premise, building or facility in order for the Division to conduct a ~~hazard assessment~~Hazard Assessment pursuant to Section 22-74(F)(1). Failure to provide access will require backflow protection provided by an air gap or a reduced pressure principle backflow prevention assembly and will be billed to the ~~registered water account holder~~Customer, or the Division may terminate all water service until access is granted and the ~~hazard assessment~~Hazard Assessment is completed.
 3. After the initial ~~hazard assessment~~Hazard Assessment described in Section 22-74(F)(1), the Oxnard Water ~~division~~Resources Division may have to perform a second ~~hazard assessment~~Hazard Assessment under the following circumstances: (1) if there is a ~~user premises changes account holder~~change in customer for a property, premise, building or facility, excluding single-family residences; (2) if a ~~user premises property, premise, building or facility~~ is newly connected or re-connected to the PWS; (3) if the use of the property, premise, building or facility is modified from the current approved use; (4) a backflow incident occurs at the ~~premises or property, premise, building or facility~~; (5) as may be periodically required, in accordance with the PWS's ~~Cross-Connection Control Plan pursuant to CCCPH section 3.1.4.~~; (6) if the State Water Resources Control Board requests a ~~hazard assessment~~Hazard Assessment of a ~~user's premises~~Customer's and/or registered owners property, premise, building or facility; or (7) if the PWS determines an existing ~~hazard assessment~~Hazard Assessment may no longer accurately represent the degree of hazard.
 4. After completion of the ~~hazard assessments~~Hazard Assessment, if the current ~~backflow assembly~~Backflow Prevention Assembly is not properly working, or is not located in the appropriate location, or is missing or not installed, then the Oxnard Water Resources Division shall issue a ~~Notice~~notice of ~~Violation~~violation to the ~~registered water account holder~~Customer, mandating how to correct the ~~listed violations~~stated violation(s) and the time period in which the corrections must be made. ~~The registered water account holder~~Additionally, the Customer shall have thirty (30) calendar days from the date of ~~Notice~~this notice of violation to notify the ~~Water~~Division of the required corrections and to schedule an appointment so the ~~Water~~Division can reassess the ~~backflow assembly~~Backflow Prevention Assembly for compliance. Failure to correct all noticed ~~violations~~violations may result in termination

of water supply until the ~~backflow assembly device~~ Backflow Prevention Assembly is brought into compliance with the provisions of this Article and the CCCPH.

Section 22-75. REGULATION OF BOOSTER PUMPS.

- (A) When low pressure ~~of~~ for special operating conditions ~~make~~ makes it necessary to install a booster pump on the water service to any ~~premises~~ property, premise, building or facility, such pump shall be equipped with a low-pressure cut-off switch designed to shut off the pump when the pressure on the inlet side is 25 pounds per square inch at gauge (p.s.i.g) or lower. The ~~registered water account holder~~ Customer shall maintain the cut-off device in proper working order, and a certified ~~backflow~~ tester must certify that ~~the~~ this device is operable in ~~conjunction with~~ addition to the required certification requested in the annual ~~backflow certifications~~ notice in Section 22-74 (B).

Section 22-76. TEMPORARY WATER SERVICE CONNECTIONS.

- (A) The Oxnard Water Resources Division may require appropriate ~~backflow prevention assemblies~~ Backflow Prevention Assemblies to be installed and tested for all temporary water service connections to eliminate the potential for any backflow.

Section 22-77. PROTECTION OF WATER SYSTEM WITHIN PREMISES.

- (A) In addition to the standards provided in this ~~Chapter~~ Article, the Oxnard Water Resources Division shall require additional, more stringent standards and criteria for cross-connection control when necessary to provide adequate protection to the ~~public potable water supply, including when:~~ PWS, in the following circumstances::

1. The Oxnard Water Resources Division or the ~~Water Division Cross-Connection Specialist~~ Division's certified tester determines that it is not practical to protect drinking water systems through the use of standard backflow devices;
2. Water systems for fighting fires are derived from a water supply that cannot be approved for potable or safe for human consumption;
3. Potable water pipelines are connected to equipment used in industrial processes;
4. Sewage pumps or stormwater pumps require fresh water priming connections;
5. Potable water is supplied to facilities containing a sewage treatment plant, sewage pumping station, or stormwater pumping station;
6. Water supplies are provided to vessels at piers or waterfronts;
7. Potable water is supplied to premises containing dual or multiple water systems or piping; ~~or~~ and
8. Recycled water backflow devices shall be identified by purple paint and shall be designated only for use on recycled water supplies.

Section 22-78. THEFT.

- (A) In the case of theft of ~~an account holder's backflow prevention assembly, the account holder's~~ a Customer's Backflow Prevention Assembly, the Customer will have thirty (30) calendar days from the date the theft is first discovered to install a new backflow prevention assembly in accordance with this Article and the CCCPH.

- (B) The newly installed ~~assembly~~ Backflow Prevention Assembly is subject to a ~~hazard assessment~~ Hazard Assessment pursuant to Section 22-74(F)(1), which shall be performed by a certified tester who will inspect and test the assembly as well as submit the completed compliance forms to the ~~Oxnard Water Division backflow portal~~ Resources Division's Backflow Portal website by due date indicated by the ~~water~~ Division.
- (C) Failure to comply with the requirements of this section, after notice or discovery of the theft, may result in termination of water service.

Section 22-79. PENALTIES FOR VIOLATIONS.

- (A) In addition to any other remedies provided under the ~~Oxnard~~ City Code, any violation of the provisions of this Article shall constitute a public nuisance.
- (B) The Oxnard Water Division may impose fines, pursuant to Chapter 1, Article I, Section 1-10 of this Code, or as stated in this Article, upon mailed notice to a property owner and/or registered water account holder where:
1. A required backflow prevention assembly is not installed, inspected, tested, properly operating, or maintained.
 2. A backflow prevention assembly is found to have been removed, altered, bypassed, or rendered inoperative.
 3. Unprotected cross-connections or other hazards to the ~~water system~~ PWS are found to exist.
 4. A required low pressure cut- off prevention device is not installed, inspected, tested, properly operating and maintained.
- (C) In addition to any other remedies provided under the Oxnard City Code, the Oxnard Water Division may immediately terminate all water service to any property or premises where the conditions present an immediate threat to public health and safety. The Oxnard Water Division shall mail and post the termination notice issued pursuant to this section and water services will be restored once the immediate threat has been abated and there is no threat to public health and safety.
- (D) ~~Any backflow certified~~ tester who violates or fails to comply with any provision of this ~~Chapter~~ Article, or willingly falsifies inspection ~~or~~, maintenance, repair, replacement or certification reports / records submitted to the Oxnard Water Resources Division, shall be prohibited from inspecting, maintaining, repairing or replacing ~~backflow assemblies~~ Backflow Prevention Assemblies in the Oxnard Water Resources Division service area, in addition to any other remedies available to the City in law or equity.

**Section 22-80. NOTICE OF VIOLATION; NUISANCE & ABATEMENT;
CIVIL CITATION.**

(A) The Oxnard Water Resources Division shall issue a ~~Notice~~notice of ~~Violation~~violation to a ~~water account holder~~Customer that is not in compliance with the provisions of this Article.

1. The Notice shall state the following:
 - a. Name of the ~~water account holder~~Customer;
 - b. Date the violation was discovered by the Oxnard Water Resources Division;
 - c. The section of this Article and section of the CCCPH violated;
 - d. Address of the violation;
 - e. Description of the violation;
 - f. Action required to correct the violation;
 - g. Time period in which the violation must be corrected; and
 - h. Information on how to submit proof of correction.
2. If the ~~Violation~~violation is not corrected in the manner specified in the ~~Notice~~notice, the Oxnard Water Resources Division may take further action under ~~Oxnard~~ City Code Chapter 22 and this Article including but not limited to termination of water service, abatement, or issuance of fines.
3. An ~~appeals~~appeal hearing for a ~~Notice~~notice of ~~Violation~~violation that may result in ~~termination of water service, abatement~~ can be requested ~~under Oxnard~~ pursuant City Code Chapter 7, Article ~~7~~1, sections 7-7 and 7-8.

(B) The City Council declares that any violation of the provisions of this Article is a nuisance and authorizes the City Manager or Oxnard Water Resources Division to abate any such nuisance in accordance with the procedures set forth in ~~Oxnard~~ City Code Chapter 7, Article I, sections 7-4 through 7-18.

1. A notice of abatement may be appealed in accordance with ~~Oxnard~~ City Code Chapter 7, Article I sections 7-7 through 7-11. ~~or~~

(C) The Oxnard Water Resources Division, upon determining that a ~~water account holder~~Customer has caused, created or allowed a violation of the provisions of this Article, may issue a civil citation to the ~~water account holder~~Customer.

1. All ~~Civil Citations~~civil citations shall be issued in accordance with the procedures set forth in ~~Oxnard~~ City Code Chapter 7 ~~section~~, Article III, sections 7-54 through 7-57.
2. The following ~~Civil Citation~~civil citation amounts are in accordance with ~~see~~section 1-10 of the ~~code~~City Code.
 - a. A \$100 fine may be issued for the first violation of this Article.
 - b. A \$200 fine may be issued for the second violation of this Article within one year.
 - c. A \$500 fine may be issued for the third violation of this Article within one year.
3. All ~~Civil Citations~~civil citations may be appealed in accordance with ~~Oxnard~~ City Code Chapter 7, Article III, section 7-58 through 7-64

Part 4. The provisions of this ordinance shall be applicable to all ~~users~~Customers within the Oxnard Water Division service area upon the effective date.

Part 5. If any term or portion of this ordinance is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this ordinance shall continue in full force and effect.

Part 6. The City Council exercises its independent judgment and made findings herein above, that this ordinance is not subject to CEQA pursuant to California Environmental Quality Act Guidelines Sections 15308 and 15061(b)(3) , because the activity is covered by the general rule that CEQA applies only to projects that will have a significant effect on the environment. There is no possibility that the passage of this ordinance will have a significant effect on the environment and adoption of this ordinance is exempt from CEQA.

Part 7. Pursuant to Government Code Section 36933(c)(1), the City Attorney was designated to prepare, and the City Clerk published, a summary of this ordinance, and a certified copy of the ordinance was posted in the Office of the City Clerk a minimum of five (5) days before the City Council's adoption of the ordinance.

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Part 8. The City Clerk shall certify as to the adoption of this ordinance and shall cause the summary thereof to be published within fifteen (15) calendar days of the adoption and shall post a certified copy of this ordinance, including the vote for and against the same, in the office of the City Clerk, in accordance with Government Code Section 36933. Ordinance No. _____ was first read on [DATE], finally adopted on [DATE] to become effective on [DATE].

