

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 Library, 251 South "A" Street and the City Clerk's Office, 300 West Third Street 4th Floor during customary business hours. Any materials to be presented at this meeting will be made available electronically 24 hours prior to the meeting, at the end of this agenda. The agenda reports are on the City of Oxnard web site at www.oxnard.org.



AGENDA
OXNARD CITY COUNCIL
OXNARD COMMUNITY DEVELOPMENT COMMISSION SUCCESSOR AGENCY
OXNARD FINANCING AUTHORITY
OXNARD HOUSING AUTHORITY
Council Chambers, 305 West Third Street
May 15, 2018
Regular Meeting - 6:00 PM
Closed Session - 5:00 PM

A. ROLL CALL/POSTING OF AGENDA

THE FOLLOWING LEGISLATIVE BODIES ARE MEETING: City Council and Successor Agency.

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 (5:00 PM)

1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS - Successor Agency

The purpose of the closed session is for the Successor Agency to consider the proposals for the potential sale of real property and to provide instructions to the negotiators pursuant to Government Code section 54956.8.

Properties: 425 South B St. (202-0-101-415, SSA Building); 318 W. Fifth St. (202-0-103-210, Laundromat); 321 W. Sixth St. (202-0-103-130, Furniture)

Agency negotiators: Ashley Golden, Interim Assistant City Manager, and Kymberly Horner, Economic Development Director.

Negotiating parties:

Plaza Park Redevelopment Partners (Rob Tyler and Tom Christopoulos)

Aldersgate (Matt Mansi)

The Pacific Companies (Caleb Roope)

Heritage Homes (Henry Casillas)

Foundation for Educational and Employment Resources Development (Barbara Macri-Ortiz)

Under negotiation: Price and terms of payment for the potential sale of Successor Agency properties.

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.

City of Oxnard internet address: www.oxnard.org.

D. OPENING CEREMONIES (6:00 PM)

Pledge of allegiance to the flag of the United States.

E. CEREMONIAL CALENDAR

1. SUBJECT: Presentation of a Proclamation Designating the Week of May 21 – 28, 2018 as “Beach Safety Week.”
2. SUBJECT: Presentation of a Proclamation Designating the Week of May 20 – 26, 2018 as “Public Works Week.”

F. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

At this time, the legislative body will consider public comments for a maximum of thirty minutes. 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. Speaker cards will not be accepted after the beginning of the general public comment period. Based on the number of speaker cards submitted, the presiding officer may impose time limits per speaker. Typically, speakers are limited to three minutes, but shorter time may be established as deemed necessary. A person not able to address the legislative body at this time because the thirty minutes expires may do so just 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.

G. 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.

H. 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.

I. 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.

J. 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.

K. INFORMATION CONSENT AGENDA**City Clerk Department**

1. **SUBJECT:** Official Canvass and Certification of the Results of the May 1, 2018 Special Municipal Election.

RECOMMENDATION: That the City Council adopt a resolution declaring the results of the canvass of the returns of the Special Municipal Election held on May 1, 2018.

Legislative Body: CC

Contact: Michelle Ascencion

Phone: (805) 385-7805

City Manager Department

2. **SUBJECT:** Agreements for City Council Review.

RECOMMENDATION: That City Council, pursuant to Ordinance No. 2835, and Resolution No. 13,932, approve and authorize the City Manager to execute the following agreements/contracts and change orders/amendments in amounts more than \$25,000 but no more than \$250,000:

A. Meyers Nave (5730-12-CA) for legal services concerning the Halaco Superfund Site and State regulatory matters (\$25,000).

B. HdL Coren & Cone (7376-16-FN) for assistance with property tax services (\$12,950).

C. Hill Brothers Chemical (Purchase Order No. 6723) for the purchase of Thioguard (magnesium hydroxide) to reduce nuisance odor in the Via Marina neighborhood (\$19,840).

Legislative Body: CC

Contact: Scott Whitney

Phone: (805) 385-7624

Development Services Department

3. **SUBJECT:** Second Amendment to Agreement with HdL Companies for Cannabis Fiscal Analysis and Taxation Strategies, and Property & Sales Tax Analysis & Reporting Services.

RECOMMENDATION: That the City Council approve and authorize the Mayor to execute a Second Amendment to Agreement No. 7748-17-FN with HdL Companies to:

1. Extend the term of the Agreement by three (3) years through March 2021; and

2. Increase the amount of the Agreement by \$351,250, which includes Sales Tax and Economic Analysis, Allocation Audit and Recovery, and additional consulting services for the extended term, and Cannabis Fiscal Analysis and Taxation Strategies consulting services. The total Agreement as amended shall not exceed \$551,250.

Legislative Body: CC

Contact: Ashley Golden

Phone: (805) 385-7882

L. REPORTS

Fire Department

1. SUBJECT: Seismologist Dr. Lucy Jones to Address City Council Concerning Earthquake Risk to the Oxnard Community. (20/10/5)

RECOMMENDATION: Seismologist Dr. Lucy Jones, a world renowned expert on earthquakes, to address the City Council concerning the earthquake risk to our region and city.

Legislative Body: CC

Contact: Darwin Base

Phone: (805) 385-7700

Development Services Department

2. SUBJECT: Adoption of Medical Cannabis Delivery and Delivery Driver Permit Fee (5/5/5)

RECOMMENDATION: That the City Council adopt a resolution establishing new fees for Medical Cannabis Delivery and Delivery Driver Permits.

Legislative Body: CC

Contact: Ashley Golden

Phone: (805) 385-7882

Public Works Department

3. SUBJECT: Agreement for Trade Services to Provide Supplemental Waste Transfer Hauling Services for the Del Norte Regional Recycling and Transfer Station (Agreement No. A-8058). (5/5/5)

RECOMMENDATION: That the City Council:

1. Ratify a three-year agreement with Alavao Trucking, LLC in the amount not to exceed \$3,500,000 to provide primary supplemental waste transfer hauling services for the Del Norte Regional Recycling and Transfer Station (Agreement No. A-8058) signed by the Mayor on May 10, 2018 under emergency conditions;

2. Approve and authorize the Mayor to execute a three-year agreement with Ecology Auto Parts in the amount not to exceed \$200,000 to provide secondary supplemental waste transfer hauling services for the Del Norte Regional Recycling and Transfer Station, once this agreement is finalized; and

3. Approve and authorize the Mayor to execute a three-year agreement with Mario's Trucking in the amount not to exceed \$100,000 to provide tertiary supplemental waste transfer hauling services for the Del Norte Regional Recycling and Transfer Station, once this agreement is finalized.

Legislative Body: CC

Contact: Rosemarie Gaglione

Phone: (805) 385-8055

M. ADJOURNMENT



**CITY COUNCIL
AGENDA REPORT**

TYPE OF ITEM: Info/Consent

AGENDA ITEM NO.: 1

DATE: May 15, 2018

TO: City Council

FROM: Michelle Ascencion
City Clerk

SUBJECT: Official Canvass and Certification of the Results of the May 1, 2018 Special Municipal Election.

CONTACT: Michelle Ascencion, City Clerk
Michelle.Ascencion@oxnard.org, (805) 385-7805

RECOMMENDATION:

That the City Council adopt a resolution declaring the results of the canvass of the returns of the Special Municipal Election held on May 1, 2018.

BACKGROUND

At its January 23, 2018 regular meeting, the City Council adopted Resolution No. 15,083, calling and giving notice of a Special Municipal Election to be held on Tuesday, May 1, 2018 for the submission of the question of the recall of four officers and the election of candidates to fill the vacancy or vacancies if the recall prevails.

On May 1, 2018, the Special Election was held for the purpose of submitting to the voters of Oxnard the following measures:

Shall TIM FLYNN be recalled (removed) from the office of Mayor of the City of Oxnard?

Shall OSCAR MADRIGAL be recalled (removed) from the office of Member of the City Council of the City of Oxnard?

Shall BERT PERELLO be recalled (removed) from the office of Member of the City Council of the City of Oxnard?

Declare Results of 5/1 Special Election & Adopt Resolutions

May 15, 2018

Page 2

Shall CARMEN RAMIREZ be recalled (removed) from the office of Member of the City Council of the City of Oxnard?

The following summarizes the official canvass of the returns of the election conducted by the Oxnard City Clerk's Office:

Citywide Voter Registration: 79,068
 Citywide Voter Turnout: 13,174
 Percentage of Voter Turnout: 16.66%

Flynn: No 6,891 (52.60%)
 Yes 6,205 (47.30%)

Perello: No 7,654 (59.00%)
 Yes 5,304 (40.90%)

Ramirez: No 7,486 (57.70%)
 Yes 5,475 (42.20%)

Madrigal: No 7,339 (57.20%)
 Yes 5,488 (42.70%)

The Certificate of Election Results and the complete Statement of Votes and Official Final Results are attached to the proposed resolution.

FINANCIAL IMPACT

The adoption of the resolution carries no fiscal impact. Final costs for the Special Election have not yet been fully calculated.

ATTACHMENTS:

Attachment A: Resolution Certifying Results of Special Election

Attachment B: Certificate of Election Results - signed

Attachment C: May 9, 2018 Statement of Votes

Attachment D: MAY 9, 2018 OFFICIAL CANVASS FINAL

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD
 RECITING THE FACTS OF THE SPECIAL MUNICIPAL ELECTION HELD
 ON MAY 1, 2018, DECLARING THE RESULTS THEREOF AND SUCH
 OTHER MATTERS AS PRESCRIBED BY LAW

WHEREAS, a Special Municipal Election was held and conducted in the City of Oxnard, California on Tuesday, May 1, 2018, for the purpose of submitting the question of the recall of Tim Flynn, Mayor; Oscar Madrigal, Member of the City Council; Bert Perello, Member of the City Council; and Carmen Ramirez, Member of the City Council; and the election of a candidate to fill the vacancy of any recall that prevails; and

WHEREAS, notice of the election was given in the time, form, and manner as provided by law; voting precincts were properly established; election officers were appointed and in all respects the election was held and conducted and the votes were cast, received, and canvassed and the returns made and declared in the time, form, and manner as required by the provisions of the Elections Code of the State of California for the holding of elections in general law cities; and

WHEREAS, the City Clerk's Office canvassed the returns of the election and has certified the results of the votes cast, and the results are received, attached and made a part hereof as "Exhibit A."

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Oxnard as follows:

SECTION 1. That the canvass of the votes cast in the Special Municipal Election of May 1, 2018 is confirmed and the following are the results for each recall measure voted upon:

Shall <u>TIM FLYNN</u> be recalled (removed) from the office of Mayor of the City of Oxnard?	
YES	6,205
NO	6,891

Shall <u>BERT PERELLO</u> be recalled (removed) from the office of Member of the City Council of the City of Oxnard?	
YES	5,304
NO	7,654

Shall <u>CARMEN RAMIREZ</u> be recalled (removed) from the office of Member of the City Council of the City of Oxnard?	
YES	5,475
NO	7,486

Shall <u>OSCAR MADRIGAL</u> be recalled (removed) from the office of Member of the City Council of the City of Oxnard?	
YES	5,488
NO	7,339

SECTION 2. That the number of votes given at each precinct and the number of votes given in the City to the recall measures, and the number of votes given at each precinct and the number of votes given in the City to each candidate for each of the above named offices should a recall prevail, were as listed in “Exhibit A” attached hereto.

SECTION 3. That the City Council DOES DECLARE AND DETERMINE that the recall measures were unsuccessful, and each incumbent shall continue in his or her present term.

SECTION 4. That as a result of the unsuccessful recall measures, the question of filling vacancies is inapplicable.

SECTION 5. That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED, and ADOPTED, this 15th day of May, 2018 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Tim Flynn, Mayor

ATTEST:

APPROVED AS TO FORM:

Michelle Ascencion, City Clerk

Stephen M. Fischer, City Attorney

CERTIFICATE OF ELECTION RESULTS

STATE OF CALIFORNIA)
COUNTY OF VENTURA) ss.

I, Michelle Ascencion, City Clerk of the City of Oxnard, County of Ventura, State of California, do hereby certify that, in pursuance to the provisions of Election Code Section 15300, et seq., I did canvass the results of the votes cast in the Special Election held in the City of Oxnard on May 1, 2018, for the recall measures that were submitted to the vote of the voters, and that the Statement of Votes Cast to which this certificate is attached, is full, true, and correct.

I hereby set my hand and official seal this 10th day of May, 2018, at the City of Oxnard, California.




