

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
December 19, 2017
Closed Session - 4:30 PM
Regular Meeting - 6:00 PM
Appointment Item - 6:30 PM

A. ROLL CALL/POSTING OF AGENDA

THE FOLLOWING LEGISLATIVE BODIES ARE MEETING: City Council, 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 (4:30 PM)

1. Conference with Legal Counsel – Existing Litigation

CC (Government Code section 54956.9 (d)(1))

Name of case: City of Oxnard; et al. v. Aaron Starr

Ventura County Superior Court, Case No. 56-2016-00479696-CU-MC-VTA

The City Attorney requested that this item be discussed in closed session under the Brown Act authorization for the City Council to confer with its legal counsel regarding pending litigation.

2. Conference with Labor Negotiators

CC (Government Code Section 54957.6(a))

City's Designated Representatives: Councilmember Bert Perello and Mayor Pro Tem
Carmen Ramirez

Unrepresented Employee: Interim City Manager

3. Public Employee Appointment

CC Title: Interim City Manager

The City Attorney requested that this item be discussed in closed session under the Brown Act exception of Government Code section 54957(b)(1) (public employee appointment).

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.

4. Conference with Real Property Negotiators

SA Property: Maulhardt Winery Building, 720 South B Street.

Agency negotiators: Ruth Osuna, Assistant Executive Director, and Kymberly Horner, Economic Development Director.

Negotiating party: Jesus Nava for City of Oxnard.

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

The Assistant Executive Director and Economic Development Director requested that this item be discussed in closed session under the Brown Act exception of Conference with Real Property Negotiators (Government Code section 54956.8). The purpose of the closed session is for the Successor Agency to review the status of negotiations for the potential sale of real property and to provide instructions to the negotiators.

D. OPENING CEREMONIES (6:00 PM)

Pledge of allegiance to the flag of the United States.

E. 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.

F. APPOINTMENT ITEMS (6:30 PM)

Development Services Department

1. SUBJECT: Evaluate Options Pertaining to Community Choice Aggregation (15/10/10)

RECOMMENDATION: That City Council choose from among three options:

1. Receive a report, and evaluate whether to join the Los Angeles Community Choice Energy (LACCE) program. Should the City Council choose to join the LACCE, the City Council will need to direct staff to return with more information pertaining to the financial and contractual obligations associated with participation in LACCE; and introduce an ordinance approving a Joint Powers Agreement with the Los Angeles Community Choice

Energy program, and authorize the implementation of a Community Choice Aggregation program within the City; or

2. Receive a report, meet with key LACCE leadership, and monitor LACCE Authority membership developments over the next several months. Report back to the City Council at the City Council's February 6, 2018 City Council meeting; or

3. Investigate the concept of implementing a Community Choice Energy (CCE) program in the City or with a group of cities in the region; and direct staff to study options and return with a recommendation for a CCE model to consider and identify a funding source to conduct a feasibility study.

Legislative Body: CC

Contact: Ashley Golden

Phone: 385-7882

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.

City Manager Department

1. SUBJECT: Resolution of the City Manager of the City of Oxnard Declaring an Emergency (For Public Bidding Purposes Only) Due to the Thomas Fire Throughout the County of Ventura, Making Findings Therefor, and Ordering that All City Facilities be Immediately Repaired And/Or Replaced as Needed. (5/5/5)

RECOMMENDATION: That City Council:

1. Review the emergency bidding action.
2. Approve the need to continue that action; or, in the alternative, adopt a Resolution terminating the emergency action due to the Thomas Fire throughout Ventura County, making findings therefor, and ordering that the remainder of the emergency action at the City's facilities be completed by giving notice for bids.

Legislative Body: CC

Contact: Greg Nyhoff

Phone: 385-7430

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.

City Council

1. SUBJECT: Resolution Commending Greg Nyhoff.

RECOMMENDATION: That City Council adopt a resolution commending Greg Nyhoff for over three years of service to the City of Oxnard.

2. SUBJECT: Appointment of Interim City Manager and Establishment of City Manager Recruitment Subcommittee (5/5/5)

RECOMMENDATION: That City Council:

1. Appoint Scott Whitney to serve as Interim City Manager while continuing to serve as the City's Police Chief, effective close of business January 5, 2018.
2. Establish an ad hoc subcommittee which would work with staff on issues related to the recruitment of a new City Manager.

Legislative Body: CC

Contact: Stephen M. Fischer

Phone: 385-7483

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 Manager Department

1. 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. Feldman Law Group, LLP (7286-15-CA) for legal services related to public finance and bond counsel matters, including legal services related to a Wastewater Refunding (\$100,000).

B. Revell Coastal Consulting (7211-15-DS) to provide work associated with the local coastal plan update (\$25,000).

C. Atkinson, Andelson, Loya, Ruud, & Romo (7866-17-HR) as needed-employee investigative legal services (225,000)

D. Applied Spectrometry Associates, Inc. (A-7711) for maintenance service for two ChemScan water analyzers located at Blending Station 1 and 3 (\$35,600).

Legislative Body: CC

Contact: Greg Nyhoff

Phone: 385-7430

Development Services Department

2. SUBJECT: Adoption of Ordinance No. 2932 to Pre-Zone Property Located at 4600 Olds Road to Community Reserve (C-R).

RECOMMENDATION: That the City Council adopt Ordinance No. 2932, approving Planning and Zoning Permit No. 17-560-03 to Pre-Zone property located at 4600 Olds Road (APN: 232-001-006) to Community Reserve (C-R).

Legislative Body: CC

Contact: Ashley Golden

Phone: 385-7882

3. SUBJECT: Pollinate Agreement No. 8113-17-DS

RECOMMENDATION: That City Council award and authorize the City Manager to execute an agreement with Pollinate for Ormond Beach coordinator services in the amount of \$150,000 over a three year period.