APPROVED AND ADOPTED this _____ day of [MONTH], [YEAR], by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Luis A. Mc Arthur, Mayor

Ordinance No. _____
Amending Article IV of Chapter 22
Page No. 11

ATTEST:

Lourdes A. López, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OXNARD
AMENDING ARTICLE IV OF CHAPTER 22 OF THE CITY CODE IN ITS
ENTIRETY PERTAINING TO THE REGULATION OF CROSS-
CONNECTION AND BACKFLOW STANDARDS

WHEREAS, the California Department of Drinking Water requires water service connection to any premises within the City to comply with State cross connection control and backflow regulations; and

WHEREAS, the purpose of this ordinance is to comply with state regulations and protect the public potable water supply from actual or potential cross-connections; and

WHEREAS, cross-connection control standards are governed by the Cross-Connection Policy Handbook and compliance is required for all California Public Water Systems; and

WHEREAS, the Oxnard Water Resources Division has received approval regarding the following rules, regulations and implementation of City cross-connection and backflow standards from the State Water Resources Control Board; and

WHEREAS, this ordinance requires owners of backflow prevention assemblies to adhere to inspections, repairs, and testing by the Oxnard Water Resources Division to insure proper backflow protection and public health; and

WHEREAS, this ordinance includes penalties upon premises where required backflow prevention assemblies are not installed, inspected, or properly maintained; where backflow prevention assemblies are found to have been removed, altered, or rendered inoperative; where unprotected cross-connections or other hazards to the water system are found to exist; and where a required low pressure cut-off prevention assembly is not installed, inspected tested or properly operating and maintained.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF OXNARD DOES ORDAIN AS FOLLOWS:

Part 1. Incorporation of Recitals. The findings and determinations reflected above are true and correct, and are incorporated by this reference as though fully set forth herein as the cause and foundation for the action taken by and through this Ordinance.

Part 2. Codified Amendment. The City Clerk is directed to request that the publisher of the City Code add thereto the amendments listed in Part 3 of this Ordinance to Chapter 22, Article IV of the City Code as set forth below.

Part 3. Sections 22-70 through 22-78 of Article IV in Chapter 22 of the City Code are repealed in their entirety and replaced with the following code Sections 22-70 through 22-82 as follows:

Section 22-70. PURPOSE AND INTENT.

(A) The purpose of this Article is to:

1. Protect the public potable water supply from actual or potential cross-connections by isolating mechanically or physically, contamination or pollution that could backflow or siphon into the water supply system because of some undiscovered or unauthorized cross-connection on the premises;
2. Eliminate existing unprotected connections between drinking water systems and other sources of water that are not approved as safe and potable for human consumption or can cause an adverse water quality;
3. Eliminate cross-connections between drinking water systems and other sources of water or process water used for any purpose whatsoever that jeopardize the safety of the potable water supply;
4. Prevent the making of cross-connections in the future;
5. Protect the potable water supply where plumbing defects or cross-connections may endanger the potable water supply available on the premises; and
6. Provide for the maintenance and management of a cross-connection control program that will systematically and effectively prevent the contamination or pollution of all potable water systems.

(B) The intent of this Article is to recognize that there are varying degrees of cross connection hazards and to apply the principle that the degree of protection should be commensurate with the degree of hazard.

Section 22-71. DEFINITIONS.

(A) For the purpose of this Article, unless the context clearly requires a different meaning, the words, terms and phrases hereinafter set forth shall have the meaning given them in this section:

1. *Backflow* means an undesired or unintended reversal of flow of water and/or other liquids, gasses, or other substances into a public water system's distribution system or approved water supply.
2. *Backflow Prevention Assembly* means mechanical assembly designed and constructed to prevent backflow, such that while in-line it can be maintained and its ability to prevent backflow, as designed, can be field tested, inspected and evaluated.
3. *Cross connection* means any actual or potential connection or structural arrangement between a public, private or consumer's potable water system and any other water source or system through which it is possible to introduce an unapproved potable or non-potable water source into the potable water system. Cross connections include bypass arrangements, jumper connections, removable sections, swivel or changeover

devices, and other assemblies (temporary or permanent) through which or because of which backflow can occur and that are used in conjunction with backflow prevention.

4. *Cross-Connection Control Policy Handbook (CCCPH)* contains the State of California's regulations pertaining to cross-connection control standards that are applicable to all California Public Water Systems. The most current adopted or as amended CCCPH shall be used in conjunction with this ordinance.
5. *Customer*, as also defined in Section 22-1(F) means Any person applying for water service and responsible for payment of waterbills.
6. *Oxnard Water Resources Division*, as also defined in Section 22-1(R) means the authorized and enforcing owner of the public water system subject to this Article.
7. *Public Water System (PWS)* A system for the provision of water for human consumption through pipes or other constructed conveyances that has 15 or more service connections or regularly serves at least 25 individuals daily at least 60 days out of the year. (Health & Safety Code 116275 (h))
8. *Backflow Portal* means a website where required *certifications* shall be uploaded at <https://www.oxnard.gov/public-works/water/backflow-prevention>

Section 22-72. COMPLIANCE REQUIRED.

- (A) All water service connections to any property or premise served by the Oxnard Water Resources Division shall be installed and maintained in accordance with state regulations and the provisions of this Article.
- (B) If any backflow prevention assembly on a property or premise is not in compliance with testing and inspection requirements as set forth in the CCCPH, then the Oxnard Water Resources Division may terminate all water service to the property.

Section 22-73. CROSS CONNECTION CONTROL STANDARDS.

- (A) Health and Safety Code section 116555.5 mandates that the Cross-Connection Control Policy Handbook and its standards apply to all California Public Water Systems, including the City of Oxnard's PWS.
- (B) The State Water Resources Control Board ("Board") is authorized to promulgate rules and regulations governing cross-connections. The City of Oxnard and its Water Resources Division must adhere to and enforce all such rules and regulations promulgated by the Board within its PWS boundaries.
- (C) Cross connections within Oxnard Water Resources Division's service area are required to comply with standards for the design, construction, installation, and maintenance of Backflow Prevention Assemblies as set forth by the CCCPH. The Oxnard Water Resources Division may set forth requirements for protective assemblies based on Hazard Assessments as set forth in Section 22-74(F)(1).

Section 22-74. INSPECTION OF PROTECTIVE DEVICES AND HAZARD ASSESSMENTS.

- (A) The Customer and/or the owner of Backflow Prevention Assemblies shall have inspections, repairs and proper testing made of all Backflow Prevention Assemblies installed on their premises annually, unless the Oxnard Water Resources Division deems additional inspections are necessary to insure proper backflow protection.
1. The Backflow Prevention Assembly installed must be no less protective than that which is commensurate with the degree of hazard at user premises as specified in the CCCPH section 3.2.2 (b).
 2. All inspections, testing, repairs, and replacements shall be completed by a business or individual that possesses a certification stating they are a Certified Tester that is current and in good standing with a certifying organization recognized by the State Water Resources Control Board.
 3. The Backflow Prevention Assembly shall be tested, inspected, repaired, or replaced at the expense of the Customer. The Oxnard Water Resources Division shall follow the requirements for the conducting and reporting of the testing, inspections, repairs, and replacements as set forth in CCCPH section 3.2.2.
 4. The Oxnard Water Resources Division shall verify the qualifications and certification required by the Board for individuals or Businesses authorized to perform inspections, maintenance, repairs, or replacements of Backflow Prevention Assemblies.
- (B) The Oxnard Water Resources Division shall issue an annual notice to the Customer regarding each Backflow Prevention Assembly in order to to arrange for the inspection and testing of each Backflow Prevention Assembly on the premises. The notice will include a \$21 administrative fee, which will be included on the Customer's utility bill. The notice shall include the method to report compliance to the Oxnard Water Resources Division as well as information necessary to arrange for inspection and testing. All inspection reports must be uploaded to the Oxnard Water Resources Division's Backflow Portal website.
- (C) After testing and inspection, and any required maintenance, repairs or replacements, then the certified tester must electronically submit the completed inspection and testing compliance forms to the Oxnard Water Resources Division Backflow Portal website by the due date stated in the annual notice.
- (D) If the certified tester does not upload the completed compliance forms to the Oxnard Water Resources Division Backflow Portal website by the due date stated in the annual notice, then the Oxnard Water Resources Division may issue a notice of first violation, and if the completed compliance forms are not uploaded to the Backflow Portal within the time period stated in the notice of first violation, then a 72-hour notice shall be mailed to the customer and posted at the property or premise at issue, stating that all water services to the property may be terminated within 72 hours of the posted notice, unless the completed compliance forms are uploaded to the Oxnard Water Resources Division Backflow Portal website.
- (E) Compliance with this section shall occur when the Oxnard Water Resources Division receives both the completed and in compliance inspection form in the Oxnard Water Resources Division Backflow Portal and payment of the annual inspection fee.
- (F) If the Customer fails to comply with the provisions of this Article, then the Oxnard Water Resources Division may authorize certified City employees or a certified third party service

provider to perform inspections, maintenance, repairs, replacements and related testing services, to ensure the Backflow Prevention Assembly is compliant with this Article. All costs incurred by the City due to the Customer's failure to comply with the provisions of this Article shall be the sole responsibility of the Customer, and such costs shall be billed to the Customer on their monthly utility bill. Per Article 2 Section 3.2.1(a) of the CCCPH, an initial Hazard Assessment to evaluate the potential for backflow into the PWS must be conducted by the Oxnard Water Resources Division. The assessment will include inspection of the Customer premises within its system service area to identify potential hazards to the PWS.

1. The Hazard Assessment must consider the following:
 - i. (1) The existence of cross-connections;
 - ii. (2) the type and use of materials handled and present, or likely to be, on the user premises;
 - iii. (3) the degree of piping system complexity and accessibility;
 - iv. (4) access to auxiliary water supplies, pumping systems, or pressure systems;
 - v. (5) distribution system conditions that increase the likelihood of a backflow event (e.g., hydraulic gradient differences impacted by main breaks and high water demand situations, multiple service connections that may result in flow-through conditions, etc.);
 - vi. (6) user premises accessibility;
 - vii. (7) any previous backflow incidents on the user premises; and
 - viii. (8) the requirements and information provided in the CCCPH.
2. If a Customer fails to comply with the provisions of this Article, and the Oxnard Water Resources Division determines that it must perform certified testing services, the Division shall mail a notice of such determination, and within five (5) business days from the date of the notice, customer and/or registered owner shall provide access to the property, premise, building or facility in order for the Division to conduct a Hazard Assessment pursuant to Section 22-74(F)(1). Failure to provide access will require backflow protection provided by an air gap or a reduced pressure principle backflow prevention assembly and will be billed to the Customer, or the Division may terminate all water service until access is granted and the Hazard Assessment is completed.
3. After the initial Hazard Assessment described in Section 22-74(F)(1), the Oxnard Water Resources Division may have to perform a second Hazard Assessment under the following circumstances: (1) if there is a change in customer for a property, premise, building or facility, excluding single-family residences; (2) if a property, premise, building or facility is newly connected or re-connected to the PWS; (3) if the use of the property, premise, building or facility is modified from the current approved use; (4) a backflow incident occurs at the property, premise, building or facility; (5) as may be periodically required, in accordance with the PWS's CCCPH section 3.1.4.; (6) if the State Water Resources Control Board requests a Hazard Assessment of a Customer's and/or registered owners property, premise, building or facility; or (7) if

the PWS determines an existing Hazard Assessment may no longer accurately represent the degree of hazard.