Michelle Ascencion, CMC
City Clerk of the City of Oxnard

Page 1
D610

** CITY OF OXNARD **
SPECIAL MUNICIPAL ELECTION - MAY 1, 2018
S U M M A R Y R E P O R T

Date 05/09/2018
Time 14:15:51

RECALL MAYOR (#/PCT 28)			RECALL COUNCILMEMBER (#/PCT 28)		
TIM FLYNN (#/RPT 28)			CARMEN RAMIREZ (#/RPT 28)		
(No. to vote for 1) (%/RP 100.0)			(No. to vote for 1) (%/RP 100.0)		
IN FAVOR -----> YES	6205	47.3	IN FAVOR -----> YES	5475	42.2
OPPOSED TO ---> NO	6891	52.6	OPPOSED TO ---> NO	7486	57.7
Blank voted (ballots)	70	0.5	Blank voted (ballots)	209	1.5
Over voted (ballots)	8	0.0	Over voted (ballots)	4	0.0
TO SUCCEED MAYOR (#/PCT 28)			TO SUCCEED COUNCILMEMBER (#/PCT 28)		
TIM FLYNN (#/RPT 28)			CARMEN RAMIREZ (#/RPT 28)		
(No. to vote for 1) (%/RP 100.0)			(No. to vote for 1) (%/RP 100.0)		
MIGUEL LOPEZ	3857	46.2	AL VELASQUEZ	1694	24.0
ROBERT L. SUMPTER	163	1.9	AMBROSIO CASANOVA JR.	1383	19.6
AARON STARR	3471	41.6	FRANCINE CASTANON	3976	56.3
LAWRENCE STEIN	498	5.9			
MODESTO "MOREY" NAVARRO	343	4.1	Write-ins (votes)	297	2.2
Write-ins (votes)	180	1.3	Blank voted (ballots)	5791	43.9
Blank voted (ballots)	4617	35.0	Over voted (ballots)	33	0.2
Over voted (ballots)	45	0.3			
RECALL COUNCILMEMBER (#/PCT 28)			RECALL COUNCILMEMBER (#/PCT 28)		
BERT PERELLO (#/RPT 28)			OSCAR MADRIGAL (#/RPT 28)		
(No. to vote for 1) (%/RP 100.0)			(No. to vote for 1) (%/RP 100.0)		
IN FAVOR -----> YES	5304	40.9	IN FAVOR -----> YES	5488	42.7
OPPOSED TO ---> NO	7654	59.0	OPPOSED TO ---> NO	7339	57.2
Blank voted (ballots)	208	1.5	Blank voted (ballots)	344	2.6
Over voted (ballots)	8	0.0	Over voted (ballots)	3	0.0
TO SUCCEED COUNCILMEMBER (#/PCT 28)			TO SUCCEED COUNCILMEMBER (#/PCT 28)		
BERT PERELLO (#/RPT 28)			OSCAR MADRIGAL (#/RPT 28)		
(No. to vote for 1) (%/RP 100.0)			(No. to vote for 1) (%/RP 100.0)		
KARI CRYDER	6090	100.0	ENRIQUE PETRIS	1112	15.8
Write-ins (votes)	617	4.6	JOHN F. RAGAN	1196	17.0
Blank voted (ballots)	6464	49.0	DANIEL CHAVEZ, JR	973	13.8
Over voted (ballots)	3	0.0	ANGEL GARCIA	1217	17.3
			MIGUEL MARTINEZ	2518	35.8
			Write-ins (votes)	387	2.9
			Blank voted (ballots)	5727	43.4
			Over voted (ballots)	44	0.3

Page 2
D610

** CITY OF OXNARD **
SPECIAL MUNICIPAL ELECTION - MAY 1, 2018
S U M M A R Y R E P O R T

Date 05/09/2018
Time 14:15:51

VOTER STATISTICS	(#/PCT	28)
	(#/RPT	28)
	(%/RP	100.0)
CITYWIDE REGISTRATION	79068	
VOTE BY MAIL TURNOUT	10573	13.3
ACCUM VOTER REGISTRATION	79068	
PRECINCT TURNOUT	2601	3.2
OVERALL VOTER TURNOUT	13174	16.6

(This page is intentionally blank.)



**CITY COUNCIL
AGENDA REPORT**

TYPE OF ITEM: Info/Consent

AGENDA ITEM NO.: 2

DATE: May 15, 2018

TO: City Council

THROUGH: Scott Whitney
Interim City Manager

FROM: Scott Whitney
Interim City Manager/Police Chief

SUBJECT: Agreements for City Council Review.

CONTACT: Scott Whitney, Interim City Manager/Police Chief
Scott.Whitney@OxnardPD.org, (805) 385-7624

RECOMMENDATION:

That City Council, pursuant to Ordinance No. 2835, and Resolution No. 13,932, approve and authorize the City Manager to execute the following agreements/contracts and change orders/amendments in amounts more than \$25,000 but no more than \$250,000:

- A. Meyers Nave (5730-12-CA) for legal services concerning the Halaco Superfund Site and State regulatory matters (\$25,000).
- B. Hdl Coren & Cone (7376-16-FN) for assistance with property tax services (\$12,950).
- C. Hill Brothers Chemical (Purchase Order No. 6723) for the purchase of Thioguard (magnesium hydroxide) to reduce nuisance odor in the Via Marina neighborhood (\$19,840).

BACKGROUND

On November 16, 2010, the City Council approved changes to the City's Purchasing Procedures reducing the threshold for City agreements/contracts and change orders/amendments requiring City Council approval to \$25,000. The agreements/contract and change orders/amendments described on the attached list involve amounts above \$25,000 and up to \$250,000.

FINANCIAL IMPACT

Agreements for City Council Review
May 15, 2018
Page 2

A complete explanation of the agreement and funding sources are attached.

NOTE: Copies of the agreement/contracts and change orders/amendments on the list are available in the City Clerk's Office prior to the Council meeting.

ATTACHMENTS:

Attachment A: City Manager Contract List for May 15, 2018

City Manager Contract List for 05/15/2018

Contracts from \$25,000 to \$250,000

K.2.a

A Attorney Services Agreement

Vendor: Meyers Nave
Type: Amendment
Agreement No.: 5730-12-CA
Amendment No.: 2
Purchase Order No.: 5007
Begin Date: 03/01/2012
End Date:
Term:

Amount to be Approved: \$25,000
Current FY Amount: \$25,000
Total Contract Amount: \$110,000
Funding Source: General Fund and Enterprise Fund
Vendor Selection Process: Negotiated Contract
of Bids/Proposals/Quotes: N/A
Project Manager: Stephen M. Fischer
Department: City Attorney
Telephone: 805-385-7483
Email: leanne.daly@oxnard.org

Purpose: Staff is requesting authorization to enter into a Second Amendment with Meyers Nave for legal services relating to general legal advice for an increase of \$25,000, for a total contract amount not to exceed \$110,000, and an adjustment to rates that have not been increased since the inception of the agreement in 2012.

Meyers Nave provides advice and representation concerning the Halaco Superfund Site issues as well as legal advice regarding regulatory matters with the State Water Resources Control Board and Los Angeles Regional Water Quality Control Board. Funding for the legal services is paid from the General Fund for the Halaco related issues and for utility related issues funding is through the applicable Enterprise Fund.

B Amendment to Property Tax Services

Vendor: HdL Coren & Cone
Type: Amendment
Agreement No.: 7376-16-FN
Amendment No.: 2
Purchase Order No.:
Begin Date: 01/31/2018
End Date: 01/31/2019
Term: 1 year

Amount to be Approved: \$12,950
Current FY Amount: \$5,571
Total Contract Amount: \$37,950
Funding Source: General Fund/101-1601-801-8209
Vendor Selection Process: Negotiated Contract
of Bids/Proposals/Quotes: N/A
Project Manager: James Throop
Department: Finance Department
Telephone: 805-385-7461
Email: jim.throop@oxnard.org

Purpose: Staff is requesting authorization to enter into a Second Amendment with HdL Coren & Cone to provide assistance with property tax services in the amount of \$12,950 for a total contract amount not to exceed \$37,950, and to extend the agreement to January 1, 2019.

HdL Coren & Cone provides assistance with property tax services and was selected based on their extensive knowledge in this field.

City Manager Contract List for 05/15/2018

Contracts from \$25,000 to \$250,000

K.2.a

C Thioguard Magnesium Hydroxide for Odor Control

Vendor: Hill Brothers Chemical
Type: Change Order
Agreement No.:
Amendment No.: 1

Purchase Order No.: 6723
Begin Date: 05/01/2018
End Date: 06/30/2018
Term: 2 months

Amount to be Approved: \$19,840
Current FY Amount: \$19,840
Total Contract Amount: \$39,680
Funding Source: Wastewater Collection Operating Funds 611-6103-843-8104
Vendor Selection Process: Negotiated Contract
of Bids/Proposals/Quotes: N/A
Project Manager: Thien Ng
Department: Public Works Department
Telephone: 805-432-3575
Email: thien.ng@oxnard.org

Purpose: Staff is requesting authorization to increase Purchase Order No. 6723 by an additional \$19,840 for a new total of \$39,680 to cover deliveries through June 30, 2018.

The Wastewater Treatment Plant utilizes Thioguard (magnesium hydroxide) for reducing nuisance odor in the Via Marina Neighborhood located along Victoria Avenue and Hemlock Street. Magnesium hydroxide is ideal because it is nonreactive with wastewater and has a zero rating on the National Fire Protection Association health, fire and reactivity categories.

Thioguard is manufactured by Premier Magnesia, LLC. Hill Brothers Chemical Co. is the exclusive distributor for Thioguard in eleven states of the Western United States.



**CITY COUNCIL
AGENDA REPORT**

TYPE OF ITEM: Info/Consent

AGENDA ITEM NO.: 3

DATE: May 15, 2018

TO: City Council

THROUGH: Scott Whitney
Interim City Manager

FROM: Ashley Golden
Development Services Director

SUBJECT: Second Amendment to Agreement with HdL Companies for Cannabis Fiscal Analysis and Taxation Strategies, and Property & Sales Tax Analysis & Reporting Services.

CONTACT: Ashley Golden, Development Services Director
Ashley.Golden@oxnard.org, (805) 385-7882

RECOMMENDATION:

That the City Council approve and authorize the Mayor to execute a Second Amendment to Agreement No. 7748-17-FN with HdL Companies to:

1. Extend the term of the Agreement by three (3) years through March 2021; and
2. Increase the amount of the Agreement by \$351,250, which includes Sales Tax and Economic Analysis, Allocation Audit and Recovery, and additional consulting services for the extended term, and Cannabis Fiscal Analysis and Taxation Strategies consulting services. The total Agreement as amended shall not exceed \$551,250.

BACKGROUND

HdL Companies (“HdL”) was created in 1983 by a former finance director, to help cities get the details of their tax revenue, including assisting with the analysis of the tax reports. Currently HdL provides property tax, sales tax, Transit Occupancy Tax (TOT) audits, Business License audits and software systems, as well as other related services. Since 1999, HdL has been providing valuable sales tax, property tax and business tax auditing, allocation audit recovery services, and economic analysis services to the city.

Amendment to Agreement for HdL Companies Cannabis/Property/Sales Tax Services
May 15, 2018
Page 2

In addition to sales and property tax services, HdL developed a Cannabis Management Program with former professional government cannabis policy experts with extensive knowledge related to cannabis. These experts assist local government agencies to implement and manage effective cannabis regulation and taxation options. HdL has been retained by over 400 cities, counties, and special agencies in the State to assist in the development of cannabis related approaches unique to the specific jurisdiction.

For cannabis related work, HdL experts work closely with law enforcement, the California Department of Consumer Affairs, the state legislature and other state agencies along with the League of California Cities to resolve local government issues related to the Cannabis Industry. HdL knows the best practices and lessons learned from Colorado and various jurisdictions in California because their experts have helped develop these policies and continue to play a leadership role in the implementation of these programs. HdL has worked with a number of other cities in Ventura County.

Since July 2017, Council has considered cannabis policies and options. On July 18, 2017, the City Council held a study session on cannabis and directed staff to move forward with the following three recommendations:

1. Enact a zone text amendment explicitly banning commercial cannabis activities.
2. Incorporate existing medical cannabis restrictions into the zoning code.
3. Revise existing regulations to allow for delivery of medical cannabis.

The three directives approved by the City Council on July 18, 2017 were consistent with the City Council's "go slow" approach that was discussed at the City's Council's April 4, 2017 study session on cannabis.

On November 14, 2017, the City Council adopted an ordinance prohibiting all cannabis-related uses within the City.

On April 3, 2018, the City Council approved the first reading of an ordinance to allow medical cannabis deliveries. The medical delivery ordinance became effective May 11, 2018.

The City Council directed staff to report back to City Council with options to regulate cannabis activities within the city. Staff is recommending that the services of HdL be secured to assist the City with the following comprehensive cannabis approach: assist staff as the subject matter expert; develop financial analysis options, opportunities, and market feasibility; develop ballot language for potential inclusion in the November 2018 General Election; and develop cannabis related regulations for the City should City Council decide to proceed in this fashion.

ANALYSIS

The Finance Department is seeking a three (3) year extension with an associated increase of \$300,000 in funding to amend to the existing Agreement with HdL for continued property and

Amendment to Agreement for HdL Companies Cannabis/Property/Sales Tax Services

May 15, 2018

Page 3

sales tax analysis and reporting. The reporting services are a specialty for HdL and the services are extremely beneficial to the city for budgeting and analysis. The company is able to supply the city with forecast and estimates for all of its property and sales taxes, which the budget division uses for the city's annual budget. HdL has been providing excellent reports and analysis to the city. Should the term of this amendment be extended, the new term of the contract will be March 1, 2021.

An additional component of the contract amendment is to secure assistance from HdL regarding cannabis. HdL offers services for the development of a revenue fiscal analysis, taxation strategy for various types of cannabis businesses, and analysis of market feasibility to determine the type and number of cannabis related businesses and operations that would be sustainable in the City of Oxnard. Finally, dependent upon the feasibility analysis and direction from City Council, HdL has the ability to develop an ordinance and regulatory processes to implement cannabis regulations. As part of the taxation strategy, HdL will develop potential ballot language to be considered in the upcoming November General Election (see Attachment A - Exhibit A-1, Cannabis Scope of Work). The total cost for these cannabis work components is projected to be \$51,250.

HdL has written 50 of the 120 ballot measures voted on across the state. Should the Council approve the contract amendment with HdL, the next step in the cannabis regulation process is for HdL to develop ballot measure language. If the ballot language is not submitted in early July 2018 the next opportunity for a ballot measure on a cannabis tax would occur as part of the November 2020 General Election. By ordering a vote on a cannabis tax measure, the City Council is not committing the city to allow any cannabis uses that would not be otherwise allowed as stipulated in the city's City Code. The tax would be in place so there would be no delay in collecting revenue, should City Council determine to allow such uses.

The subject ballot language would be presented in draft form to the City Council in mid June 2018. The additional HdL work task pertaining to cannabis fiscal analysis options, opportunities, and market feasibility, as well as cannabis related regulations and application development would be presented to City Council shortly thereafter; depending upon timing, this may occur in separate City Council meetings and/or study sessions. The intent of the study session is to present analysis findings and to gauge City Council interest in proceeding with relevant regulations; this is envisioned to be conducted sometime this summer.

STRATEGIC PRIORITIES

This agenda item supports the Economic Development strategy. The purpose of the Economic Development strategy is to develop and enhance Oxnard's business climate, promote the city's fiscal health, and support economic growth in a manner consistent with the city's unique character. This item supports the following goals and objectives:

Goal 1. Create vibrant and economically sustainable commercial, industrial and retail industries throughout the City.

Objective 1a. Focus available resources on a comprehensive effort to promote economic activity in Oxnard, including a marketing program that communicates the City's available resources and assets.

Goal 2. Enhance business development throughout the City.

Objective 2a. Develop a strong citywide economy which attracts investment, increases the tax base, creates employment opportunities, and generates public revenue.

Objective 3a. Maximize funding sources.

Objective 3b. Set rates and fees to fully recover cost.

FINANCIAL IMPACT

The total cost of the contract amendment is \$351,250, bringing the total contract amount to \$551,250. Of the proposed increase, \$300,000 is related to the sales and property tax work and \$51,250 is related to the cannabis work.

The costs for the property and sales tax analysis and reporting will become part of the city's cost allocation model, and spread to all appropriate funds within the city.

The funding for the cannabis related work is from the General Fund Account No. 101-4101-804-8209, and funding for the property and sales tax analysis will occur from Account No. 101-1601-801-8209.

As part of the cannabis related work HdL will provide an analysis of the fiscal impact associated with the City Council's action on implementing cannabis related taxation strategies. As part of the future permit and regulatory fee analysis, HdL's cannabis related services can be included in the City's cost allocation model thus covering these costs if/when cannabis related businesses are permitted and regulated in the city.

ATTACHMENTS:

Attachment A: Amendment to Agreement with Exhibit A and Exhibit A-1

Agreement No. 7748-17-FN**SECOND AMENDMENT TO AGREEMENT FOR CONSULTING SERVICES**

This Second Amendment ("Second Amendment") to the Agreement for Consulting Services ("Agreement") is made and entered into in the County of Ventura, State of California, this 26 day of April, 2018, by and between the City of Oxnard, a municipal corporation ("City"), and Hinderliter, de Llamas and Associates (HdL Coren & Cone) ("Consultant"). This Second Amendment amends the Agreement entered into on January 30, 2017, by City and Consultant. The Agreement previously has been amended by a First Amendment on April 27, 2017.

City and Consultant agree as follows:

1. In Section 12 of the agreement the date of "March 1, 2018" is deleted and replaced with "March 1, 2021".
2. In Section 14a of the Agreement, the figure "\$200,000" is deleted and replaced with the figure "\$551,250".
3. In Section 1 of the Agreement, "Exhibit A" is deleted and replaced with "Exhibit A and Exhibit A-1".
4. Exhibit A-1, attached hereto, and is incorporated into the Agreement.
5. Section 21 is amended to add subsection 21.d. as follow:

"d. Both parties understand and agree that nothing in this agreement constitutes advice by Consultant to City to violate any existing law and, accordingly, this section does not obligate Consultant to the extent that federal or state law may now, or subsequently, prohibit the actions recommended by Consultant pursuant to this Agreement."
6. As so amended, the Agreement remains in full force and effect.

[Signatures on next page]

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

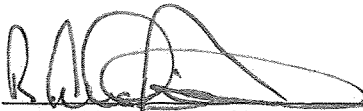
CITY OF OXNARD

VENDOR/CONTRACTOR/CONSULTANT

☒ Tim Flynn, Mayor (if agreement is \$250,000.01 or more) _____ Date _____

☐ Scott Whitney, Interim City Manager (if agreement is \$25,000.01-\$250,000.00)

☐ Lisa Boerner, Purchasing Agent (if agreement is up to \$25,000.00)

 5-2-18
Andrew Nickerson, President Date

 5-2-18
Jeffrey Schmitt, Chief Financial Officer Date

ATTEST:

Michelle Ascencion, City Clerk _____ Date _____
(if agreement is \$250,000.01 or more)

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney _____ Date _____
(required for any agreement amount)

APPROVED AS TO CONTENT:

James Throop, Project Manager (required for any agreement amount) _____ Date _____

James Throop, Department Head (if agreement is \$25,000.01 or more) _____ Date _____

APPROVED AS TO AMOUNT:

Scott Whitney, Interim City Manager (if agreement is \$250,000.01 or more) _____ Date _____

APPROVED AS TO INSURANCE:

Mike More, Risk Manager (required for any agreement amount) _____ Date _____

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; 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.

PLEASE DO NOT
REMOVE THIS BOX

SECOND AMENDMENT TO AGREEMENT FOR CONSULTING SERVICES

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

CITY OF OXNARD

VENDOR/CONTRACTOR/CONSULTANT

☒ Tim Flynn, Mayor (if agreement is \$250,000.01 or more) _____ Date _____

Andrew Nickerson, President _____ Date _____

☐ Scott Whitney, Interim City Manager (if agreement is \$25,000.01-\$250,000.00)

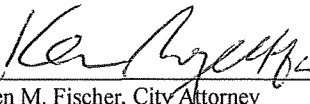
☐ Lisa Boerner, Purchasing Agent (if agreement is up to \$25,000.00)

Jeffrey Schmehr, Chief Financial Officer _____ Date _____

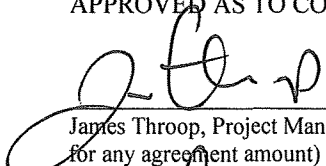
ATTEST:

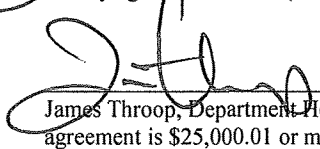
Michelle Ascencion, City Clerk _____ Date _____
(if agreement is \$250,000.01 or more)

APPROVED AS TO FORM:

 _____ 5/2/18
Stephen M. Fischer, City Attorney _____ Date _____
(required for any agreement amount)

APPROVED AS TO CONTENT:

 _____ 5/2/18
James Throop, Project Manager (required _____ Date _____
for any agreement amount)

 _____ 5/2/18
James Throop, Department Head (if _____ Date _____
agreement is \$25,000.01 or more)

APPROVED AS TO AMOUNT:

Scott Whitney, Interim City Manager (if Date _____
agreement is \$250,000.01 or more)

APPROVED AS TO INSURANCE:

 _____ 5/2/18
Mike More, Risk Manager (required _____ Date _____
for any agreement amount)

SECOND AMENDMENT TO AGREEMENT FOR CONSULTING SERVICES

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; 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.

PLEASE DO NOT
REMOVE THIS BOX

EXHIBIT A

SCOPE OF SERVICES

The Consultant shall perform the following services:

A. Sales tax and economic analysis

1. Consultant shall establish a special database that identifies the name, address and quarterly allocations of all sales tax producers within the City for the most current and all quarters back to fiscal year 1998-1999 or earlier, if the City has prior historical sales tax data available on computer readable magnetic media. This database will be utilized to generate special reports to the City on: major sales tax producers by rank and category, sales tax activity by categories, or business districts, identification of reporting aberrations, and per capita and outlet comparisons with regional and statewide sales.
2. Consultant shall provide up-dated reports following each calendar quarter identifying changes in sales by individual businesses, business groups and categories and by geographic area. These reports may include, without limitation, quarterly aberrations due to State audits, fund transfers, and receivables along with late or double payments, and quarterly reconciliation worksheets to assist with budget forecasting.
3. Consultant shall additionally provide following each calendar quarter a summary analysis for the City to share with Chambers of Commerce, other economic development interest groups and the public that analyze City's sales tax trends by major groups, and geographic areas without disclosing confidential information.
4. Consultant shall make available to City staff Consultant's web-based sales tax computer software program containing sellers permit and quarterly allocation information for all in-city business outlets registered with the Board of Equalization and updated quarterly. This software shall allow City staff to search businesses by street address, account number, business name, business type and keyword, arrange data by geographic area, and print out a variety of reports.

B. Allocation Audit Recovery

1. Consultant shall conduct initial and on-going sales, use and transactions tax audits to identify and correct distribution and allocation errors, and to proactively affect favorable registration, reporting or formula changes thereby generating previously unrealized sales, use and transactions tax income for the City and/or recovering misallocated tax from previously properly registered taxpayers. Common errors that will be monitored and corrected include, but are not limited to: transposition errors resulting in misallocations; erroneous consolidation of multiple outlets; formula errors, misreporting of "point of sale" to the wrong location; delays in reporting new outlets; misallocating use tax payments to the allocation pools or wrong jurisdiction; and erroneous fund transfers and adjustments.
2. Consultant shall initiate contacts with state agencies, and sales management and accounting officials in companies that have businesses where a probability of error exists to verify whether current tax receipts accurately reflect the local sales activity. Such contacts will be conducted in a professional and courteous manner.
3. Consultant shall (i) prepare and submit to the Board of Equalization information for the purpose of correcting allocation errors that are identified and (ii) follow-up with individual businesses and the State Board of Equalization to promote recovery by the City of back or prospective quarterly payments that may be owing.
4. If during the course of its audit, Contractor finds businesses located in the City that are properly reporting

sales and use tax but have the potential for modifying their operation to provide an even greater share to the City. Consultant may so advise City and work with those businesses and the City to encourage such changes.

C. Consulting and other optional services

Consultant may, from time to time in its sole discretion, consult with City staff, including without limitation, regarding (i) technical questions and other issues related to sales, use and transactions tax; (ii) utilization of reports to enhance business license collection efforts; and (iii) sales tax projections for proposed annexations, economic development projects and budget planning. In addition to the foregoing optional consulting services, Consultant may, from time to time in its sole discretion, perform other optional Services, including without limitation, negotiating/review of tax sharing agreements, establishing purchasing corporations, and meeting with taxpayers to encourage self-assessment of use tax.

Exhibit A-1

The Scope of Services to be provided by HdL shall include:

- Kick off meeting(s) with City Staff, City Sub Committees or Community Stakeholders;
- Create a regulatory commercial cannabis activity ordinance for both medicinal and adult-use cannabis businesses which will create the best practices that will ensure public safety, the welfare and health of the City of Oxnard;
- Identify issues which City staff needs to mitigate related to legal issues or problems prior to issuing regulatory permits to the cannabis businesses;
- Provide City staff with technical and policy expertise related to the operations and understanding of the Cannabis Industry to ensure compliance with the Medical Cannabis and Safety Act (MCRSA), Adult Use Marijuana Act (AUMA); SB 94, the Medicinal Adult- Use Cannabis Regulation and Safety Act (“MAUCRSA”) and all applicable local ordinances;
- Design procedures and application requirements for a permittee selection process that will be used to invite, review, score, and provide recommendations on applicants to operate cannabis businesses in the City as determined by City Council;
- Develop a proposed timeline for implementation of the application procedure and Request for Permit Application (RFPA), including reviewing qualification statements, records, and documents in coordination with City staff, City officials, or committees, and providing a recommendation to the City Council;
- Develop cost recovery fees to recover the City’s costs for reviewing all cannabis business applications and issuing cannabis business permits;
- Develop an annual cannabis business regulatory fee to recover costs associated with administrative oversight of permitted cannabis facilities, conduct code/fire inspections, compliance and financial audits as well as other regulatory functions deemed necessary by the City; and
- Prepare a fiscal revenue report identifying tax options for the various types of cannabis businesses.
- Develop a tax measure and ordinance which will provide the City maximum economic benefits but at the same time ensure long term stability for the cannabis business operators.