4. After completion of the Hazard Assessment, if the current Backflow Prevention Assembly is not properly working, or is not located in the appropriate location, or is missing or not installed, then the Oxnard Water Resources Division shall issue a notice of violation to the Customer, mandating how to correct the stated violation(s) and the time period in which the corrections must be made. Additionally, the Customer shall have thirty (30) calendar days from the date of this notice of violation to notify the Division of the required corrections and to schedule an appointment so the Division can reassess the Backflow Prevention Assembly for compliance. Failure to correct all noticed violations may result in termination of water supply until the Backflow Prevention Assembly is brought into compliance with the provisions of this Article and the CCCPH.

Section 22-75. REGULATION OF BOOSTER PUMPS.

- (A) When low pressure or special operating conditions makes it necessary to install a booster pump on the water service to any property, premise, building or facility, such pump shall be equipped with a low-pressure cut-off switch designed to shut off the pump when the pressure on the inlet side is 25 pounds per square inch at gauge (p.s.i.g) or lower. The Customer shall maintain the cut-off device in proper working order, and a certified tester must certify that this device is operable in addition to the required certification requested in the annual notice in Section 22-74 (B).

Section 22-76. TEMPORARY WATER SERVICE CONNECTIONS.

- (A) The Oxnard Water Resources Division may require appropriate Backflow Prevention Assemblies to be installed and tested for all temporary water service connections to eliminate the potential for any backflow.

Section 22-77. PROTECTION OF WATER SYSTEM WITHIN PREMISES.

- (A) In addition to the standards provided in this Article, the Oxnard Water Resources Division shall require additional, more stringent standards and criteria for cross-connection control when necessary to provide adequate protection to the PWS, in the following circumstances::
 1. The Oxnard Water Resources Division or the Water Division's certified tester determines that it is not practical to protect drinking water systems through the use of standard backflow devices;
 2. Water systems for fighting fires are derived from a water supply that cannot be approved for potable or safe for human consumption;
 3. Potable water pipelines are connected to equipment used in industrial processes;
 4. Sewage pumps or stormwater pumps require fresh water priming connections;
 5. Potable water is supplied to facilities containing a sewage treatment plant, sewage pumping station, or stormwater pumping station;
 6. Water supplies are provided to vessels at piers or waterfronts;
 7. Potable water is supplied to premises containing dual or multiple water systems or piping; and

8. Recycled water backflow devices shall be identified by purple paint and shall be designated only for use on recycled water supplies.

Section 22-78. THEFT.

- (A) In the case of theft of a Customer's Backflow Prevention Assembly, the Customer will have thirty (30) calendar days from the date the theft is first discovered to install a new backflow prevention assembly in accordance with this Article and the CCCPH.
- (B) The newly installed Backflow Prevention Assembly is subject to a Hazard Assessment pursuant to Section 22-74(F)(1), which shall be performed by a certified tester who will inspect and test the assembly as well as submit the completed compliance forms to the Oxnard Water Resources Division's Backflow Portal website by due date indicated by the Division.
- (C) Failure to comply with the requirements of this section, after notice or discovery of the theft, may result in termination of water service.

Section 22-79. PENALTIES FOR VIOLATIONS.

- (A) In addition to any other remedies provided under the City Code, any violation of the provisions of this Article shall constitute a public nuisance.
- (B) The Oxnard Water Division may impose fines, pursuant to Chapter 1, Article I, Section 1-10 of this Code, or as stated in this Article, upon mailed notice to a property owner and/or registered water account holder where:
 1. A required backflow prevention assembly is not installed, inspected, tested, properly operating, or maintained.
 2. A backflow prevention assembly is found to have been removed, altered, bypassed, or rendered inoperative.
 3. Unprotected cross-connections or other hazards to the PWS are found to exist.
 4. A required low pressure cut-off prevention device is not installed, inspected, tested, properly operating and maintained.
- (C) In addition to any other remedies provided under the Oxnard City Code, the Oxnard Water Division may immediately terminate all water service to any property or premises where the conditions present an immediate threat to public health and safety. The Oxnard Water Division shall mail and post the termination notice issued pursuant to this section and water services will be restored once the immediate threat has been abated and there is no threat to public health and safety.
- (D) Any certified tester who violates or fails to comply with any provision of this Article, or willingly falsifies inspection, maintenance, repair, replacement or certification reports / records submitted to the Oxnard Water Resources Division, shall be prohibited from inspecting, maintaining, repairing or replacing Backflow Prevention Assemblies in the Oxnard Water Resources Division service area, in addition to any other remedies available to the City in law or equity.

**Section 22-80. NOTICE OF VIOLATION; NUISANCE & ABATEMENT;
CIVIL CITATION.**

- (A) The Oxnard Water Resources Division shall issue a notice of violation to a Customer that is not in compliance with the provisions of this Article.
1. The Notice shall state the following:
 - a. Name of the Customer;
 - b. Date the violation was discovered by the Oxnard Water Resources Division;
 - c. The section of this Article and section of the CCCPH violated;
 - d. Address of the violation;
 - e. Description of the violation;
 - f. Action required to correct the violation;
 - g. Time period in which the violation must be corrected; and
 - h. Information on how to submit proof of correction.
 2. If the violation is not corrected in the manner specified in the notice, the Oxnard Water Resources Division may take further action under City Code Chapter 22 and this Article including but not limited to termination of water service, abatement, or issuance of fines.
 3. An appeal hearing for a notice of violation that may result in termination of water service, abatement can be requested pursuant City Code Chapter 7, Article 1, sections 7-7 and 7-8.
- (B) The City Council declares that any violation of the provisions of this Article is a nuisance and authorizes the City Manager or Oxnard Water Resources Division to abate any such nuisance in accordance with the procedures set forth in City Code Chapter 7, Article I, sections 7-4 through 7-18.
1. A notice of abatement may be appealed in accordance with City Code Chapter 7, Article 1 sections 7-7 through 7-11.
- (C) The Oxnard Water Resources Division, upon determining that a Customer has caused, created or allowed a violation of the provisions of this Article, may issue a civil citation to the Customer.
1. All civil citations shall be issued in accordance with the procedures set forth in City Code Chapter 7, Article III, sections 7-54 through 7-57.
 2. The following civil citation amounts are in accordance with section 1-10 of the City Code.
 - a. A \$100 fine may be issued for the first violation of this Article.
 - b. A \$200 fine may be issued for the second violation of this Article within one year.
 - c. A \$500 fine may be issued for the third violation of this Article within one year.
 3. All civil citations may be appealed in accordance with City Code Chapter 7, Article III, section 7-58 through 7-64

Part 4. The provisions of this ordinance shall be applicable to all Customers within the Oxnard Water Division service area upon the effective date.

Part 5. If any term or portion of this ordinance is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this ordinance shall continue in full force and effect.

Part 6. The City Council exercises its independent judgment and made findings herein above, that this ordinance is not subject to CEQA pursuant to California Environmental Quality Act Guidelines Sections 15308 and 15061(b)(3) , because the activity is covered by the general rule that CEQA applies only to projects that will have a significant effect on the environment. There is no possibility that the passage of this ordinance will have a significant effect on the environment and adoption of this ordinance is exempt from CEQA.

Part 7. Pursuant to Government Code Section 36933(c)(1), the City Attorney was designated to prepare, and the City Clerk published, a summary of this ordinance, and a certified copy of the ordinance was posted in the Office of the City Clerk a minimum of five (5) days before the City Council's adoption of the ordinance.

Part 8. The City Clerk shall certify as to the adoption of this ordinance and shall cause the summary thereof to be published within fifteen (15) calendar days of the adoption and shall post a certified copy of this ordinance, including the vote for and against the same, in the office of the City Clerk, in accordance with Government Code Section 36933. Ordinance No. _____ was first read on [DATE], finally adopted on [DATE] to become effective on [DATE].

APPROVED AND ADOPTED this _____ day of [MONTH], [YEAR], by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Luis A. Mc Arthur, Mayor

ATTEST:

Lourdes A. López, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney

CITY COUNCIL OF THE CITY OF OXNARD
ORDINANCE NO. 2661

**ORDINANCE AMENDING THE CITY CODE REGARDING
CONTAMINATION PREVENTION AND WATER
SECURITY PROGRAMS AND ESTABLISHING CERTAIN
FEES FOR THESE PROGRAMS**

WHEREAS, the City of Oxnard (“City”) owns and operates a water supply system; and

WHEREAS, City’s Water Division manages an enterprise fund (“Water Fund”) that depends upon revenues derived from providing water to customers; and

WHEREAS, the Water Division prepared a biennial budget and recommendations for the Water Division for fiscal years 2003-04, and 2004-05, dated July 15, 2003 (“Budget”), on file with the City Clerk, which establishes a basis for certain fees and charges, along with certain capital improvement projects associated with City’s water system; and

WHEREAS, in 2002, the United States Congress adopted the Public Health Security and Bioterrorism Preparedness Response Act of 2002, establishing certain security-related requirements for public water purveyors, including the completion of a water system vulnerability assessment (“VA”); and

WHEREAS, on or about March 2003, the Water Division completed its VA, a copy of which is retained on file with the Water Division as a confidential document; and

WHEREAS, the Water Division has developed a program intended to implement recommendations indicated in the VA (“Water System Security Program”); and

WHEREAS, to fund the ongoing implementation of the recommendations indicated in the VA, the Water Division recommends that the City Council impose a monthly charge on all City water customers; and

WHEREAS, to comply with current federal, state and local regulatory requirements, the Water Division developed and implements a “Contamination Prevention and Cross-Connection Control Program” (“Contamination Prevention Program”); and

WHEREAS, the Water Division has presented to the City Manager for approval and implementation the "Backflow Prevention and Cross-Connection Control Program Manual", subject to the adoption of this ordinance; and

WHEREAS, backflow prevention devices and the Contamination Prevention Program are crucial in preventing contamination from entering the City's water system; and

WHEREAS, pursuant to Oxnard City Code section 13-5, City requires all water connections, including single-family residential connections, to be outfitted with backflow prevention devices; and

WHEREAS, these backflow prevention devices must be tested annually, to ensure their proper function; and

WHEREAS, the Water Division recommends that City Council fund the administration of the Contamination Prevention Program with a monthly charge on all City water customers, and a fee associated with the annual operational testing of each backflow prevention device; and

WHEREAS, Section 15273 of the Guidelines to the California Environmental Quality Act ("CEQA") provides that CEQA does not apply to the establishment, modification, or restructuring of public agency fees for which the public agency finds are intended for certain purposes; and

WHEREAS, the adoption of the fees provided herein shall have no potential for resulting in a physical change in the environment, directly or ultimately, and therefore are exempt from CEQA as defined in Section 15061 the Guidelines to the CEQA; and

WHEREAS, on May 7, 2004, City provided written notice ("Notice") through the U.S. mail to all property owners of the intention to present for adoption the fees provided herein.