Objective 1: Provide Subject Matter Expertise & Technical Support

Subject matter expertise and technical support will begin upon the execution of a contract with the Consultant which will include the following:

- Consultant shall work with City staff on issues related to cannabis regulatory and tax policies;
- Conduct a feasibility analysis to determine the number of businesses and types of businesses which would be sustainable in the City of Oxnard;
- Where applicable develop and design a regulatory ordinance for cultivation, manufacturing, testing labs, distribution centers, microbusinesses; and retail (dispensaries) if directed by the City Council and/or the City Administration;
- Ensure proposed city ordinance complies with all state and local laws and conforms to the best practices to regulate the cannabis businesses in the City;
- Monitor MCRSA, AUMA, and MAUCRSA policy development and provide feedback to City staff to ensure that the City follows any changes which may impact the development of the cities strategy to regulate and tax businesses which will be permitted in the City;
- Committee/Council Meetings: HdL will be present to provide staff and city council technical support for up to four (4) City Committee/Council meetings at the request of the City Administration. Any additional meeting maybe subject to additional travel cost and staffs hourly rate.
- Project Management: This includes facilitation of internal meetings, conference calls, staff inquiries via phone and email, participation in initial project functions and monitoring of status reports and present completion timelines. Since it is the cities staff desire to conduct weekly reporting meetings this scope shall cover one HdL staff members time for such request up to 25 hours. Should the City request additional staff or hours the City shall be required to compensate the Consultant for the request at the hourly rate of the person participating in the meeting.

Objective 2: Develop Tax Strategy, Ballot Measure and Fiscal Analysis

Objective 2.1 Create and Design Ballot Measure

- Create and design a tax measure and establish a tax ordinance that will provide flexibility in generating revenue but will be equitable for the businesses operating in the City should it be permitted in the future;
- Design in the ordinance an administrative procedure policy related to delinquencies, payment process, appeals, exemptions, relief from disaster and other administrative requirements which will be utilized by the city for the implementation and collection of the tax upon adoption; and

- Establish language in the ballot measure which will capture the taxation of medicinal cannabis and adult-use if applicable to provide the city a mechanism to potentially tax all commercial cannabis activities regardless if it is permitted or conducted unlawfully in the City.
- **Objective 2.2 Conduct a Fiscal Matrix Analysis**
 - Prepare a fiscal revenue analysis identifying tax options for the various types of commercial cannabis activities which may in the future be authorized to be permitted to operate in the City.

Objective 3 Application Development

HdL staff will work collaboratively with City staff in developing the cannabis business application for all phase of the process.

Objective 3:1 Application Development

- **Create Protocols:** Policies will be established for proper protocols and confidentiality of the applicant's documentation to ensure an equitable and fair evaluation process.
- **Committee/Council Meetings:** HdL will prepare presentations for up to two (2) City Committee/Council meetings at the request of the City Administration for the purpose of discussing Cannabis Policy Strategies and Implementation of Ordinances.
- **Develop Application Process and Milestones:** HdL staff will present best practice approaches to designing the qualification review phase and the RFPA review phase. HdL will verify the regulatory requirements and established due dates which shall be approved by City staff.
- HdL will develop a merit-based application process which will consist of four stages:
 - Phase I will require each member of the applicant's team to complete the application materials, which will include a Live Scan form or other alternative background checks, Release & Authorization form and Disclosure and Acknowledgement form.
 - Phase II will consist of an evaluation of the application documents that have been submitted which score at least 80%.
 - Phase III will consist of an interview which will be conducted by the Selection Committee.
 - Phase IV will be a final recommendation which is made by the City Manager or the City Council upon further determination from the City.

Objective 3:2 Application Criteria

HdL staff is experienced with developing “best practice” cannabis facility applications will collaborate with City staff in order to ensure all information desired by the City is incorporated in the cannabis business application. HdL will incorporate the City’s ordinance requirements, the California Attorney General’s Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use (2008), and SB 94, the Medicinal Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”). Furthermore, HdL will develop evaluation criteria to be used for the review process in accordance with Oxnard’s Commercial Cannabis Ordinance. In addition, to the documents and minimum standard requirements for the filing of the application the Request for Permit Application (RFPA) will consider seven (7) key components of the application.

The criteria to be used in the decision process will include the following but not limited solely on these categories:

- Location of the proposed facility
- Articles of incorporation
- Live scan submissions
- Proof of capitalization
- Proof of insurance
- Business plan (includes building & construction, security plan and fire plan)
- Industry experience

The best submissions will be forward thinking and deploy solutions that identify the best “green” practices, while employing “sustainable” energy and waste solutions, and implement the “best practices” available in the cannabis industry. Consideration will be given to applications designed to reduce and address actual or potential concerns the City may have regarding nuisance behavior, environmental issues, or product safety.

The specific criteria which will be used in evaluating and rating the applications shall include the following:

- Overall quality of the proposal including responsiveness and conformance to the RFPA requirements for content and format;
- Quality and appropriateness of proposed applicant team, professional experience and background of primary applicants;
- Key personnel, project location, and other management staff with required experience and skills relevant to this project;
- Primary applicants experience and ability to manage operations of proposed facility, scheduling of work, cost estimating and budget

- management;
- Primary makeup of applicant's corporate board, and prior experience working with local government agencies;
- Patient tracking, product inventory management and recordkeeping;
- Quality and appropriateness of proposed site, business model, organization, and knowledge and experience working with specific legal codes and regulations;
- Transportation plan describing the procedures for safely and securely transporting cannabis products and currency;
- Applicants use and implementation of solutions designed to reduce and address any actual or potential concerns of the City and its residents, and
- Any other additional information which the City would like to incorporate into the selection process which they deemed necessary.

Each of the final applicants from each category will be reviewed and rated based on ten (10) categories. An applicant's score for points will be based on their ability to meet or exceed minimum requirements in the ten (10) categories. Applicants must provide information on how they plan to meet these point categories. Such action will become a mandatory condition of their permit. Failure to meet or comply with these requirements will subject the applicants to penalties and/or revocation proceedings. The ten (10) categories are as follows:

1. Proposed Location
2. Business Plan
3. Community Benefits
4. Enhanced Product Safety
5. Environmental Benefits
6. Labor and Employee Practices
7. Local Enterprise
8. Neighborhood Compatibility Plan
9. Qualification of Principals
10. Safety and Security Plan

Objective 4: Cost Recovery Fee Analysis

Objective 4.1 Cost Recovery

Develop fees to recover the City's costs associated with reviewing applications and issuing permits. HdL staff has experience developing cannabis regulatory fees and doing a "fit gap" analysis of staff responsibilities and time allotted to this program to establish appropriate fees for the City's level of oversight and enforcement of the regulatory process. This will include the initial application process, Conditional Use

Permit if applicable and the annual regulatory permit. HdL will develop a cost recovery fee that will analyze the costs of staff time,

(This page is intentionally blank.)



**CITY COUNCIL
AGENDA REPORT**

TYPE OF ITEM: Report
AGENDA ITEM NO.: 1

DATE: May 15, 2018

TO: City Council

THROUGH: Scott Whitney
Interim City Manager

FROM: Darwin Base
Fire Chief

SUBJECT: Seismologist Dr. Lucy Jones to Address City Council Concerning Earthquake Risk to the Oxnard Community. (20/10/5)

CONTACT: Darwin Base, Fire Chief
Darwin.Base@oxnard.org, (805) 385-7700

RECOMMENDATION:

Seismologist Dr. Lucy Jones, a world renowned expert on earthquakes, to address the City Council concerning the earthquake risk to our region and city.

BACKGROUND

The Southern California Association of Governments (SCAG), in partnership with the Dr. Lucy Jones Center for Science and Society, launched a new initiative in 2016 to help local cities and counties protect Southern California communities and economies from the disruption that a major earthquake would cause.

The initiative kicked off in Ventura County with a series of regional workshops, led by Dr. Jones, for local civic leaders. The workshops reviewed the risks of a major regional earthquake and the most effective approaches for preparation, including strengthening infrastructure and reviewing building safety codes.

Following the workshop a series of monthly conference calls were initiated to assist local cities with their efforts and to provide a forum for sharing between the involved organizations. Oxnard has been an active participant in these calls. As a result of the initiative, the Oxnard Fire and

Seismologist Report (20/10/5)

May 15, 2018

Page 2

Planning Departments have focused their attention on the risks of “soft story” and “unreinforced masonry” structures within the community. Internal discussions have suggested that a comprehensive study of the number, type and vulnerability of these structures may be needed to more clearly identify the scope of this problem. This discussion also began to examine a number of issues involved in developing an earthquake structural mitigation strategy.

Dr. Lucy Jones remains actively involved in this process and is available to provide a brief presentation to our City Council. In speaking to the Council, Dr. Jones will address the basics of earthquake risk and how a city can identify and address their risk. This brief presentation of 20 minutes, followed by questions from the council, will include information about regional risk as well as the local risk and impacts. She will also present the real impacts to critical components that make up the city -- buildings, utilities, and the economy -- and how these critical aspects of society impact the people who live, work, and visit the city.

Dr. Jones’ Background: Seismologist Dr. Lucy Jones is one of the world experts on earthquakes and their impacts on society, especially in California. She spent 30 years as a researcher with the US Geological Survey based at Caltech, and upon her retirement in 2016, she formed the non-profit Dr. Lucy Jones Center for Science and Society to foster the understanding and application of scientific information in the creation of more resilient communities.

STRATEGIC PRIORITIES

This agenda item supports the Quality of Life strategy. The purpose of the Quality of Life strategy is to build relationships and create opportunities within the community for safe and vibrant neighborhoods, which will showcase the promising future of Oxnard. This item supports the following goals and objectives:

Goal 3. Strengthen neighborhood development, and connect City, community and culture.

Objective 3a. Create a renewed focus on establishing a positive outlook and orientation of our City, neighborhoods and overall community.

Objective 3b. Empower and connect our Inter-Neighborhood Council Organizations (INCOs), Community Advisory Groups (CAGs) and Neighborhood Watch Program.

Objective 3c. Improve our methods of communicating with residents, businesses and neighborhoods (e.g. leverage social media and tools like Nextdoor).

FINANCIAL IMPACT

There is no financial impact for this report.



**CITY COUNCIL
AGENDA REPORT**

TYPE OF ITEM: Report
AGENDA ITEM NO.: 2

DATE: May 15, 2018

TO: City Council

THROUGH: Scott Whitney
Interim City Manager

A handwritten signature in black ink, appearing to read "S. Whitney".

FROM: Ashley Golden
Development Services Director

A handwritten signature in black ink, appearing to read "Ashley Golden".

SUBJECT: Adoption of Medical Cannabis Delivery and Delivery Driver Permit Fee (5/5/5)

CONTACT: Ashley Golden, Development Services Director
Ashley.Golden@oxnard.org, (805) 385-7882

RECOMMENDATION:

That the City Council adopt a resolution establishing new fees for Medical Cannabis Delivery and Delivery Driver Permits.

BACKGROUND

On November 8, 2016, California voters passed the Control, Regulate, and Tax Adult Use of Marijuana Act ("AUMA") as Proposition 64. AUMA legalized the nonmedical use of cannabis (marijuana) by persons 21 years of age and over, the personal cultivation of up to six cannabis plants per household, and certain commercial cannabis businesses. Under AUMA, local jurisdictions retained the authority to adopt and enforce local ordinances regulating or prohibiting state-licensed cannabis businesses.

On July 18, 2017, the City Council held a study session on cannabis and directed staff to move forward with three recommendations:

1. Enact a zone text amendment explicitly banning commercial cannabis activities.
2. Incorporate existing medical cannabis restrictions into the zoning code.

Adoption of Medical Cannabis Delivery and Delivery Driver Permit Fee (5/5/5)

May 15, 2018

Page 2

3. Revise existing regulations to allow for delivery of medical cannabis.

The City Council subsequently adopted an ordinance prohibiting all cannabis-related uses within the City's commercial and industrial zones. This ordinance became effective on December 14, 2017.

On April 3, 2018, the City Council considered an ordinance to implement the City Council's third recommendation regarding delivery of medical cannabis. The ordinance updates existing cannabis/marijuana prohibitions in Article XVI of Chapter 7 of the Oxnard City Code (Section 7-280 et seq.) to allow medical cannabis deliveries in the City under specific conditions. These conditions include the following:

1. The delivery occurs from a medical cannabis dispensary that is licensed by the State of California and the jurisdiction in which it is physically located.
2. The medical cannabis dispensary and the employees making deliveries within the City have obtained permits issued by the City Manager or his/her designee to conduct medical cannabis deliveries within the City and have agreed to abide by all of the conditions of the permit.
3. All employees of the medical cannabis dispensary making deliveries within the City have specific documentation with them on each delivery to demonstrate that they are authorized to make deliveries within the City and authorized to make the delivery to the specific recipient.
4. Delivery vehicles are not marked or otherwise identified with advertisements, the name of the medical cannabis dispensary, or any other distinctive marking associated with cannabis.
5. Delivery of medical cannabis and medical cannabis product are delivered directly to the residence or business address of the designated recipient, with deliveries to any other location within the City expressly prohibited.
6. Deliveries of medical cannabis and medical cannabis product within the City only between the hours of 8:00 a.m. and 8:00 p.m.

The ordinance also outlined a specific process for the issuance of the permits necessary for the medical cannabis deliveries, as well as outlining the process for revocation or nonrenewal of the permits if proper grounds exist for such actions to occur.

The City Council adopted Ordinance No. 2937 on April 10, 2018, and the ordinance became effective on May 10, 2018. The ordinance, however, does not specify the fees that would be imposed on the issuance of the two types of permits relating to medical cannabis delivery – the Medical Cannabis Delivery Permit (issued to the licensed dispensary that is the source of the

Adoption of Medical Cannabis Delivery and Delivery Driver Permit Fee (5/5/5)

May 15, 2018

Page 3

medical cannabis) and the Delivery Driver Permit (issued to the individual that delivers the medical cannabis from the licensed dispensary to the qualified patient or his/her primary caregiver).

After the City Council adopted the ordinance, a Cost of Service fee study was prepared to analyze the City's costs in issuing and renewing the permits, which will involve the Treasurer, Police, Risk Management, and City Attorney Departments. Based upon this study, it is recommended that the fee for the Medical Cannabis Delivery Permit be set at \$265 for new permit applications and \$265 a year for renewals thereafter. It is also recommended that the Delivery Driver Permit be set at \$280 a year for new permit applications and \$255 a year thereafter. The cost of appeals relating to this process will be set at \$555. The fee resolution is attached that will implement these new fees.

STRATEGIC PRIORITIES

None applicable.

FINANCIAL IMPACT

Through a Cost of Service fee study, the staff hours and fees were established. The proposed fee will cover the cost of service and is not intended to function as a revenue source.

<INSERT BODY HERE>

ATTACHMENTS:

Attachment A: City Council Resolution

Attachment B: Exhibit A to CC Resolution

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD
ESTABLISHING FEES FOR MEDICAL CANNABIS DELIVERY AND
DELIVERY DRIVER PERMITS.

WHEREAS, on June 18, 2016, the City Council adopted financial management policies (“the policies”) to be followed in the development and implementation of the City budget; and

WHEREAS, on April 10, 2018 the City Council adopted Ordinance 2937 to allow Medical Cannabis Delivery in the City;

WHEREAS, the new fees included in this resolution will provide full cost recovery to the Treasury, Risk Management, City Attorney, and Police Departments providing these services; and

WHEREAS, the adoption of this Resolution is exempt from the California Environmental Quality Act (CEQA) as the establishment of fees for the purpose of meeting operating expenses, including employee wage rate and fringe benefits; and

NOW, THEREFORE, the City Council of the City of Oxnard finds that the fees adopted by this Resolution are for the purpose of meeting operating expenses, including employee wage rates and fringe benefits, as set out in the fee schedule provided in Exhibit A.

NOW, THEREFORE, the City Council of the City of Oxnard resolves:

SECTION 1. The fee schedule in Exhibit A is hereby adopted.

PASSED AND ADOPTED this 15th day of May, 2018 by the following vote:

AYES:

NOES:

ABSENT:

Tim Flynn, Mayor

ATTEST:

APPROVED AS TO FORM:

Michelle Ascencion, City Clerk

Stephen M. Fischer, City Attorney

**CITY OF OXNARD
COST DETAIL WORKSHEET
FY 2016-2017**

SERVICE			REFERENCE NO.			
MEDICAL CANNABIS DELIVERY PERMIT			S-300			
NOTE			TOTAL UNITS			
Unit Costs are an Average of Total Units			2			
<u>DEPARTMENT</u>	<u>POSITION</u>	<u>TYPE</u>	<u>UNIT TIME</u>	<u>UNIT COST</u>	<u>ANN. UNITS</u>	<u>TOTAL COST</u>
CITY TREAS-LICENS.	CUSTOMER SERVICE REP II	New	1.00	\$75.74	1	\$76
CITY ATTORNEY	ASSISTANT CITY ATTORNEY	New	0.25	\$35.58	1	\$36
POLICE-SUPP'T SVCS	POLICE RECORDS TECH II	New BG Check	0.32	\$20.89	1	\$21
POLICE-SUPP'T SVCS	POLICE RECORDS TECH III	New Live Scan	0.33	\$24.75	1	\$25
POLICE-SUPP'T SVCS	COMPLIANCE SPECIALIST - P	New	1.00	\$82.70	1	\$83
PUBLIC LIABILITY	FINANCIAL SVCS MANAGER	New	0.25	\$27.54	1	\$28
TYPE SUBTOTAL			3.15	\$267.20		\$267
CITY TREAS-LICENS.	CUSTOMER SERVICE REP II	Renewal	1.00	\$75.74	1	\$76
CITY ATTORNEY	ASSISTANT CITY ATTORNEY	Renewal	0.25	\$35.58	1	\$36
POLICE-SUPP'T SVCS	POLICE RECORDS TECH II	Renwal BG Check	0.32	\$20.89	1	\$21
POLICE-SUPP'T SVCS	POLICE RECORDS TECH III	Renewal Live Scan	0.33	\$24.75	1	\$25
POLICE-SUPP'T SVCS	COMPLIANCE SPECIALIST - P	Renewal	1.00	\$82.70	1	\$83
PUBLIC LIABILITY	FINANCIAL SVCS MANAGER	Renewal	0.25	\$27.54	1	\$28
TYPE SUBTOTAL			3.15	\$267.20		\$267
TOTALS			6.30	\$267.00		\$534

CITY OF OXNARD
COST DETAIL WORKSHEET
FY 2016-2017

SERVICE				REFERENCE NO.		
MEDICAL CANNABIS DELIV. DRIVER PRMT				S-301		
NOTE				TOTAL UNITS		
Unit Costs are an Average of Total Units				2		
DEPARTMENT	POSITION	TYPE	UNIT TIME	UNIT COST	ANN. UNITS	TOTAL COST
CITY TREAS-LICENS.	CUSTOMER SERVICE REP II	New	1.16	\$87.86	1	\$88
CITY ATTORNEY	ASSISTANT CITY ATTORNEY	New	0.25	\$35.58	1	\$36
POLICE-SUPP'T SVCS	POLICE RECORDS TECH II	New BG Check	0.32	\$20.89	1	\$21
POLICE-SUPP'T SVCS	POLICE RECORDS TECH III	New Live Scan	0.33	\$24.75	1	\$25
POLICE-SUPP'T SVCS	COMPLIANCE SPECIALIST - P	New	1.00	\$82.70	1	\$83
PUBLIC LIABILITY	FINANCIAL SVCS MANAGER	New	0.25	\$27.54	1	\$28
TYPE SUBTOTAL			3.31	\$279.32		\$279
CITY TREAS-LICENS.	CUSTOMER SERVICE REP II	Renewal	0.83	\$62.86	1	\$63
CITY ATTORNEY	ASSISTANT CITY ATTORNEY	Renewal	0.25	\$35.58	1	\$36
POLICE-SUPP'T SVCS	POLICE RECORDS TECH II	Renewal BG Check	0.32	\$20.89	1	\$21
POLICE-SUPP'T SVCS	POLICE RECORDS TECH III	Renewal Live Scan	0.33	\$24.75	1	\$25
POLICE-SUPP'T SVCS	COMPLIANCE SPECIALIST - P	Renewal	1.00	\$82.70	1	\$83
PUBLIC LIABILITY	FINANCIAL SVCS MANAGER	Renewal	0.25	\$27.54	1	\$28
TYPE SUBTOTAL			2.98	\$254.32		\$254
TOTALS			6.29	\$267.00		\$534

**CITY OF OXNARD
COST DETAIL WORKSHEET
FY 2016-2017**

SERVICE MEDICAL CANNABIS DELIVERY APPEAL				REFERENCE NO. S-302		
NOTE Unit Costs are an Average of Total Units				TOTAL UNITS 1		
<u>DEPARTMENT</u>	<u>POSITION</u>	<u>TYPE</u>	<u>UNIT TIME</u>	<u>UNIT COST</u>	<u>ANN. UNITS</u>	<u>TOTAL COST</u>
CITY TREAS-LICENS.	TREASURY SUPERVISOR		4.00	\$471.16	1	\$471
MOB.HM.RENT STAB.	COMPLIANCE SERVICES MGR	Hearing Officer	1.00	\$84.08	1	\$84
		TYPE SUBTOTAL	5.00	\$555.24		\$555
		TOTALS	5.00	\$555.00		\$555

**CITY OF OXNARD
REVENUE AND COST SUMMARY WORKSHEET
FY 2016-2017**

SERVICE MEDICAL CANNABIS DELIVERY PERMIT		REFERENCE NO. S-300	
PRIMARY DEPARTMENT CITY TREASURER	UNIT OF SERVICE APPLICATION	SERVICE RECIPIENT Business	
DESCRIPTION OF SERVICE Processing an application to operate a medical cannabis delivery service within the City.			
CURRENT FEE STRUCTURE None			
<u>REVENUE AND COST COMPARISON</u>			
UNIT REVENUE:	\$0.00	TOTAL REVENUE:	\$0
UNIT COST:	\$267.00	TOTAL COST:	\$534
UNIT PROFIT (SUBSIDY):	<u>\$(267.00)</u>	TOTAL PROFIT (SUBSIDY):	<u>\$(534)</u>
TOTAL UNITS:	2	PCT. COST RECOVERY:	0.00%
SUGGESTED FEE FOR COST RECOVERY OF: 100% New - \$265 Renewal - \$265			

April 30, 2018

**CITY OF OXNARD
REVENUE AND COST SUMMARY WORKSHEET
FY 2016-2017**

SERVICE MEDICAL CANNABIS DELIV. DRIVER PRMT		REFERENCE NO. S-301	
PRIMARY DEPARTMENT CITY TREASURER	UNIT OF SERVICE APPLICATION	SERVICE RECIPIENT Business	
DESCRIPTION OF SERVICE Processing a review of a medical cannabis delivery driver within the City.			
CURRENT FEE STRUCTURE None			
<u>REVENUE AND COST COMPARISON</u>			
UNIT REVENUE:	\$0.00	TOTAL REVENUE:	\$0
UNIT COST:	\$267.00	TOTAL COST:	\$534
UNIT PROFIT (SUBSIDY):	<u>\$(267.00)</u>	TOTAL PROFIT (SUBSIDY):	<u>\$(534)</u>
TOTAL UNITS:	2	PCT. COST RECOVERY:	0.00%
SUGGESTED FEE FOR COST RECOVERY OF: 100% New - \$280 Renewal - \$255			

April 30, 2018

**CITY OF OXNARD
REVENUE AND COST SUMMARY WORKSHEET
FY 2016-2017**

SERVICE MEDICAL CANNABIS DELIVERY APPEAL		REFERENCE NO. S-302	
PRIMARY DEPARTMENT CITY TREASURER	UNIT OF SERVICE APPEAL	SERVICE RECIPIENT Business	
DESCRIPTION OF SERVICE Processing an appeal of a medical cannabis delivery decision.			
CURRENT FEE STRUCTURE None			
<u>REVENUE AND COST COMPARISON</u>			
UNIT REVENUE:	\$0.00	TOTAL REVENUE:	\$0
UNIT COST:	\$555.00	TOTAL COST:	\$555
UNIT PROFIT (SUBSIDY):	\$(555.00)	TOTAL PROFIT (SUBSIDY):	\$(555)
TOTAL UNITS:	1	PCT. COST RECOVERY:	0.00%
SUGGESTED FEE FOR COST RECOVERY OF: 100% \$555 per appeal			

April 30, 2018



**CITY COUNCIL
AGENDA REPORT**

TYPE OF ITEM: Report
AGENDA ITEM NO.: 3

DATE: May 15, 2018

TO: City Council

THROUGH: Scott Whitney
Interim City Manager

A handwritten signature in cursive script, appearing to read "S. Whitney".