NOW, THEREFORE, the City Council of the City of Oxnard does hereby find as follows:

1. The adoption of this ordinance is exempt from CEQA within the meaning of Section 15061 of the Guidelines to the CEQA because the imposition of the fees shall have no potential for resulting in a physical change in the environment, directly or ultimately; and

2. The adoption of this ordinance is also exempt from CEQA because the fees, in whole or in part, are for the following purposes:

a. Meeting operating expenses, including the increased cost of water supplies, and Water Division employee wages and fringe benefits; and

b. Purchasing and leasing supplies, equipment, and materials associated with the provision of water service; and

c. Meeting financial reserve needs and requirements; and

d. Obtaining funds for capital projects necessary to maintain water service within the City service area, including, but not limited to, infrastructure and technology improvements, security facilities, control system improvements, and testing equipment, none of which expands the water system.

3. The basis for the foregoing claims is found in the VA and the Budget, all of which, except the VA, is on file with the City Clerk. The VA is retained on file with the Water Division as a confidential document.

NOW, THEREFORE, the City Council of the City of Oxnard does ordain as follows:

Part I. Section 33-22 of the Oxnard City Code is amended to read as follows:

Sec. 33-22. Access.

Each customer has the duty to keep the space about the meter, the shut-off box, and all backflow and cross-contamination prevention devices serving the property free and clean of any material or obstruction which may, in any way, interfere with the free access to such equipment by water division employees or representatives. The water superintendent or representative may give notice, either in writing or in person, to the owner, customer or occupant of the property to remove any such material or obstruction

within 24 hours. Upon a failure to comply with this notice, the water division staff may remove such material or obstruction, and the cost of doing so, plus any administrative expenses, shall be paid by the owner, customer, or occupant of the property.

Part II. Section 33-24 of the Oxnard City Code is amended to read as follows:

Sec. 33-24. Moving meters, services and associated facilities.

When the water superintendent determines a meter, service or associated facilities must be moved, City staff or representatives shall perform this work. The property owner served through the meter, service or associated facilities shall pay for such work. The property owner shall pay the cost of the material and labor, plus any associated administrative expenses.

Part III. Section 33-25 of the Oxnard City Code is amended to read as follows:

Sec. 33-25. Temporary service.

- (A) Temporary service from a fire hydrant may be provided upon proper application, subject to the approval of the fire chief and the water superintendent. The charges for installing temporary service and for water used through the temporary service shall be established pursuant to this chapter. The person requesting the temporary service shall pay the installation charges in advance.
- (B) The water superintendent shall determine whether a temporary connection may be made to any existing water facility. Prior to making a temporary connection other than to a fire hydrant, the water superintendent shall estimate the cost of installation and removal, and the applicant shall pay in advance the estimated cost. Upon removal of the temporary connection, the actual cost of installation and removal shall be determined by the water superintendent. The City shall refund to the applicant the amount paid in excess of the actual cost. If the amount paid in advance is less than the actual cost, the applicant shall pay to the City the

difference between the amount paid and the actual cost. The applicant shall also pay for the water used as provided in this chapter.

- (C) All temporary service connections shall include backflow prevention devices and any other cross-contamination prevention facilities that the water superintendent deems necessary and appropriate.

Part IV. Section 33-26.4 of the Oxnard City Code is amended to read as follows:

Sec. 33-26.4. Plans required.

- (A) In order for the public works director to have sufficient information to make a determination of the appropriate fees to be charged, building permit applicants shall submit water and wastewater service plumbing plans prepared by a Registered engineer or project architect in conjunction with the building permit application for all new and replacement structures.
- (B) In instances where an irrigation plan is required by other development conditions, the irrigation plan shall be prepared by a suitable licensed professional and submitted in conjunction with the building permit application. The plumbing plans and irrigation plans shall show all the proposed line sizes and locations. All appurtenances must conform to public works department design criteria and guidelines. The water superintendent or designee must approve all plumbing plans and irrigation plans prior to the issuance of building permits.

Part V. Section 33-43, subsection II of the Oxnard City Code is amended to read as follows:

II. Monthly meter rates: (Effective July 1, 2004)

In addition to monthly rates for water use (per HCF) as set forth in subsection I, all accounts shall pay one of the following monthly meter rates, based on meter size:

(A) Monthly Meter Rates:

Meter Size (inches)	Equivalency Factor	Single-Family	Multi-Family	Commercial / Industrial
¾	1	7.16	6.09	4.87
1	2	11.31	9.52	7.45
1 ½	3	20.89	17.36	13.34
2	5	34.83	27.16	20.71
3	11	71.04	58.52	44.25
4	17	120.60	99.18	74.81
6	33	250.16	205.49	154.68
8	53	359.42	295.15	222.04
10	113	578.55	474.96	357.12
Over 10	TBD by Water Superintendent	TBD by Water Superintendent	TBD by Water Superintendent	TBD by Water Superintendent

Part VI. Section 33-51 of the Oxnard City Code is amended to read as follows:

Sec. 33-51. Prohibition, purpose.

- (A) No water service connection to any premises shall be installed or maintained by the water division unless the water supply is protected as required by state regulations and the provisions of this article.
- (B) The purposes of this article are:
- (1) To protect the public potable water supply from actual or potential cross-connections by isolating within the premises contamination or pollution that could backflow or siphon back into the water supply system because of some undiscovered or unauthorized cross-connection on the premises;

- (2) To eliminate existing connections between drinking water systems and other sources of water that are not approved as safe and potable for human consumption;
 - (3) To eliminate cross-connections between drinking water systems and other sources of water or process water used for any purpose whatsoever that jeopardize the safety of the potable water supply;
 - (4) To prevent the making of cross-connections in the future;
 - (5) To encourage the exclusive use of public sources of water supply;
 - (6) To protect the potable water supply within the premises where plumbing defects or cross-connection may endanger the potable water supply available on the premises;
 - (7) To provide for the maintenance of a continuing program of cross-connection control which will systematically and effectively prevent the contamination or pollution of all potable water systems.
- (C) The intent of this article is to recognize that there are varying degrees of hazard and to apply the principle that the degree of protection should be commensurate with the degree of hazard.

Part VII. Section 33-52 of the Oxnard City Code is amended in its entirety to read as follows:

Sec. 33-52. Definitions

- (A) "Backflow" is the physical process by which contaminants can enter the potable water supply.
- (B) "Backflow prevention" is to the equipment and technology necessary to prevent potential contamination from cross-connection.
- (C) "Cross-connection" is any actual or potential connection or structural arrangement between a public, private or consumer's potable water system and any other source or system through which it is possible to introduce into the potable water

system any substance, and shall include bypass arrangements, jumper connections, removable sections, swivel or changeover devices and other devices (temporary or permanent) through which or because of which backflow can occur and is used in conjunction with backflow prevention.

Part VIII. Section 33-53 of the Oxnard City Code is amended to read as follows:

Sec. 33-53. Cross-connection control standards.

- (A) Those provisions of the California Department of Health Services promulgated rules and regulations and the California Uniform Plumbing Code applicable to cross-contamination control are adopted and made a part of this section by reference.
- (B) The city manager is authorized to promulgate rules and regulations governing cross-connections in the form of a Backflow Prevention and Cross-Connection Control Program Manual, which shall include implementation of the California Department of Health Services promulgated rules and regulations and the California Uniform Plumbing Code applicable to cross-connection control. The Backflow Prevention and Cross-Connection Control Program Manual shall include the requirements for design, construction, installation, and maintenance of backflow prevention devices and assemblies.

Part IX. Section 33-54 of the Oxnard City Code is amended to read as follows:

Sec. 33-54. Types of required protection.

The protective device required shall depend on the degree of the potential hazard, and the requirements for which shall be included in the Backflow Prevention and Cross-Connection Control Program Manual.

Part X. Section 33-55 of the Oxnard City Code is amended to read as follows:

Sec. 33-55. Frequency of inspection of protective devices.

The customer or the owner of backflow prevention devices has the duty to have competent inspections made of all such devices installed on their premises at least once a year or as often as the water superintendent or representative deems appropriate. These devices shall be inspected, repaired, or replaced at the expense of the customer. The Backflow Prevention and Cross-Connection Control Program Manual shall establish the requirements for the conduct and reporting of the inspections, repairs and replacements.

Part XI. Section 33-55.1 of the Oxnard City Code is added, to read as follows:

Sec. 33-55.1. Inspection fee.

- (A) The water superintendent shall issue an annual notice to the customer or the owner of each backflow prevention device to arrange for the inspection and testing of each device on the premises. The notice shall include the method of reporting compliance to the city, along with information necessary to arrange for the inspection and testing.
- (B) Completed forms demonstrating testing and inspection compliance shall be returned to the water superintendent, along with a \$12 fee for each device, within 30 days of the notice.
- (C) If the properly completed compliance forms are not returned within 30 days, the water superintendent shall send a second notice, and assess an additional \$15 late fee.
- (D) If the properly completed compliance forms are not returned within 60 days of the original notice, the water superintendent shall send a third notice, and assess an additional \$25 late fee.
- (E) If the properly completed compliance forms are not returned within 90 days of the original notice, the water superintendent shall send a final notice indicating that

the water superintendent will arrange for the completion of the testing and inspection. The customer or owner shall pay an additional \$50, plus the cost of all administrative, labor and materials required to complete the work.

- (F) Compliance with this Section 33-55.1 shall be deemed complete when the water superintendent receives both the completed compliance inspection form and the associated fee.

Part XII. Section 33-56 of the Oxnard City Code is amended to read as follows:

Sec. 33-56. Qualifications and certification of persons to inspect and maintain backflow prevention devices.

- (A) No person shall inspect, maintain, repair or replace backflow prevention devices unless the person's qualifications have been established and maintained as required in the Backflow Prevention and Cross-Connection Control Program Manual. Each qualified person shall receive from the water superintendent a "Certificate of Competence," and the water superintendent shall make available a list of qualified persons. Every qualified person shall be provided identification that shall be kept in the person's immediate possession during the inspection, maintenance, repair or replacement of any backflow prevention device.
- (B) Any person issued a Certificate of Competence who violates or fails to comply with any provision of this article, or willingly falsifies inspection or maintenance reports submitted to the water superintendent, shall, in addition to any other applicable penalties, have the Certificate of Competence revoked, and shall not be considered for recertification for two years from the date of revocation.
- (C) The water superintendent may provide inspection, maintenance, repair and replacement services from city employees, as provided in the Backflow Prevention and Cross-Connection Control Program Manual.

Part XIII. Section 33-58 of the Oxnard City Code is amended to provide as follows:

Sec. 33-58. Protection of water system within premises.

- (A) In some unique or special circumstances, more stringent cross-connection and backflow prevention protection may be required to provide adequate protection to the public potable water supply.
- (B) In addition to the standards provided in Section 33-53, the Backflow Prevention and Cross-Connection Control Program Manual shall contain additional, more stringent standards and criteria for the cross-connection control, including but not limited to, whenever:
 - (1) the water superintendent or designee, the county health department, or they city building inspector determines that it is not practical to protect drinking water systems through the use of standard back flow prevention devices;
 - (2) water systems for fighting fires are derived from a supply that cannot be approved for potable or safe for human consumption;
 - (3) potable water pipelines are connected to equipment used in industrial processes;
 - (4) sewage pumps or storm water pumps require fresh water priming connections;
 - (5) potable water is supplied to facilities containing a sewage treatment plant, sewage pumping station, or storm water pumping station;
 - (6) water supplies are provided to vessels at piers or waterfronts; or
 - (7) potable water is supplied to premises containing dual or multiple water systems or piping.

Part XIV. Section 33-59 of the Oxnard City Code is amended to provide as follows:

Sec. 33-59. Penalties for violations of this article.

- (A) Any violation of the provisions of this article shall constitute a public nuisance. The water superintendent may discontinue water service immediately without notice to any premises where a required backflow prevention device is not installed, inspected, tested, properly operating and maintained, or if a backflow prevention device is found to have been removed or bypassed, or if unprotected cross-connections or other hazards to the water system are found to exist. The water superintendent shall not again authorize service to such premises until such hazards are eliminated in accordance with this article.
- (B) Any customer who violates any of the provisions of this article or alters, bypasses or renders inoperative any backflow prevention device installed under the provisions of this chapter shall, in addition to any other applicable penalties, be subject to immediate discontinuance of water service. Water service shall not again be rendered until such violation or noncompliance has been corrected to the satisfaction of the water superintendent.

4. Within fifteen (15) days after passage, the City Clerk shall cause this ordinance to be published one time in a newspaper of general circulation in the City. Ordinance No. 2661 was read on 6/22, 2004, and finally adopted on 7/13, 2004, to become effective thirty (30) days thereafter.

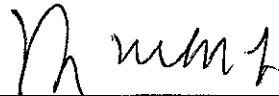
PASSED AND ADOPTED this 13th day of July, 2004, by the following vote:

AYES: Councilmembers Maulhardt, Pinkard, Zaragoza, Herrera and Lopez.

NAYS: None.

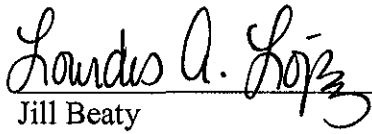
ABSENT: None.

ABSTAIN: None.

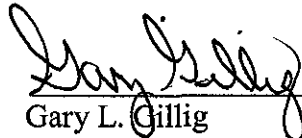


Dr. Manuel M. Lopez
Mayor

ATTEST:

for 
Jill Beaty
Acting City Clerk

APPROVED AS TO FORM:

 06-16-04
Gary L. Gillig
City Attorney

Introduction of Cross-Connection Control and Backflow Prevention Ordinance

Public Works and Transportation Committee, January 27, 2026
City Council, February 3, 2026

Michael L. Wolfe, P.E.
Public Works Director

That the Public Works and Transportation Committee review and recommend that the City Council introduce and waive first reading of the proposed Ordinance entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OXNARD AMENDING ARTICLE IV OF CHAPTER 22 IN ITS ENTIRETY PERTAINING TO THE REGULATION OF CROSS-CONNECTION AND BACKFLOW STANDARDS.

That the City Council introduce and waive first reading of the proposed Ordinance entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OXNARD AMENDING ARTICLE IV OF CHAPTER 22 OF THE CITY CODE IN ITS ENTIRETY PERTAINING TO THE REGULATION OF CROSS-CONNECTION AND BACKFLOW STANDARDS.

- A cross-connection is an interconnection between a potable water supply and a non-potable source via any connection or structural arrangement between a public water system (“PWS”) and any source or distribution system containing liquid, gas, or other substances not from an approved water supply.
- The State Water Resources Control Board (“SWRCB”) requires all PWS to follow the cross-connection protection mandates set forth in the Cross-Connection Control Policy Handbook.

- It is industry standard to utilize backflow prevention assemblies to protect the potable water distribution systems.
- The assemblies prevent water that has been delivered to a customer through a water meter from re-entering the cityside of the water system, thus protecting the City's system and other City water customers from contamination and pollution.



- On December 19, 2023 the State adopted the California Cross Connection Policy Handbook (“CCCPH”)
 - Effective on July 1, 2024, the CCCPH is the primary enforcement and regulatory authority for cross-connection control and backflow prevention of public water systems.
- In order to comply with the CCCPH, the City Attorney's Office and Water Division have developed an Ordinance that complies with the State’s regulatory standards.
- The Ordinance is the basis for the Cross-Connection Program, which establishes the standards intended to protect the City’s distribution system.

A summary of the key changes from the existing Ordinance (2661) that was based on California Code of Regulations Title 17 to the proposed Ordinance, based on the CCCPH are:

- Previous ordinance 2661 relied on adopted California Department of Health Services (CDHS) rules and California Uniform Plumbing Code provisions by reference. New ordinance: Makes the Cross-Connection Control Policy Handbook (CCCPH) the core governing standard and states the most current CCCPH (as adopted/amended) must be used.
- Previous ordinance 2661 did not have formal, statewide-mandated elements for public outreach, incident response, local entity coordination to the extent in CCCPH
- Previous ordinance 2661 required surveys of service connections and backflow protection, but the hazard-assessment concept was less explicitly developed and did not include customer/owner must provide access within five (5) business days for a hazard assessment; failure can require air gap or reduced pressure principle backflow prevention assembly protection or termination until access is granted.
- Previous ordinance 2661 required paper reports, per CCCPH guidelines this ordinance requires digital inspection and testing forms that must be uploaded to the Water Division Backflow Portal

There is no direct fiscal impact to approving this Ordinance. The proposed Ordinance, similar to the existing City Ordinance, includes fines and fees to ensure customer compliance and to support the costs associated with the Water Division's Cross-Connection Program.



End of Presentation



CITY COUNCIL AGENDA REPORT

REPORTS AGENDA ITEM NO. N.4

DATE: February 3, 2026

TO: City Council

FROM: Steve Naveau, Human Resources Director, (805) 385-7947, steve.naveau@oxnard.org

SUBJECT: Resolution Approving the Ratified Tentative Agreement with International Association of Firefighters, Local 1684.

RECOMMENDATION

That the City Council adopt a resolution approving the tentative agreement with the International Association of Firefighters, Local 1684.

(This item did not originate in Committee.)

Please click the following link to view the required Measure M pre-recorded presentation video: <https://youtu.be/Ta9JaTHsBYc>

BACKGROUND

The City of Oxnard is committed to providing the basic services local residents expect and deserve, supported by emergency medical services and fire services, in a fiscally prudent manner and in a fiscally uncertain state, federal, and business environment.

With effective responsible governance in mind, since May 2025, the City has engaged with International Association of Firefighters, Local 1684 (IAFF) to negotiate a successor Memoranda of Understanding (MOU).

If this item is approved, all City employees (1495.75 allocated positions), including the unrepresented and executive employees, will be under contract. IAFF represents a total of 124 allocated positions within the organization.

DISCUSSION

The City's primary objectives during bargaining were to remain competitive in the labor market while exercising sound fiscal management for today and into the future, given uncertain actions at the state and federal levels, and with voter-approved Measure O local funding ending soon. With Measure O ending soon, that alone will cause the City to experience a loss of ~\$20 million in local funds, which will result in cuts to programs and services. These cuts may be more severe with continued State budget cuts and federal funds no longer being an option. These contracts seek to balance employee needs with the City's financial realities.

The terms of these agreements, which are from July 1, 2025 through June 30, 2028, achieve both City goals through moderate increases in healthcare contributions, adjustments to salary ranges to stay current in the marketplace, continued support for employee progression within those salary ranges, and one-time cash payments in lieu of cost of living adjustments (COLAs).

Healthcare Contributions

In 2019, the City prioritized enhancing its contribution to employee healthcare to reduce high out-of-pocket costs for employees. Instead of wage increases, the City increased healthcare contributions by 50% over three years to align benefits with those offered by comparable agencies.

The current agreement builds on that commitment by increasing the City's healthcare contribution by 5% annually. With the average HMO premium projected to increase by 6.06% in 2026, this 5% adjustment will help employees maintain their coverage with minimal financial burden. It also ensures the City remains competitive in the labor market.

Salary Range Adjustments

The City conducts regular market surveys to ensure compensation remains competitive. Based on recent salary analysis, an approximate 18% increase to salary ranges during the term of this MOU, is appropriate to maintain alignment with peer agencies. An adjustment in the salary range is not the same as an across-the-board salary adjustment. In the short term, this change only affects employees who are at the top of the current salary range.

In-Range Salary Progression/Annual Increase

Employees have historically progressed through their salary range via a 5% annual increase that caps at the top of the salary range. While the City remains committed to rewarding experience with in-range salary progression, these agreements reset the expectation that such increases are automatic and helps deconflate a COLA and an annual increase. During the term of these contracts, in-range salary progression will continue at a rate of 5% annually for IAFF Employees.

401a Contribution

The City will increase the 401a contribution for IAFF employees by 0.6%. The City's total contribution will be 1.5% of the IAFF employee's base salary.

Retention Bonus

In an effort to recognize the specialized skills that this bargaining group offers the City, a 2% base salary retention bonus was offered. The bonus is one-time only and is paid the first full pay period following Council approval of the agreements. The retention bonus serves as a proactive measure to recognize the staff's sustained performance, institutional knowledge, and commitment to the organization. Providing this incentive aligns with organizational goals of maintaining operational efficiency, preserving service quality, and supporting workforce morale.

STRATEGIC PRIORITIES

This agenda item supports the Organizational Effectiveness strategy. The purpose of the Organizational Effectiveness strategy is to reinforce, stabilize, improve, and strengthen the organizational foundation of the City in order to build a modern, high-functioning City government that effectively and efficiently supports the operating departments in providing high-quality services and programs for our residents and businesses.

FINANCIAL IMPACT

The total estimated cost of this package for IAFF Employees for the upcoming 3-year period is \$3,826,207. This amounts to approximately 17.47% of total compensation, or 5.82% per year. One-time cash payments during the term of the MOU totaling \$291,655 do not continue after FY 25-26. As a result, the net ongoing impact of the MOU starting in FY 28-29 is \$3,534,552.

Labor Costing Methodology vs. Budget Methodology

As staff has shown in prior MOU-related agenda reports, the financial impact may be depicted in two ways. One methodology is more common for budget and finance professionals, who compare all of the financial costs of that contract to the year before the contract becomes effective (Base Year). This methodology compounds the increased costs over the term of the entire contract. In the case of the resolution presented here, this would be comparing the increase in costs in Year 1 to the budgeted cost of the groups in the Base Year, the increase in cost in Year 2 to the budgeted cost of

the groups in the Base Year, and the increase in costs in Year 3 to the budgeted cost of the groups once again in the Base Year. Using this methodology, the budget impact in Year 1 will be \$1,413,240, the impact in Year 2 will be \$2,590,595, and the impact in Year 3 will be \$3,826,207 for a cumulative impact of \$7,830,042.

The other methodology is a year over year cost increase, which is what is used predominantly in the labor relations field. There are jurisdictions within Ventura County that depict their employee costs in this manner. This methodology shows what the increased cost is as compared with the previous year. Using this methodology, the impact in Year 1 will be \$1,413,240, the impact in Year 2 will be an additional \$1,177,355, and the impact in Year 3 will be a further \$1,235,612, for a total impact of \$3,826,207 over the 3-year term.