FROM: Rosemarie Gaglione
Public Works Director

SUBJECT: Agreement for Trade Services to Provide Supplemental Waste Transfer Hauling Services for the Del Norte Regional Recycling and Transfer Station (Agreement No. A-8058). (5/5/5)

CONTACT: Rosemarie Gaglione, Public Works Director
rosemarie.gaglione@oxnard.org, (805) 385-8055

RECOMMENDATION:

That the City Council:

1. Ratify a three-year agreement with Alavao Trucking, LLC in the amount not to exceed \$3,500,000 to provide primary supplemental waste transfer hauling services for the Del Norte Regional Recycling and Transfer Station (Agreement No. A-8058) signed by the Mayor on May 10, 2018 under emergency conditions;
2. Approve and authorize the Mayor to execute a three-year agreement with Ecology Auto Parts in the amount not to exceed \$200,000 to provide secondary supplemental waste transfer hauling services for the Del Norte Regional Recycling and Transfer Station, once this agreement is finalized; and
3. Approve and authorize the Mayor to execute a three-year agreement with Mario's Trucking in the amount not to exceed \$100,000 to provide tertiary supplemental waste transfer hauling services for the Del Norte Regional Recycling and Transfer Station, once this agreement is finalized.

Supplemental Waste Transfer Hauling (5/5/5)

May 15, 2018

Page 2

BACKGROUND

Since opening the Del Norte Regional Recycling and Transfer Station in October of 1996, the Environmental Resources Division has contracted with firms to provide waste transfer hauling services to supplement the City's transfer operation. Operational and fiscal analyses have demonstrated that augmenting the City's transfer operation with outside, supplemental haulers is the most efficient and cost-effective means of complying with State permit mandates. Traditionally, supplemental waste transfer haulers have transferred up to approximately 100,000 tons per year from the Del Norte Facility to contracted landfills and organics processors.

On January 17, 2018, the City's Purchasing Division and the Environmental Resources (ER) Division solicited a competitive request for bids (RFB) for supplemental transfer hauling services. The RFB was published in the VIDA and the Ventura County Star newspapers, posted on the City's website, and advertised in the Public Purchase website. Nineteen (19) hauling firms received the bid notification via the Public Purchase website. Seven (7) firms responded with bids by the February 12, 2018, deadline. The per-ton bids received are as follows:

Destination	Alavao Trucking, LLC	Ecology Auto Parts	Mario's Trucking	Finish Line Transport	CR&R	Agromin Organics	Flores Trucking
Simi Valley Landfill	\$9.00	\$10.56	\$10.80	\$13.00	\$12.72	\$16.50	\$28.00
Toland Road Landfill	\$8.75	\$9.79	\$10.20	\$12.00	\$12.72	\$13.75	\$28.00
Limoneira Farms	\$7.00	\$8.90	\$9.80	\$11.00	\$10.71	\$12.00	\$27.00
Agromin at Simi Valley	\$12.00	\$14.45	\$10.80	\$14.00	\$16.96	\$28.00	\$27.00
Chiquita Canyon Landfill	\$16.00	\$10.77	\$11.80	\$17.00	\$20.35	\$20.00	\$35.00

Among the seven (7) bid proposals reviewed by staff of the ER Division, Alavao Trucking, LLC (Alavao) submitted the lowest responsive bid. The ER Division recommended that Alavao be awarded the primary contract for supplemental hauling. The Agreement with Alavao is for a three-year term not-to-exceed \$3,500,000.

On May 9, 2018, staff determined that, due to a shortage in supplemental haulers, the available trucks could not keep up with the demand. Refuse was backing up risking potential permit violations, and thus, there was an immediate need for execution of this contract. As allowed under Resolution 13,932, the Alavao contract was jointly executed by the City Manager and highest-ranking available member of the City Council, who was the Mayor Pro Tem. This agreement is now brought before the Council for ratification of that action.

Supplemental Waste Transfer Hauling (5/5/5)

May 15, 2018

Page 3

Additionally, to best serve the City and its ratepayers, comply with permit mandates, and ensure that the City has multiple options for the transfer operation, the RFB allowed for awarding contracts to not only the lowest bidder but also to the second and third lowest bidders as secondary and tertiary firms, contingent upon the Council's approval. In the event the primary hauler is unavailable, staff will be able to contact the secondary firm, and if it is unavailable, the tertiary firm. If the Council does not approve secondary and tertiary contracts and Alavao is unavailable, the ER Division will have no choice but to use its in-house fleet on overtime pay as necessary, which could be pricey. Thus, the ER Division recommends that, in addition to awarding the primary contract with Alavao, the Council instruct staff to prepare a secondary contract with Ecology Auto Parts, which submitted the second lowest responsive bid, award that contract in the amount of \$200,000, and authorize the Mayor to execute this contract once finalized. Moreover, the ER Division recommends that the Council instruct staff to prepare a tertiary contract with Mario's Trucking, which submitted the third lowest responsive bid, award that contract in the amount of \$100,000, and authorize the Mayor to execute this contract once finalized.

STRATEGIC PRIORITIES

This agenda item supports the Infrastructure and Natural Resources strategy. The purpose of the Infrastructure and Natural Resources strategy is to establish, preserve and improve our infrastructure and natural resources through effective planning, prioritization, and efficient use of available funding. This item supports the following goals and objectives:

Goal 5. Ensure orderly development and long-range conservation and management of our natural resources and coastal assets.

FINANCIAL IMPACT

Funds are available in the Environmental Resources Enterprise Fund Account Number 631-6314-842-8281 (Waste Transfer Haul-Contractual Services-Supplemental Waste Hauling) to cover for the cost of supplemental transfer hauling by Alavao, Ecology Auto Parts and Mario's Trucking for the remaining period of Fiscal Year 2017-18. These funds were approved by Council through the Fiscal Year 2017-18 budget process. The costs for supplemental hauling service will be included in the proposed budget for Fiscal Year 2018-19.

ATTACHMENTS:

Attachment A - Agreement No. A-8058 with Alavao Trucking, LLC

Agreement No. A-8058

**AGREEMENT FOR TRADE SERVICES
(INCLUDES LIVING WAGE REQUIREMENTS EFFECTIVE FROM 7/1/17)**

THIS AGREEMENT FOR TRADE SERVICES ("Agreement") is entered into in Ventura County, California, this ____ day of ____, 2018, by and between the City of Oxnard ("City") and Alavao Trucking, LLC ("Vendor"), subject to the following terms and conditions:

1. Vendor shall provide to City supplemental hauling services including providing all labor, materials and equipment from the City's Del Norte Regional Recycling and Transfer Station (Station) at 111 South Del Norte Boulevard, Oxnard, California 93030 to the Simi Valley Landfill and Recycling at 2801 Madera Road, Simi Valley, California 93065 or the Toland Road Landfill at 3500 Toland Road, Santa Paula, California 93060 or Agromin Organics Recycling at Limoneira Farms at 12390 Telegraph Road, Santa Paula, California 93060 or the Chiquita Canyon Landfill, 29201 Mayo Drive, Castaic, California 91384 as set forth in Exhibit A, attached hereto and included herein by reference (the "Services").

2. Vendor shall provide the Services on an as-needed basis with a twenty-four hour notice during the term of this Agreement, as set forth in Section 3 below. Vendor shall be excused for delays resulting from causes beyond the control of Vendor.

3. This Agreement shall begin on May 9, 2018, and shall end on May 8, 2021. City may terminate this Agreement at any time, with or without cause and without penalty, by giving written notice to Vendor, specifying the effective date of termination. Unless City asserts that Vendor has breached the Agreement, City agrees to pay Vendor in full for the Services satisfactorily performed as of the effective date of termination, including any expenditures incurred on City's behalf, whether for the employment of third parties or otherwise. If City pays for any materials, City shall be entitled to the title and possession of such materials.

4. City shall pay Vendor an amount not to exceed \$3,500,000 for the Services performed during the term of this Agreement at the rates set forth in Exhibit B attached hereto and included herein by reference. Vendor's acceptance of final payment made pursuant to this Agreement shall constitute a release of City from all claims and liabilities for compensation to Vendor for anything completed, finished or relating to the Services. Vendor agrees that payment by City shall not constitute nor be deemed a release of the responsibility and liability of Vendor or its employees, subcontractors, agents and sub-vendors for the accuracy and competency of the information provided and/or the Services performed hereunder, nor shall such payment be deemed to be an assumption of responsibility or liability by City for any defect or error in the Services performed by Vendor, its employees, subcontractors, agents and sub-vendors. Vendor shall provide City with a completed Request for Taxpayer Identification Number and Certification, as issued by the Internal Revenue Service. If any sales tax is due for the Services performed by Vendor or materials or products provided to City by Vendor, Vendor shall pay the sales tax. City shall not reimburse Vendor for sales taxes paid by Vendor.

5. a. Vendor shall compensate any employee of Vendor who provides services under this Agreement in accordance with the Living Wage Policy, attached hereto and incorporated herein by reference as Exhibit C. While this Agreement is in effect, Vendor shall pay such

Agreement No. A-8058

employee no less than \$15.51 per hour for each hour that such employee provides services under this Agreement. This hourly rate shall be adjusted on July 1, 2018, and each July 1 thereafter, according to the percentage change in the Consumer Price Index, all items, prepared by the Bureau of Labor Statistics for the Los Angeles, Riverside, Orange County area relating to all urban consumers (CPI-U), index base 1967 + 100, comparing May of the previous year to May of the current year. In addition, while this Agreement is in effect, Vendor shall provide to such employee no less than 96 hours of paid leave per calendar year.

b. Vendor agrees to post, at a location readily accessible to those employees providing services to the City, a copy of the Living Wage Policy adopted by the Oxnard City Council on July 9, 2002, and effective October 1, 2002.

c. If Vendor fails to compensate such employee pursuant to the Living Wage Policy, the City Manager or designee shall terminate this Agreement on written notice to Vendor, effective immediately.

d. In addition, if Vendor fails to comply with the Living Wage Policy in any manner, Vendor shall pay to City a fine of \$500 and shall pay to any employee providing services under this Agreement a penalty of three times the amount or value of the compensation owed to such employee under the Living Wage Policy. Vendor shall pay such fine and penalty within 15 days after the City Manager or designee provides written notice to Vendor of the amount owed.

6. a. To the fullest extent permitted by law, Vendor shall (1) immediately defend; (2) indemnify; and (3) hold harmless City, its City Council, each member thereof, and its directors, officers, and employees (the "**Indemnified Party**") from and against all liabilities regardless of nature, type, or cause, arising out of or resulting from or in connection with Vendor's performance of this Agreement or Vendor's failure to comply with any of its obligations contained in this Agreement. Liabilities subject to the duties to defend and indemnify include, without limitation, all claims, losses, damages, penalties, fines, and judgments; associated investigation and administrative expenses; defense costs, including but not limited to reasonable attorneys' fees; court costs; and costs of alternative dispute resolution. Vendor's obligation to indemnify applies unless it is adjudicated that any of the liabilities covered by this Section are the result of the sole active negligence or sole willful misconduct of the Indemnified Party. If it is finally adjudicated that liability is caused by the comparative negligence or willful misconduct of the Indemnified Party, Vendor's indemnification obligation shall be reduced in proportion to the established comparative liability of the Indemnified Party.

b. The duty to defend is a separate and distinct obligation from Vendor's duty to indemnify. Vendor shall be obligated to defend, in all legal, equitable, administrative, or special proceedings, with counsel approved by the Indemnified Party immediately upon tender to Vendor of the claim in any form or at any stage of an action or proceeding, whether or not liability is established. An allegation or determination of negligence or willful misconduct by the Indemnified Party shall not relieve Vendor from its separate and distinct obligation to defend the Indemnified Party. The obligation to defend extends through final judgment, including exhaustion of any appeals. The defense obligation includes the obligation to provide independent defense counsel if Vendor asserts that liability is caused in whole or in part by the

Agreement No. A-8058

negligence or willful misconduct of the Indemnified Party. If it is finally adjudicated that liability was caused by the sole active negligence or sole willful misconduct of the Indemnified Party, Vendor may submit a claim to City for reimbursement of reasonable attorneys' fees and defense costs.

c. The review, acceptance or approval of Vendor's work or work product by the Indemnified Party shall not affect, relieve or reduce Vendor's indemnification or defense obligations. This Section shall survive completion of the Services or termination of this Agreement. The provisions of this Section shall not be restricted by and do not affect the provisions of this Agreement relating to insurance.

7. Vendor shall continuously maintain adequate protection of all of Vendor's work from damage and shall protect the City's property from any and all injury or loss arising in connection with this Agreement. Vendor shall take all necessary precaution for the safety of employees on the job and shall comply with all applicable provisions of federal, state and municipal safety laws and building codes to prevent accidents or injury to persons on, about or adjacent to any premises where the work is being performed.

8. a. Vendor shall obtain and maintain during the performance of the Services under this Agreement the insurance coverages specified in **Exhibit INS-B**, attached hereto and incorporated herein by reference, issued by a company satisfactory to the Risk Manager, unless the Risk Manager waives, in writing, the requirement that Vendor obtain and maintain such insurance coverages.

b. Vendor shall, prior to performance of the Services, file with the Risk Manager evidence of insurance coverage as specified in **Exhibit INS-B**.

c. Maintenance of insurance coverages by Vendor is a material element of this Agreement. Vendor's failure to maintain or renew insurance coverages or to provide evidence of renewal may be considered a material breach of this Agreement.

9. In performing the Services under this Agreement, Vendor is an independent contractor. Vendor and Vendor's agents, employees, subcontractors and other persons acting on Vendor's behalf are not officers or employees of City.

10. Vendor shall not, without the written consent of City's Purchasing Officer, assign this Agreement, or any interest therein, or any money due thereunder.

11. In performing the Services under this Agreement, Vendor shall comply with all applicable laws, ordinances and regulations. Before performing the Services under this Agreement, Vendor shall obtain all required licenses and permits, including a City business tax certificate.

12. In the event of any conflict between the terms of the Agreement and any exhibits or other incorporated document(s), the terms of the Agreement shall control.

Agreement No. A-8058

13. This Agreement may be amended only by a written document signed by both City and Vendor.

14. Any notices to Vendor may be delivered personally or by mail addressed to: Alavao Trucking, LLC, 22910 Sycamore Creek Drive, Valencia, CA 91354 Attention: Gabriel Dacosta, Managing Member. Any notices to City may be delivered personally or by mail addressed to: City of Oxnard – Environmental Resources Division, Del Norte Regional Recycling and Transfer Station, 111 South Del Norte Boulevard, Oxnard, California 93030. Attention: Todd Vasquez-Housley, Environmental Resources Division Manager

15. This Agreement constitutes the entire agreement of City and Vendor regarding the subject matter described herein and supersedes all prior communications, agreements and promises, either oral or written.

16. Vendor agrees that City or its auditors shall have access to and the right to audit and reproduce any of Vendor's relevant records to ensure that City is receiving all the Services to which City is entitled under this Agreement or for any other purpose relating to the Agreement. Vendor shall maintain and preserve all such records for a period of at least three years after the expiration of this Agreement, or until an audit has been completed and accepted by City. Vendor agrees to maintain all such records in City or to promptly reimburse City for all reasonable costs incurred in conducting the audit at a location other than in City, including but not limited to expenses for personnel, salaries, private auditor, travel, lodging, meals and overhead.

17. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which, when taken together, shall be deemed to be one and the same agreement. A signed copy of this Agreement transmitted by email or by other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Agreement for all purposes.

[Signatures on next page]

Agreement No. A-8058

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

CITY OF OXNARD

VENDOR

Carmen Pinalet 5-10-18
☒ Tim Flynn, Mayor Date

Gabriel Dacosta 4/24/18
 Gabriel Dacosta, Managing Member Date

(if agreement is \$250,000.01 or more)
☐ Scott Whitney, Interim City Manager (if agreement is \$25,000.01-\$250,000.00)
☐ Lisa Boerner, Purchasing Agent (if agreement is up to \$25,000.00)

Taya Dacosta 4/24/18
 Taya Dacosta, Managing Member Date

ATTEST:

Michelle Ascencion, City Clerk Date
 (if agreement is \$250,000.01 or more)

APPROVED AS TO FORM:

Stephen M. Fischer 4/24/18
 Stephen M. Fischer, City Attorney Date
 (required for any agreement amount)

APPROVED AS TO CONTENT:

Todd Vasquez-Housley 4/24/18
 Todd Vasquez-Housley Date
 Interim Assistant Public Works Director
 (required for any agreement amount)

Rosemarie Gaglione 4-26-18
 Rosemarie Gaglione Date
 Public Works Director
 (if agreement is \$25,000.01 or more)

Jesus Nava 10 May 2018
 Jesus Nava, Assistant City Manager Date

APPROVED AS TO AMOUNT:

for Scott Whitney 10 May 2018
 Scott Whitney, Interim City Manager Date
 (if agreement is \$250,000.01 or more)

APPROVED AS TO INSURANCE:

Mike More 4/27/18
 Mike More, Risk Manager Date
 (required for any agreement amount)

Please be advised that this Agreement will automatically terminate on the date that ratification is denied.

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; 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.

PLEASE DO NOT
REMOVE THIS BOX

Jim Flynn, Mayor

Agreement No. A-8058

EXHIBIT A
SCOPE OF SERVICES AND VENDOR RESPONSIBILITIES

1. On request of City, Vendor shall, pursuant to this Agreement, haul solid waste or green waste material from City's Station to the Simi Valley Landfill, the Toland Road Landfill, Agromin Organics Recycling at Limoneira Farms, or the Chiquita Canyon Landfill. If during term of Agreement City designates a landfill not identified in this Exhibit A, Vendor shall provide City its rate per ton hauled to that landfill.
2. Vendor shall provide hauling services only upon request of the City. Station hours are 5:30 a.m. to 5:00 p.m. Monday through Saturday. Vendor shall follow all laws, regulations, safety rules and practices at the Station, landfills, and other facilities, including but not limited to the Del Norte Regional Recycling and Transfer Station Transfer Vehicle Loading Procedure as listed in Exhibit A-1 of this Agreement, which is attached hereto and incorporated herein by this reference.
3. City shall give Vendor at least 24 hours notice by telephone of assignments to haul material. City shall specify the number of trucks required and specify the facility where the material is to be delivered.
4. Vendor shall maintain tractor-trailers to perform haul operation in legal, safe and effective manner. Vendor shall keep tractor-trailers in a clean condition and maintain a good appearance. Vendor shall provide City a copy of certification to verify safety audits performed by California Highway Patrol or Bi-Annual Terminal "BIT" inspections on Vendor's tractor-trailers. Upon City's request, Vendor shall provide all maintenance records of tractor-trailers providing hauling service under this Agreement.
5. City shall inspect Vendor's tractor-trailers as City determines is necessary. Upon request of City, Vendor shall repair, at Vendor's expense, any item on tractor-trailer that City deems necessary to repair to perform hauling services. The Vendor shall repair the item within a reasonable time as not to adversely impact hauling service. Vendor's tractor-trailers shall be in good mechanical and operational condition and clean before hauling each load from the Station.
6. Vendor shall provide a sufficient number of trucks and drivers to the Station at the days and times specified by City.
7. Vendor shall provide City with a weight ticket identifying the amount of tons hauled by Vendor to the facility.
8. Vendor shall provide City with tare weights of tractor-trailers used by the Vendor. Tractor-trailers shall have full tank of fuel when weight tared.
9. Vendor shall provide City with vehicle numbers of tractor-trailers used by the Vendor.
10. Vendor must be available to haul solid waste at the City's request. The denial of loads by the Vendor may be interpreted as non-performance and a breach of this Agreement.

Exhibit A-1
Del Norte Regional Recycling and Transfer Station
Transfer Vehicle Loading Procedure
June 30, 2017

1. SCOPE:

This procedure will outline the steps necessary to safely load transfer vehicles. Compliance with this procedure is mandatory. Failure to follow the steps in this procedure may result in injury and/or result in disciplinary action up to termination.

2. OBJECTIVES:

- 2.1 Safely load transfer vehicles.
- 2.2 Standardize radio communications between Dispatch, loaders, spotters and transfer vehicles.
- 2.3 Minimize safe loading times. TPR Section 6.0 page 16.
- 2.4 Set rules of conduct between Dispatch, loaders, spotters and transfer personnel.
- 2.5 Safely maximize transfer vehicle weight to ensure minimum truck trips and reduce carbon emissions.

3. PROCEDURE:

- 3.1 All personnel entering the MRF facility will be required to wear hard hats, safety-vests and safety glasses, gloves and safety footwear. Spotters will be required to wear flashing LED safety vests. Other staff may be required to wear additional safety equipment at the discretion of Management.
- 3.2 Non-essential radio conversation will be strictly avoided.
- 3.3 No individual may enter the port tunnels unless both ports are covered with the only exception to this being an emergency.
- 3.4 All other employees or individuals working on location will be required to wear a hard hat, safety vest, safety glasses, gloves and safety footwear.
- 3.5 All vehicles will strictly adhere to the 15 MPH or less speed limit at all times.
- 3.6 Prior to entering the port tunnels transfers will proceed to the designated area marked "STOP" at the entrance of tunnel.
- 3.7 ALL drivers expecting to enter the port tunnel will stop their truck before the "STOP" sign located at entrance of tunnel.
- 3.8 Transfers will park to the far right of the lane in single file and leave left lane clear.
- 3.9 Upon reaching the "STOP" sign, transfers will report to Dispatch via radio and provide their truck I.D. number and full name.
- 3.10 Transfers will then inform Dispatch their readiness to enter the port tunnel and wait for instructions. No transfer truck may proceed until given permission from Dispatch.
- 3.11 Dispatch will be expected to update transfer drivers of status changes to loading trucks waiting in line. Transfer drivers will comply with any changes.
- 3.12 Alavao/Green Waste Transfer trucks will be allowed to pull up to the "STOP" sign on the left lane only when instructed by Dispatch and wait for instructions before entering port tunnel.
- 3.13 Dispatch will verbally acknowledge all communications requested by transfer drivers.

- 3.14 Communications between transfer drivers, loaders and Dispatch shall remain professional, courteous and to the point. A clear, uninterrupted line of communication shall be maintained at all times whenever possible.
- 3.15 Whenever a concern or disagreement arises as to dispatching, a phone conversation shall take place with Dispatch supervisor instead.
- 3.16 While vehicle is under port tunnels, Dispatch will use full name of transfer driver and vehicle ID to communicate.
- 3.17 Transfers will only enter the tunnel when material to be loaded is ready and transfer driver has received verbal confirmation from Dispatch. Clean wood or green waste will only be loaded in designated vehicles.
- 3.18 Dispatch will decide and inform transfers drivers the type of material to be loaded. This determination is based upon operational needs. Dispatch will make the final decision as to who will enter the tunnel and what loads will take precedent.
- 3.19 Upon entering port tunnels, transfers drivers will adhere to ALL verbal instructions provided by Dispatch.
- 3.20 When staged and properly aligned, transfer driver shall set both tractor and trailer air brakes prior to loading. Transfer driver will verbally confirm to Dispatch that brakes have been set.
- 3.21 Dispatch will verbally verify truck-port alignment and verbally confirm with transfer driver that alignment is set.
- 3.22 Transfer drivers shall remain inside their vehicles at all times while parked under tunnel for safety reasons. The only exception to this being an emergency. If transfer driver has to leave the truck due to an emergency, they will verbally notify Dispatch that they are leaving the vehicle if it is feasible to do so.
- 3.23 Loading time shall only start after RED light is turned on. Dispatch will verbally confirm when loading will commence.
- 3.24 After truck is loaded, Dispatch will verbally confirm that loading is complete and switch on a GREEN light.
- 3.25 Dispatch will then verbally contact transfer driver via radio and acknowledge that vehicle can exit from port tunnel. Dispatch will also verbally contact transfer driver if potential hazards exist with material loaded; ie: overweight, wood sticking out, etc.
- 3.26 Transfer driver may not move until both a GREEN light and verbal permission have been received by Dispatch. Transfer must verbally respond and acknowledge with Dispatch before moving truck.
- 3.27 If there is a loss of power to premises, Dispatch will confirm and verify all instructions step-by-step and will guide the transfer driver to move the vehicle from under port tunnel back to main staging area.
- 3.28 No one, including Spotters, shall be assigned to manually clear any remaining debris that may be protruding from the truck while trucks are under the ports tunnels.
- 3.29 Should load leveling be required, transfer drivers shall drive to a flat surface area, inspect load, tarp and call Dispatch for added assistance when needed.
- 3.30 Trucks shall not be permitted to stop at the exit incline for load inspection or tarping.
- 3.31 Dispatch supervisor will make the decision to assign the task of clearing top of trailer.
- 3.32 SPOTTER / SAFETY REQUIREMENTS AT TIPPING AREA:

- 3.33 All personnel entering the MRF facility will be required to wear hard hats, safety-vests and safety glasses, gloves and safety footwear. Spotters will be required to wear flashing LED safety vests. Other staff may be required to wear additional safety equipment at the discretion of Management.
- 3.33.1 Spotter shall **NOT** approach or be near the loading ports while loader is active and running.
 - 3.33.2 Dispatch will instruct loader operator to park, turn off and exit loader whenever personnel such as a spotter may need to work near any loading port. Loader will acknowledge and confirm by radio.
 - 3.33.3 Spotter will **ONLY** approach or be near the loading ports if loader is safely parked, turned off and no one is inside the cabin.
 - 3.33.4 Spotter will **NOT** walk adjacent to open ports unless covers are fully in place.
 - 3.33.5 A plastic chain attached to portable stands shall be posted near tunnel ports but not closer than 72" (6 feet) whenever ports are not covered (Per Transfer Processing Report).
 - 3.33.6 Spotter will maintain visual and radio contact with Dispatch.
 - 3.33.7 Spotters directing vehicle traffic inside the MRF area shall use LED wands to direct traffic.
 - 3.33.8 Spotters shall never walk adjacent or look into the loading ports to access the tops of trailers.
 - 3.33.9 Clearing and adjusting the objects that may be protruding from above the top rails of truck while under the loading ports shall **NOT** be done by anyone whether they are using extension tools or not.
 - 3.33.10 No one shall be permitted under the tunnel ports unless the tunnel port covers are fully set in place and permission to do so has been granted by Dispatcher or Dispatch supervisor.
 - 3.33.11 All personnel entering the port tunnels to clean, sweep or clear area of debris shall first receive radio clearance from Dispatch to do so before **AND** after completing any tasks underneath tunnels.