At the completion of the term of the MOU, the ongoing increase to the City's budget will be \$3,534,552. This cost represents the continued cost of salaries and health care benefits but removes the one-time cash payments as those would not continue outside of the MOU.

COMMITTEE OUTCOME

This item did not originate in Committee.

Prepared by: Steve Naveau, Human Resources Director, Lauren Bueling, Risk Manager

ATTACHMENTS

1. IAFF Resolution 2326
2. Attachment A IAFF TTA
3. Presentation

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD APPROVING THE TENTATIVE AGREEMENT BETWEEN THE CITY OF OXNARD AND THE INTERNATIONAL UNION OF FIREFIGHTERS, LOCAL 1684 AND AUTHORIZING THE CITY MANAGER OR DESIGNEE TO TAKE THE NECESSARY ADMINISTRATIVE ACTIONS TO IMPLEMENT THE AGREEMENT

WHEREAS, the International Association of Firefighters, Local 1684 is the recognized representative for Firefighters, Fire Engineers, Fire Captains, Fire Inspectors/Investigators, and Fire Environmental Specialist I/II's; and

WHEREAS, the City's Memorandum of Understanding with the International Association of Firefighters, Local 1684 expired June 30, 2025; and

WHEREAS, representatives of the City met and conferred in good faith with representatives of the International Association of Firefighters, Local 1684 concerning wages, hours, terms, and conditions of employment for employees in the bargaining unit consistent with their obligations under the Meyers-Milias-Brown Act; and

WHEREAS, the City has reached agreement with the International Association of Firefighters, Local 1684 which is reflected in Attachment "A" of this Resolution which sets forth the modified terms and conditions of employment for this bargaining unit.

NOW, THEREFORE, the City Council of the City of Oxnard resolves: that the agreement is adopted and the City Manager and/or his designee is directed to perform all acts necessary to implement its terms, including but not limited to executing the Memorandum of Understanding on behalf of the City.

PASSED AND ADOPTED THIS 3rd day of February, 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Luis A. Mc Arthur, Mayor

ATTEST:

Lourdes A. López, City Clerk

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney

**City of Oxnard/IAFF Contract Negotiations
Total Tentative Agreement
January 8, 2026**

Term:

This MOU shall be effective July 1, 2025 and shall remain in full force and effect through June 30, 2028.

Retention Bonus

The first full pay period following Council approval employees in the bargaining unit shall receive a retention bonus equal to two percent (2%) of the employee's base salary.

Article 3 Wages

1. ~~Adjustment in Wages~~ Increase in Salary Range

Effective the first full pay period of January 2026, the City shall increase the bottom of the salary ranges as follows. The tops of the salary ranges will increase by 6%. ~~provide a 5% increase in salary to all employees. Concurrently, both the minimum and maximum of the new salary ranges shall be increased by 5%.~~

Firefighter:	\$83,108.48
Fire Engineer:	\$91,000.00
Fire Captain:	\$104,915.20
Fire Inspector/Investigator:	\$104,915.20
Fire Inspector/Investigator (Shift):	\$104,915.28
Environmental Specialist I:	\$83,108.48
Environmental Specialist II:	\$91,000.00

Effective the first full pay period of July 2026, the City shall increase the top and bottom of the salary range by 6%. ~~the first full pay period of July 2023, the City shall provide a 5% increase in salary to all employees. Concurrently, both the minimum and maximum of the salary ranges shall be increased by 5%.~~

Effective the first full pay period of July 2027, the City shall increase the top and bottom of the salary range by 6%. ~~the first full pay period of July 2024, the City shall provide a 3% increase in salary to all employees. Concurrently, both the minimum and maximum of the salary ranges shall be increased by 3%.~~

Based on the foregoing, the salary ranges over the term of the contract are as follows:

Firefighter

January 2026 \$83,108.48 - \$116,523.06
July 2026 \$88,094.99 - \$123,514.44
July 2027 \$93,380.69 - \$130,925.31

Fire Engineer

January 2026 \$91,000.00 - \$132,781.79
July 2026 \$96,460.00 - \$140,748.61
July 2027 \$102,247.60 - \$149,193.62

Fire Captain

January 2026 \$104,915.20 - \$154,593.09
July 2026 \$111,210.11 - \$163,868.64
July 2027 \$117,882.75 - \$173,700.80

Fire Inspector/Investigator

January 2026 \$104,915.20 - \$154,593.09
July 2026 \$111,210.11 - \$163,868.64
July 2027 \$117,882.75 - \$173,700.80

Fire Environmental Specialist I

January 2026 \$83,108.48 - \$116,522.22
July 2026 \$88,095.07 - \$123,513.52
July 2027 \$93,380.77 - \$130,924.35

Fire Environmental Services Specialist II

January 2026 \$91,000.00 - \$132,781.79
July 2026 \$96,460.00 - \$140,748.61
July 2027 \$102,247.60 - \$149,193.62

Article 3 Administrative Work Schedule Differential

Any employee hired on or after July 1, 2025 who is in a classification that is ineligible to work a suppression shift shall not receive the 10% administrative work schedule differential.

Article 3 Retirement paragraph d) Deferred Compensation

Effective the first pay period following Council ratification, the City will increase its contribution to the 401(a) plan by .6% to a total of 1.5%.

Article 4 Insurance - Medical

The City will increase its contribution to the tier 2 of the medical plan by 5% in January of each benefit year during the term of the contract.

Increase City contribution to the Level Two plan as follows:

2026 – The City contribution shall increase by 5% to \$2,054 per month

2027 – The City contribution shall increase by 5% to \$2,157 per month

2028 – The City contribution shall increase by 5% to \$2,265 per month

Replace language under the Level One regarding requirements when waiving coverage:

To waive coverage, employees must provide proof of other coverage which must be from an employer-sponsored program. Coverage from Medi-Cal, Covered California and any other non-employer covered program will not be acceptable. Employees who do not provide adequate proof of coverage will not be eligible for waive money.

Replace language under the Level Two regarding requirements when waiving coverage:
To waive coverage, employees must provide proof of other coverage which must be from an employer sponsored program. Coverage from Medi-Cal, the Covered California Exchange and any other non employer covered program will not be acceptable. Employees who show proof of other qualifying coverage are eligible to receive \$500/month for waiving coverage. Employees who do not provide adequate proof will not be eligible for any waive money.

Update this language under Level Two:

Effective the 2023 benefit plan year, Employees who elect medical will not receive any cash back from the City's contribution if such contribution is in excess of the plan premium.

Article 5 Licenses -

All employees in the bargaining unit are required to maintain a valid California Drivers License.

Eliminate the following language under Article 5 subsections c and d and add the following:

Subsection c:

~~-Those Unit employees who attempt in good faith to acquire either such driver's license but are unsuccessful shall not suffer any adverse consequences as a result of their inability to obtain either such driver's license, other than being precluded from performing duties which require possession of either such driver's license. Unit employees who presently or hereafter possess either such driver's license shall make every effort to maintain either such driver's license.~~

Subsection d:

~~City shall continue to pay all attendant costs incurred by Unit employees in applying for, procuring and maintaining either such driver's license described above, including any required medical examination or application fees.~~

The City shall provide a medical exam, if required, for any license that is required by the employee's classification.

Article 25 Grievance Procedure

Change the timelines in paragraph one for the filing of a grievance from 21 calendar days to 30 calendar days.

A grievance involving back pay is limited to one year prior to the filing of the grievance.

Collection of Overpayment

When an employee is overpaid, the City will collect the overpayment no more quickly than the same number of pay periods that the overpayment occurred. The City may not unilaterally collect the overpayment without the employee's consent. Employees may discuss with Human

Resources a more extended repayment plan, however if no agreement is reached, then subject to the forgoing sentence, the initial payment plan length will proceed.

Article 36 - Release time for Union Business

Union Leave Time – The City will agree to allow all unused hours from a previous year to roll into the bank up to a total of 800 maximum hours in the bank.

Article 40 – Reopener - Fire Investigators Working 56 hour shift.

Delete this section.

Article 17 - Bereavement Leave

Include City’s proposal on bereavement.

Shift employees are entitled to up to 48 hours (2 shifts), and non-shift employees are entitled to take up to three days of leave of absence with pay, as necessary, on the death of any member of his/her immediate family. **Immediate family shall include the following individuals related to the employee, the employee’s spouse, or registered domestic partner, by reason of blood line, marriage, adoption or foster care: parents, grandparents, uncle, aunt, spouse, spouse’s parents, brother(s), sister(s), child(ren), son(s)-in-law, daughter(s)-in-law, grandchild(ren), great grandchild(ren), registered domestic partner, and any blood relative(s) living in the immediate household.** ~~Immediate family shall include the following individuals related to the employee or the employee’s spouse by reason of bloodline, adoption or foster care: parents, grandparents, spouse, brother(s), sister(s), child(ren), son(s) in-law, daughter(s) in-law, grandchild(ren), great grandchild(ren), step-child(ren), step grandchild(ren), and any blood relative(s) living in the immediate household.~~

Upon return from bereavement leave, the department head or designee may require the employee to furnish some evidence of the death, e.g., a newspaper clipping, obituary notice, funeral card, or other record of death. This request must be made within 30 days of the first day of leave. If such evidence is not provided, the bereavement leave may be converted to leave without pay. ~~Immediately upon return from bereavement leave, the employee shall furnish to the City some evidence of the death, e.g., a newspaper clipping, obituary notice, funeral card, or other record of death. If such evidence is not provided, the bereavement leave shall be considered leave without pay.~~

STAFFING RULES

1004.2.1 ANNUAL LEAVE

Annual Leave selections take place in October for the upcoming year. After annual leave picks have been completed for the following year, employees may request additional annual leave through ~~Workforce~~the scheduling system for the following year **beginning on December 1st**. Up to 6 employees may take annual leave per day. A maximum of three captains and three engineers can take annual leave on any given day. This will be referred to as the 3 per rank rule, although 6 firefighters can theoretically be off if the leave is available.

There will be a reduction in the available annual leave positions for the Thanksgiving and Christmas Eve/Christmas day periods. From the Thursday before Thanksgiving until the Thursday after, as well as December 17-31, annual leave will be limited to 4 members based on seniority. ~~The same~~ A 3 per rank rule applies during these periods.

Once hiring/mandates for the holiday periods listed above as well as New Years Day, Easter Sunday, Memorial Day, Independence Day, Veterans Day and Halloween have been accomplished, no additional annual leave will be allowed, even if there is a late cancellation of annual leave.

When annual leave is cancelled by an employee and six people were off that day, the day will be suppressed and put out to bid by the Staffing Captain via e-mail. Employees who want to request that day shall go to the ~~Workforce~~the scheduling system calendar and use the "Bidding for annual leave" code. When requesting annual leave through ~~Workforce~~the scheduling system, it will warn you that it needs to be approved. At the close of the bid period (usually two weeks) the Staffing Captain will award the annual leave to the employee with the most seniority in the department requesting the time off. Days which do not have 6 employees off will become available through ~~Workforce~~the scheduling system without notification. ~~Workforce~~The scheduling system will automatically approve the request that day.

Employees who determine they don't want to use assigned annual leave shall cancel it as soon as possible. ~~Workforce~~the scheduling system will hire for your vacancy 28 days before it takes place. A cancellation after that time will affect the person who accepted the vacancy.

Request for annual leave once a shift has begun will only be granted if Workforce can fill the spot without incurring a mandate. Employee will not be permitted to leave until relief has arrived at the station and is ready to work.

Coverage will be rank for rank. Station 7 vacancies will be filled with Haz Mat qualified personnel only. **Paramedics will only be filled with qualified Paramedics.** Filling a vacancy with acting personnel is allowed for periods of 12 hours or less if necessary.

1004.2.2 TRANSFERS

When a person transfers to another shift, they carry their assigned annual leave to the new shift regardless if it creates an additional person on annual leave. If an employee cancels annual leave in this situation the annual leave shall not go out to bid unless there are less than the approved number of personnel on annual leave.

1004.2.3 BRUSH FIRE RESPONSE

24-hour overtimes received while on a brush fire or other emergency will rotate the employee on pick list.

1004.2.4 FAMILY SICK LEAVE

Shift employees are eligible to use up to one-half of their annual accrual (i.e., six months of accrual) of annual leave benefits as family sick leave per year. Members should refer to the current MOU for accrual rates. An employee is eligible to work overtime the day after using family sick leave. ~~Workforce~~The scheduling system tracks the family sick leave used annually and will not allow excessive use. Employees may notify ~~Workforce~~the scheduling system of family sick leave between ~~1600~~ 0800 hours the day before and 0600 hours the morning of the shift. Notification of family sick leave outside of these hours shall be done through ~~the Duty Chief~~their Battalion Chief.

1004.2.5 FATIGUE (CONSECUTIVE HOURS WORKED)

An employee shall not work more than 120 hours in any 132-hour period. ~~Workforce~~The scheduling system will analyze rosters prior to offering an overtime to ensure that the employee will not exceed this standard. Every effort will be made to not mandate employees if doing so will cause the employee to work more than 120 hours in a 132-hour period.

~~1004.2.6 HIRING ORDER ¶~~

~~When Workforce hires for multiple openings on a single day it starts with openings at Station 7 and works down to Station 1 before concluding at Station 8. ¶~~

1004.2.67 NEW EMPLOYEES

Employees will be automatically added to the overtime list and eligible to work overtime after completion of their first four shifts ~~the employee must notify the Department if they want to be excluded from the list.~~ They will be placed at the bottom of the overtime list and the top of the mandate list based on the graduating ranking from academy.

1004.2.78 INJURY LEAVE AND EXTENDED SICK LEAVE

If an employee is on injury or extended sick leave, they are not eligible for overtime. During this period of disability, a "Do Not Call" status shall be entered in ~~Workforce~~the scheduling system by the employee or the Staffing ~~Workforce~~Captain in collaboration with Department

*Workforce was replaced with "the scheduling system"

Management. The employee shall be responsible for keeping the Department and Staffing Captains informed of their status.

Employees shall remove sign up codes entered during the anticipated injury or sick leave period so that overtime can be assigned properly. Employees anticipating a longer period of disability than the doctor release states should add a “Do Not Call” status placed on their calendar to cover the expected length of disability. This will prevent ~~Workforce~~ **the scheduling system** from calling the employee until they are cleared to come back to work.

1004.2.89-MANDATES

If an opening is not filled by volunteers, the department, in order to maintain proper staffing levels, shall mandate an employee to work. A separate mandate list is maintained in ~~Workforce~~ **the scheduling system**. If an employee is mandated to work, they shall move to the back of the mandate list. An employee who is promoted will be placed on the top of mandate list. New employees are placed at the top of the mandate list. In order to mandate an employee, ~~it must be accomplished via phone or in person, not voicemail or email or text~~ the vacancy will be filled in the scheduling system and a notification will appear upon their next login to the scheduling system. Additionally, the Staffing Captain will notify the employee via phone or text message. The process will be complete when the mandated employee confirms the phone or text message.

Vacancies that continue to exist **after the initial hiring process** ~~after one hiring process will be filled by a mandate as soon as the hiring process is complete~~ shall remain open until 21 days prior to that shift, in which they will then be mandated. **Any vacancy that exists within 21 days of the opening will be filled by mandate upon completion of the daily hiring process or as soon as possible.** There is no minimum time worked for a mandate. At 0800, if no one has been assigned to a position on the ~~Workforce~~ **scheduling system** roster, the person in that position from the previous shift is considered mandated. However, personnel can be held over in that position past 0800 due to late relief or emergency response without it being considered a mandate.

Mandates are credited at the time of the mandate. Trading mandates is allowed. Once mandated, the employee ‘owns’ the mandate. If a mandated employee finds an employee willing to work the mandate, the employee can give up the mandate while still receiving credit for the mandate. If the mandate is a department error, the employee has the option to keep the mandate or be removed from the mandate and return back to their previous position on the mandate list.

At times when there are multiple mandates in the same 24-hour period, the person at the top of the mandate list ~~gets~~ **will be given the option** to choose their mandate and so on down the mandate list.

~~Everyone is~~ All suppression employees are eligible for a mandate if not already assigned to a department function ~~or granted mandate protection by the Fire Chief or their designee.~~

Mandates for the next day can occur as soon as the hiring process has been completed. ~~Station 4 Captains~~ **The Staffing Captain** will mandate the employee highest on the mandate list they can speak to in person (**on-duty**). If the hiring process has not been completed by 2130, an employee will be placed on a standby mandate. In the morning, once the hiring process is complete or 0715, whichever comes first, the employee will be mandated.

Employees will not be mandated more than once in a two-week period. ~~All employees are eligible for a mandate if not already assigned to a department function.~~ There can only be one mandate for a position in a 24-hour period. An employee will not be mandated while on annual leave. For mandate purposes, annual leave will be the period of time from the last regular day worked until the first regular day back on duty and shift trades do not exempt an employee from a mandate, except for the specific day they had a trade scheduled. **Under rare circumstances, a shift trade (day off) may be cancelled if that employee is the only employee available to fill an operational vacancy.**

If these mandate rules must be broken because there are not any employees eligible to mandate, the rules will be broken in this order; the two-week rule, ~~employees not on the overtime list~~, fatigue rule, **shift trade rule**, annual leave. Before breaking the “Annual Leave Rule” all other rules must be broken, to the extent of breaking multiple rules before breaking the “Annual Leave Rule”. Example: Employee A has AL scheduled, Employee B has been mandated in the last 2 weeks, **and** has worked 120 hours, ~~and is not on OT list~~; Employee B would be mandated before Employee A.

When mandate rules must be broken to ensure adequate departmental staffing, any member may voluntarily accept an assignment that would cause them to exceed the 120-hour maximum (aka Fatigue Rule) in order to minimize mandate assignments. This exception does not apply to members who are assigned to a mutual aid position.

1004.2.910 NOTIFICATIONS

When an employee uses a sign-up code and ~~Workforce~~ **the scheduling system** assigns overtime to them, ~~Workforce~~ **the scheduling system** notifies them and requests they acknowledge the message. It is not asking you to work. You have already stated your desire to work by putting a sign-up code in ~~Workforce~~ **the scheduling system**.

1004.2.1011 OPPORTUNITIES

If there is an **opening unfilled vacancy** for the next shift and you do not have a sign-up code, ~~Workforce~~ **the scheduling system** will **contact call** and advise you of an opportunity to work. ~~Workforce~~ **The scheduling system** is asking you if you want to work. You may turn it down without being rotated on the list. At 0600 hours regardless of sign up codes, you will be given the opportunity to work, ~~Workforce~~ **the scheduling system** does not assign overtimes during this hiring process. If you missed the **notification phone call**, you may log into ~~Workforce~~ **the scheduling system** or call ~~station 4~~ **the Staffing Captain** to see if the opportunity is still available. In the unfortunate event that the employee is willing to work but missed the

opportunity to accept the overtime due to emergency response and the vacancy is filled, the overtime will remain with the employee who first accepts the overtime.

1004.2.1142 OVERTIME CANCELLATION

In the event of an overtime cancellation that is not initiated by the employee scheduled to work the overtime, a canceled overtime credit will be recorded. Examples of department canceled overtime include canceled AL (after it's been hired for), changes to staffing assignments in which an employee is reassigned into a position that was previously filled by an overtime, staffing errors, and injury leave. It is the responsibility of all employees to manage their ~~Workforce~~ calendar. ~~and~~ An extension of injury leave beyond the initial injury will not generate a canceled overtime credit. In the event an employee is reassigned to a different shift and is unable to work a previously scheduled overtime, the canceled overtime credit will not apply. Due to the complexity, an employee will only receive 1 canceled overtime per event, even if multiple overtimes are canceled.

Once a canceled overtime credit is recorded, the employee will be placed on the picklist in a position representative of their original picklist position (before the canceled overtime was originally received). Once they are awarded a new overtime, they must contact ~~Station 4~~ the **Staffing Captain** within 24 hours in order to implement the canceled overtime credit. The Staffing Captain will then edit the picklist to reflect the canceled overtime credit, and the employee will be placed on the picklist in the position that is equivalent to where they were before the overtime was canceled.

1004.2.1213 PARTIAL OVERTIMES

Overtime assignments less than 24 hours are considered a partial overtime and the employee will not be rotated on the list. ~~Workforce~~ The scheduling system hires for partial overtimes at 1430@1935 the ~~previous shift~~ day before the vacancy. Employees should use the "Sign up Partial" work code prior to 1430+1935 hours the night before. When two or more partial shifts occur on the same day at the same rank, even if they are consecutive, they will be treated as separate overtime openings.

Employees may work multiple partial shifts in one day if multiple partial shifts exist and ~~there is no overlap between those assignments.~~ ~~an overlap between the partial shifts does not exist.~~ If the total hours of the combined partial shifts equal 24 hours, the employee will rotate on the overtime list.

1004.2.1314 PROMOTIONS

After an employee is notified of their upcoming promotion, they are eligible to work overtime in their current rank until the day of their promotion. ~~Workforce~~ The scheduling system will offer the employee overtime at their new rank starting on the promotion date.

~~This will happen during the 28-day cycle before the employee has been promoted to their new rank.~~ Any overtimes already assigned at the old rank which occur after the promotion date

*Workforce was replaced with "the scheduling system"

will be canceled without compensation or cancelled overtime credit. ~~The employee will be placed at the top of the mandate list and the bottom of the OT list in their new rank based on their promotional ranking. This will occur as soon as reasonably possible following confirmation of their promotion. on the first day of the pay period in the newly promoted position. Newly promoted members will be placed at the bottom of the overtime list based on their promotional ranking.~~ A recently promoted employee has up to six months to pay back shift trades with other employees in their previous rank. Staff personnel may work overtime in fire suppression at the rank previously held prior to the staff assignment.