4. MATERIALS:

- 4.1 None.

5. EQUIPMENT: (provided to all Vendor's employees by Vendor and required at all times at the MRF facility)

- 5.1 Portable UHF or VHF radios.
- 5.2 Hard Hats.
- 5.3 Safety Glasses.
- 5.4 Standard Safety-vests.
- 5.5 LED Safety-vests.
- 5.6 LED wands.
- 5.7 Gloves.

6. DOCUMENTATION:

- 6.1 Copies of this Del Norte Regional Recycling and Transfer Station Vehicle Loading Procedure are to be placed in the Environmental Resources Division Illness and Injury Prevention Plan, in the Driver Break Room, and at the Dispatch Control Room.

Exhibit B
Rate Schedule

1. Vendor shall furnish all labor, materials, supplies and equipment, and to perform operations necessary to complete the Services. Vendor shall provide minimum tonnage per load and cost per ton hauled as indicated in the table below.

ITEM NO.	SUPPLEMENTAL WASTE TRANSFER HAUL SERVICE	Rate Per Ton Haul
1	Simi Valley Landfill 20 tons minimum per load 2801 Madera Road, Simi Valley, CA 93065 (municipal solid waste)	\$9.00
2	Toland Road Landfill 20 tons minimum per load 3500 Toland Road, Santa Paula, CA 93060 (municipal solid waste)	\$8.75
3	Agromin Organics Recycling at Limoneira Farms 19 tons minimum 12390 Telegraph Road, Santa Paula, CA 93060 (yard trimmings)	\$7.00
4	Agromin Organics Recycling at Simi Valley Landfill 15 tons minimum 2801 Madera Road, Simi Valley, CA 93065 (Wood waste)	\$12.00
5	Chiquita Canyon Landfill 20 tons minimum per load 29201 Mayo Drive, Castaic, CA 91384 (municipal solid waste)	\$16.00

2. The City shall pay the Vendor an annual Consumer Price Index (CPI) adjustment. The annual price adjustment shall be based on the CPI and shall be first effective May 1, 2019 and on May 1 of each subsequent year during the term of this Agreement. The annual adjustment shall be according to the percentage change in the CPI, all items, prepared by the Bureau of Labor Statistics for the Los Angeles, Riverside, Orange County area relating to all urban consumers (CPI-U), index base 1967 + 100, comparing December of the previous year to December of the current year.
3. The average load shall be determined from the loads hauled by Vendor to each landfill on a quarterly basis per every three consecutive calendar months beginning on July 1, 2018. If the quarterly period average load is determined to be less than 20 tons per load at the designated landfill than City shall pay Vendor the tonnage difference between the shortfall and average load based on the rates per landfill as specified in Exhibit B of this Agreement. For example, if the Vendor hauled 50 loads to the Simi Valley Landfill that totaled 950 tons of solid waste for an average of 19 tons per load in a calendar quarter period then the City is responsible for paying the Vendor the tonnage shortfall difference of 50 tons at \$9.00 per ton for a payment of \$450.00.

EXHIBIT C

LIVING WAGE POLICY

The Living Wage Policy of the City of Oxnard is hereby adopted by the City Council on July 9, 2002 to be effective October 1, 2002.

1. Pursuant to this Living Wage Policy, a service contractor shall pay those employees who provide services to the City under contract:
 - (a) Effective October 1, 2002, at least \$9.00 an hour for the time during which the employee is providing services to the City;
 - (b) Effective July 1, 2003, at least \$9.25 an hour for the time during which the employee is providing services to the City and 32 hours of paid leave per every calendar year in which an employee provides services to the City;
 - (c) Effective July 1, 2004, at least \$10.59 an hour for the time during which the employee is providing services to the City and 64 hours of paid leave per every calendar year in which an employee provides services to the City; and
 - (d) Effective July 1, 2005, at least \$12.22 an hour for the time during which the employee is providing services to the City and 96 hours of paid leave per every calendar year in which an employee provides services to the City.
2. The hourly rates established in Section 1 shall be adjusted July 1, 2006 and, each July 1 thereafter, according to the percentage change since July 1, 2005 in the Consumer Price Index prepared by the Bureau of Labor Statistics for the Los Angeles, Anaheim, Riverside area relating to all urban consumers.
3. A service contractor executing a service contract with the City for which the City will pay the contractor \$25,000 or more during the contract term shall be subject to the Living Wage Policy.
4. A service contractor executing more than one service contract with the City, and the combined monetary total of the payments by the City pursuant to such contracts is \$25,000 or more for the combined contract terms shall be subject to the Living Wage Policy.
5. This Living Wage Policy shall not govern the following types of contracts for: (a) the purchase, rental or lease of goods, products, equipment, supplies or other personal property; (b) public works projects as defined in State or local law; and (c) professional services.

6. This Living Wage Policy shall not govern the following service contractors: (a) nonprofit entities organized under IRS Code section 501(c)(3); (b) public entities such as cities, counties, special districts, states and the federal government; and (c) businesses employing fewer than five persons.
7. The City Attorney is directed to include in all standard trade services contracts and all contracts involving unique trade services, the language set forth in **Exhibit 1** attached hereto and incorporated herein by this reference.
8. If a service contractor fails to comply with this Living Wage Policy, the City Manager is directed to terminate the subject service contract immediately and to impose appropriate fines and penalties as set forth in the service contract.
9. The City Manager and the City Attorney are responsible for the administration and enforcement, respectively, of the Living Wage Policy. If an employee of a service contractor governed by the Living Wage Policy concludes that he/she has been retaliated against for the exercise of rights under the Living Wage Policy, the employee should contact the City Manager at 385-7430.
10. The City Manager shall reasonably cooperate with representatives of the Ventura County Living Wage Coalition to ensure the effective administration and enforcement of the Living Wage Policy.
11. This Living Wage Policy may be changed only by City Council and only after a duly noticed public hearing.
12. The City Manager is directed to ensure that the City Council will review the Living Wage Policy as part of the FY 2003-2004/05 budget process.

Exhibit 1**Living Wage Policy**

Pursuant to the Living Wage Policy adopted July 9, 2002 by the City Council and effective October 1, 2002, the City Manager and City Attorney are directed to include the following language in all standard trade services contracts and all unique trade services contracts governed by the Living Wage Policy.

- A. Vendor shall compensate any employee of Vendor who provides services under this Agreement in accordance with the Living Wage Policy, attached hereto and incorporated herein by reference as Exhibit A. While this Agreement is in effect, Vendor shall pay such employee no less than \$15.51 per hour for each hour that such employee provides services under this Agreement. In addition, while this Agreement is in effect, Vendor shall provide to such employee no less than 96 hours of paid leave per calendar year.
- B. Vendor agrees to post, at a location readily accessible to those employees providing services to the City, a copy of the Living Wage Policy adopted by City Council on July 9, 2002 and effective October 1, 2002.
- C. If Vendor fails to compensate such employee pursuant to the Living Wage Policy, the City Manager or designee shall terminate this Agreement on written notice to Vendor, effective immediately.
- D. In addition, if Vendor fails to comply with the Living Wage Policy in any manner, Vendor shall pay to City a fine of \$500 and shall pay to any employee providing services under this Agreement a penalty of three times the amount or value of the compensation owed to such employee under the Living Wage Policy. Vendor shall pay such fine and penalty within 15 days after the City Manager or designee provides written notice to Vendor of the amount owed.

CITY OF OXNARD LIVING WAGE REQUIREMENTS
EFFECTIVE JULY 1, 2017

- b. Vendor shall compensate any employee of Vendor who provides services under this Agreement in accordance with the Living Wage Policy, attached hereto and incorporated herein by reference as Exhibit 1. While this Agreement is in effect, Vendor shall pay such employee no less than **\$15.51 per hour** for each hour that such employee provides services under this Agreement. **This hourly rate shall be adjusted on July 1, 2018, and each July 1 thereafter, according to the percentage change in the Consumer Price Index**, all items, prepared by the Bureau of Labor Statistics for the Los Angeles, Riverside, Orange County area relating to all urban consumers (CPI-U), index base 1967 + 100, comparing May of the previous year to May of the current year. In addition, while this Agreement is in effect, Vendor shall provide to such employee no less than 96 hours of paid leave per calendar year.
- b. Vendor agrees to post, at a location readily accessible to those employees providing services to the City, a copy of the Living Wage Policy adopted by the Oxnard City Council on July 9, 2002 and effective October 1, 2002.
- c. If Vendor fails to compensate such employee pursuant to the Living Wage Policy, the City Manager or designee shall terminate this Agreement on written notice to Vendor, effective immediately.
- d. In addition, if Vendor fails to comply with the Living Wage Policy in any manner, Vendor shall pay to City a fine of \$500 and shall pay to any employee providing services under this Agreement a penalty of three times the amount or value of the compensation owed to such employee under the Living Wage Policy. Vendor shall pay such fine and penalty within 15 days after the City Manager or designee provides written notice to Vendor of the amount owed.
- e. The foregoing requirements are restated on pages 1 and 2 of the Agreement for Trade Services.

**EXHIBIT INS-B
INSURANCE REQUIREMENTS FOR CONSULTANTS
(WITHOUT 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. 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 affecting coverage required by this Exhibit INS-B. 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 work commences. 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 (or fax if necessary) to the Risk Manager, addressed as follows (do not send hard copies):

City of Oxnard
Insurance Compliance
Reference No. _____
P.O. Box 100085 - OX
Duluth, GA 30096
Via Email: cityofoxnard@ebix.com
Via Fax: 678-259-1007

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 by either party, 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 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 and volunteers. The General liability Special Endorsement Form and Automobile Liability Special Endorsement Form attached to this Exhibit INS-B 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 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. Any deductibles or self-insured retentions must be declared to and 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 contractor 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 notes of cancellation.**

Endorsement Forms

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

INS-B.doc

Exhibit INS-B
Page 3

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					
CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY [x] COMMERCIAL GENERAL LIABILITY [x] CLAIMS MADE [x] OCCUR [x] OWNER'S & CONTRACTOR'S PROT				GENERAL AGGREGATE \$1,000,000 PRODUCTS COMP/OP AGG \$1,000,000 PERSONAL & ADV INJURY \$1,000,000 EACH OCCURRENCE \$1,000,000 FIRE DAMAGE (Any one fire) \$ MED EXPENSE (Any one person) \$
A	AUTOMOBILE LIABILITY [x] ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE \$1,000,000 LIMIT BODILY INJURY \$ (Per person) BODILY INJURY \$ (Per accident) PROPERTY DAMAGE \$
A	EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE \$ AGGREGATE \$
A	WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS \$1,000,000 EACH ACCIDENT \$1,000,000 DISEASE-POLICY LIMIT \$1,000,000 DISEASE-EACH EMPLOYEE \$1,000,000
A	OTHER				
DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/RESTRICTIONS/SPECIAL ITEMS					
CERTIFICATE HOLDER CITY OF OXNARD Attn: Insurance Compliance Reference No. _____ P.O. Box 100085 - OX Duluth, GA 30096 Via Email: cityofoxnard@ebix.com Via Fax: 678-259-1007			CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE		

Rev. 4/18

INS-B doc

INS-B.doc

Agreement No. A-8058

AUTOMOBILE LIABILITY SPECIAL ENDORSEMENT FOR THE CITY OF OXNARD (the "City")		SUBMIT IN DUPLICATE	
		ENDORSEMENT NO.	ISSUE DATE (MM/DD/YY)
PRODUCER		POLICY INFORMATION: Insurance Company: Policy No.: Policy Period: (from) _____ (to) LOSS ADJUSTMENT EXPENSE Included in Limits In Addition to Limits	
Telephone: _____ 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		OTHER PROVISIONS	
COMMERCIAL AUTO POLICY BUSINESS AUTO POLICY OTHER			
LIMIT OF LIABILITY		CLAIMS: Underwriter's representative for claims pursuant to this insurance. Name: _____ Address: _____ Telephone: () _____	
\$ _____ per accident, for bodily injury and property damage.			
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: Insurance Services Office Automobile Liability Coverage, "occurrence" form CA0001, code ("any auto"); or 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		AUTHORIZED REPRESENTATIVE	
CITY OF OXNARD Attn: Insurance Compliance Reference No. _____ P.O. Box 100085 - OX Duluth, GA 30096 Via Email: cityofoxnard@ebix.com Via Fax: 678-259-1007		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 _____	