1004.2.1415 SHIFT TRADES

Shift trades of regularly scheduled work periods between two employees of the same rank are allowed. The employee who will be reporting to work that day is responsible for entering the trade in ~~Workforce~~ the scheduling system. This shall be done before ~~0715~~ 0600 hours the morning of the trade. Because accurate rosters are important to the safe operation of the fire department, trades not reported before ~~0715~~ 0600 hours must be reported to the ~~Duty Chief~~ their Battalion Chief.

An employee who has taken the day off with a trade is not eligible to work overtime on that day. An employee working a shift trade cannot move to an open overtime spot. Once the overtime is filled the overtime employee can mutually agree to switch with the person working the shift trade. An employee who is off on a shift trade is not eligible to be mandated for that day. There is no mandate protection for days either side of the trade.

If the employee who agreed to work the shift trade does not report for work, the member they are replacing will be charged annual leave for the time assigned on the roster. If the employee does not have annual leave available, leave without pay will be assigned for those hours. The employee who agreed to the trade and failed to report to work shall prepare and submit a memo to ~~the Duty Chief~~ their Battalion Chief explaining the reason that he/she did not report to work on the assigned day. Payback records are the sole responsibility of the members involved in the exchange. The department does not track or retain records of shift trades. ~~The City, the Fire Department, and Local 1684 are not responsible for any disputes or issues with shift trades.~~

1004.2.1516 SICK LEAVE

Annual leave includes sick leave but is tracked as a separate status in payroll and ~~Workforce~~ the scheduling system. Employees can notify the department that they are ill by using ~~Workforce~~ the scheduling system ~~for~~ or calling the Staffing Captain between the hours of ~~1600~~ 0800 hours the day before and 0600 hours the day of the shift. Sick leave notification outside of these hours shall be done through the Duty Chief. ~~An employee is not eligible to work overtime for the next 24 hours after the sick leave shift, even if scheduled prior to sick leave.~~

*Workforce was replaced with "the scheduling system"

Section 14.3.2 of the City of Oxnard Personnel Rules and Regulations outlines the eligible use of sick leave. For Fire Department personnel, any employee on 56-hour work week who are absent on sick leave two (2) or more regularly scheduled consecutive shifts may be required to submit a physician's certificate or written memo to their Battalion~~Battalion~~ Chief explaining the cause of such absence.

1004.2.1617 SWITCHING OVERTIMES/MANDATES/SHIFT TRADES

Trading overtime shifts occurring on different days will be allowed. Both employees must have assigned overtimes to switch. An employee shall not switch an assigned overtime for a future unassigned overtime. Employees may trade overtime assignments that occur on the same day. The Staffing Captain shall be notified of the changes before 0715 hours the morning of the shift.

1004.2.1718 UNABLE TO COMPLETE ASSIGNED OVERTIME

If an employee is unable to work the total amount of overtime hours assigned, the employee shall notify ~~their Battalion Chief and the~~ Staffing Captain of the vacancy and the Staffing Captain shall enter the vacancy into the ~~Workforce~~scheduling system~~system~~. The employee shall only be paid for actual time worked regardless of the original assignment. If the employee was assigned a 24-hour shift, the employee's name shall be rotated to the back of the list, regardless of hours actually worked.

An employee may designate another employee to cover in the partial absence for the employee working an assigned overtime. If the original employee is unable to find coverage for that absence that employee will forfeit the overtime and be penalized for a cancelled overtime.

1004.3 TELESTAFF STAFFING TIMELINE

0800 Hours

Shift change takes place at 0800 hrs. 24-hour vacancies hired before 0800 will result in movement on the overtime list regardless of if the employee reports to work by 0800. Employees called after 0800 for that shift will not rotate on the overtime list unless the employee was already at work and receives 24 hours of pay.

1230 ~~1830~~ Hours

~~Workforce~~The scheduling system hires for 24-hour openings for the next day. Employees with shift signup codes are grouped at the top of the hiring list and assigned the overtime. ~~Workforce~~The scheduling system then uses the pick list to offers the overtime ~~if~~ to employees that do not have a signup code.

1300 ~~1900~~ Hours

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~~Workforce~~The scheduling system will then fill openings that occur within the next 2-28 days (up to four weeks in advance from this evening) using sign up codes entered by employees on their calendars. By entering these codes, the employee is notifying the Department that they are willing to work. Employees should remove sign up codes from days they become unable to work before ~~Workforce~~the scheduling system hires. If an employee is unable to work an overtime they have been assigned, they must notify the Staffing Captain to have their ~~name removed~~overtime cancelled. A penalty is assessed which places the employee on the overtime list (pick list) as if they had worked the overtime.

1310 ~~1910~~ Hours

As soon as the scheduling system is ready, ~~Workforce~~it will start the notification process by calling everyone who was assigned overtime at ~~1830 and 1900~~1230 hours. During each calling cycle ~~Workforce~~the scheduling system will attempt to contact the employee you three times. Employees can set up their preferred contact method, cell phone text or call; station call or a call at home. ~~If you are on duty it will call you at work and if it is unable to reach you it will call your first contact phone number and then at work a few minutes later. If you the employee is~~are off duty, it will call your ~~their~~ first contact number, your ~~the~~ second contact number and then return to your ~~the~~ first contact number. ~~Workforce~~The scheduling system is calling to notify you ~~the employee~~ of your ~~their~~ overtime and to have you ~~them~~ acknowledge your ~~their~~ overtime assignment. ~~Workforce~~The scheduling system will also call people ~~personnel~~ who have not acknowledged previous overtime assignments. If ~~Workforce~~the scheduling system has not made contact with you ~~by phone of your the assignment~~, the next time you ~~the employee~~ logs in by computer, ~~Workforce~~the scheduling system will have you ~~the employee~~ acknowledge your ~~their~~ overtime assignment.

1330 ~~1930~~ Hours

~~Workforce~~The scheduling system then hires 24-hour openings for the next day that have appeared since ~~1830~~ 1230 hours or are still unfilled. It uses the pick list and assigns the overtime if the employee has a signup code or calls them and offers the overtime if they do not have a signup code. If there is still an opening for the next day after 1430 ~~1930~~ hours, the Staffing Captain will use the Mandate List to mandate the employee for next day openings and any openings still existing within 21-day time frame. Employees who are on standby mandate cannot leave work without the approval of the Staffing Captain. The Staffing Captain will notify the employee the next morning of the standby mandate status after he has determined whether the opening was filled without the use of a mandate.

1430 ~~1935~~ Hours

~~Workforce~~The scheduling system hires next day partial shift overtimes. Employees with partial shift signup codes are grouped at the top of the hiring list and assigned the overtime. If there are no partial shift signup codes, employees will be called and offered the overtime in order of the picklist.

1500 ~~2000~~ Hours

~~Workforce~~The scheduling system calls people who were assigned overtime at ~~1930 hours~~ and any outstanding overtime assignments that have not been acknowledged. ~~Anytime between the completion of the 1400 hiring process and 2130 hours the staffing captain has the option to start the process over in order to hire unfilled vacancies as early as possible.~~

1900 Hours

The scheduling system hires 24-hour openings for the next day that have appeared since 1400 hours or are still unfilled. It uses the pick list and assigns the overtime if the employee has a signup code or calls them and offers the overtime if they do not have a signup code. If there is still an opening for the next day after 2130 hours, the Staffing Captain will use the Mandate List to mandate the employee for next day. Employees who are on standby mandate cannot leave work without the approval of the Staffing Captain. The Staffing Captain will notify the employee the next morning of the standby mandate status after he has determined whether the opening was filled without the use of a mandate. ¶

2130 Hours

Phone notifications from ~~Workforce~~the scheduling system stop until the next morning at 0600 hours.

0600 Hours

All requests to ~~Workforce~~the scheduling system for sick leave, family sick leave, annual leave and shift trade should be in before this time for the next shift. All overtime personnel for the next shift should have acknowledged their assignment in ~~Workforce~~the scheduling system. If they have not acknowledged the assignment the Staffing Captain will attempt to make contact. If unable to make positive contact, their name will be removed and an overtime penalty assigned for unacknowledged 24-hour shifts. ~~Workforce~~The scheduling system will begin the automated process of hiring for the shift that starts at 0800. ~~Workforce~~The scheduling system will call everyone eligible to work and offer the assignment to them. This request can be accepted or turned down without penalty. ~~Workforce~~The scheduling system will call employees who have signed up first then everyone else. The shift starts within 2 hours so this process takes place quickly with little time between phone calls. Also, because this is an automated offer without human involvement, employees not available by phone may miss this last-minute opportunity to work. If you missed the phone call you can call the Staffing Captain ~~station 4~~ or log into ~~Workforce~~ the scheduling system to see if the opportunity is still available.

0715 Hours

If an opening still exists for today, the Staffing Captain will mandate an employee to fill the spot.

0730 Hour

The roster should be complete. All stations may now print a roster for the next shift. Any change to the daily roster after this time requires Duty Chief notification.



Steve Naveau
Director of Human Resources



Andrew Behrens
IAFF President

MEMORANDA OF UNDERSTANDING INTERNATIONAL UNION OF FIREFIGHTERS, LOCAL 1684

Presented to: City Council

Steve Naveau, Human Resources Director

February 3, 2026

- Purpose
 - To adopt successor Memoranda of Understanding (MOU) with the International Association of Firefighters, Local 1684 (IAFF).
 - This group represents approximately 124 employees.
 - Employees in this unit consist of firefighters, fire engineers, fire captains, fire inspectors/investigators and environmental specialists.

The City's primary objectives during bargaining was to remain competitive in the labor market while exercising sound fiscal management for today and into the future, given uncertain actions at the state and federal levels and with voter approved Measure O local funding ending soon. The Agreements focus on:

- Healthcare Contributions
- Salary Range Adjustments
- In Range Salary Progression
- Retention Bonus

- **Medical Plan**
 - Philosophy – The City should contribute money to a medical insurance plan so that coverage is affordable & treat all bargaining groups the same.
 - City contribution should attempt to keep pace with annual insurance premium increases to maintain affordability.
 - Increasing the City's healthcare contribution by 5% annually.
 - 2026 a Family is out of pocket by \$219/month for a Blue Shield Trio plan
- **Salary Range Adjustments**
 - Increase salary ranges by approximately 18% over three years.
 - Increase is based on peer agencies and is intended to maintain competitive salaries.

- 401a Contribution
 - Increase City contribution to employee retirement account
 - 0.6% increase for total contribution of 1.5% of employee base salary
- Retention Bonus
 - Proactive measure to recognize staff's commitment to the organization
 - Aligns with organizational goals of maintaining operational efficiency and providing quality service to residents
 - IAFF agreed to 2% of pay.

- Using the budget methodology the cumulative cost over the 3 years of this agreement is \$7,830,042.
- Using labor costing methodology the total is \$3,826,207.
- Due to the use of one time Retention Bonus, the net ongoing impact starting in FY 28/29 is reduced to \$3,534,552
- The cost of these contracts have been assumed in the budget forecasts and as such no additional appropriations are needed.



QUESTIONS