Legislative Body: CC

Contact: Ashley Golden

Phone: 385-7882

Public Works Department4. SUBJECT: Award Contract for Police Station Roof Replacement Project PW 17-33

RECOMMENDATION: That City Council:

1. Award and authorize the Mayor to execute Agreement A-8029 in the amount of \$569,979 with Best Contracting Services, Inc. for the Police Station Roof Replacement Project PW 17-33; and

2. Approve an additional appropriation of \$251,000 for the Police Station Roof Replacement Project No. MO2107.

Legislative Body: CC

Contact: Thien Ng

Phone: 432-3575

L. REPORTSDevelopment Services Department1. SUBJECT: Payment of Future Utility Bills from the Channel Islands Beach Community Services District for Services Within the Channel Islands Harbor Relating to Parks and Street Medians (5/10/10)

RECOMMENDATION: That the City Council:

1. Authorize payment of utility services provided by the Channel Islands Beach Community Services District within the Channel Islands Harbor for park and median landscaping and maintenance of bathrooms through February 28, 2018; and

2. Approve an appropriation of \$50,000 for utility services from General Fund Reserves.

Legislative Body: CC

Contact: Ashley Golden

Phone: 385-7882

Housing Department2. SUBJECT: Appropriation for Extended Daytime Shelter Services (5/10/10)

RECOMMENDATION: That the City Council:

1. Approve a budget appropriation of \$44,000 from General Fund Reserves for extended daytime shelter services for the Homeless at Community Action of Ventura County;

2. Authorize the Housing Director to execute the necessary agreements with Community Action of Ventura County to fund the operation of the Shelter.

Legislative Body: CC

Contact: Arturo Casillas

Phone: 385-8094

Public Works Department3. SUBJECT: Sixth Amendment to Agreement No. 6212-13-CM with Genuine Parts Company Dba NAPA Auto Parts (5/5/5)

RECOMMENDATION: That City Council approves and authorizes the Mayor to execute the Sixth Amendment to the Agreement (6212-13-CM) with Genuine Parts Company d.b.a. NAPA Auto Parts for \$1,468,877, for a total contract amount of \$9,583,877, and extending the agreement until June 30, 2018 to provide on-site repair parts and tires to City until staff finalizes a new agreement for this service. This expense has been approved in the FY 2017-18 Fleet Services Divisions' operating budget.

Legislative Body: CC

Contact: Thien Ng

Phone: 432-3575

M. ADJOURNMENT



**CITY COUNCIL
AGENDA REPORT**

**TYPE OF ITEM: Appointment
Item**

AGENDA ITEM NO.: 1

DATE: December 19, 2017

TO: City Council

THROUGH: Greg Nyhoff
City Manager

FROM: Ashley Golden
Development Services Director

SUBJECT: Evaluate Options Pertaining to Community Choice Aggregation (15/10/10)

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

RECOMMENDATION:

That City Council choose from among three options:

1. Receive a report, and evaluate whether to join the Los Angeles Community Choice Energy (LACCE) program. Should the City Council choose to join the LACCE, the City Council will need to direct staff to return with more information pertaining to the financial and contractual obligations associated with participation in LACCE; and introduce an ordinance approving a Joint Powers Agreement with the Los Angeles Community Choice Energy program, and authorize the implementation of a Community Choice Aggregation program within the City; or
2. Receive a report, meet with key LACCE leadership, and monitor LACCE Authority membership developments over the next several months. Report back to the City Council at the City Council's February 6, 2018 City Council meeting; or
3. Investigate the concept of implementing a Community Choice Energy (CCE) program in the City or with a group of cities in the region; and direct staff to study options and return with a recommendation for a CCE model to consider and identify a funding source to conduct a feasibility study.

SUMMARY

The information in this report is provided to inform the City Council about the concept of Community Choice Aggregation (CCA), Community Choice Energy (CCE) options within

California, and Los Angeles Community Choice Energy (LACCE), and Community Choice Energy (CCE) options within California. The included information provides the greatest degree of certainty and detail possible at this point in time. This report summarizes the LACCE program and provides background associated with CCE programs in California, which would be an alternative to the LACCE program. Finally, staff has provided a summary regarding the feasibility study and conclusions associated with the Central Coast Power, Technical Feasibility Study and findings.

What is Community Choice Aggregation (CCA) or Energy (CCE)?

A CCA program is a legal structure that allows cities and counties to aggregate the buying power of individual electricity customers within their jurisdictions in order to secure energy supply contracts on a community-wide basis. The purpose of aggregating the purchase of electricity is to create an alternative electrical service option to the incumbent utility, which in Oxnard is Southern California Edison (SCE).

The goals of a CCA program include increasing the amount of renewable energy provided to residents, creating local clean energy jobs, reducing greenhouse gas emissions, and providing greater public accountability in energy decisions, generally at a cost savings compared to the incumbent electricity provider.

A CCA program is anticipated to lower electricity bills for participating customers, both residential and commercial, as well as provide a public board that would make decisions regarding the type, amount, and characteristics of clean power to be delivered to the CCA's customers. Local elected officials would then have the authority to create energy programs to support broad environmental and job creation goals, including energy efficiency, renewable energy construction, and energy conservation.

Background and Legislative History

A CCA program provides for government-led procurement of electricity for customers within their jurisdictional boundaries who elect to remain a program participant. This introduction of competition to the marketplace of electricity services allows customers an alternative choice in deciding which provider best meets their needs. As the chart below shows, there are two traditional models for energy service delivery: a Municipal Utility (MU) or an Investor-Owned Utility (IOU). Both models procure power on the market, transmit energy to the customer and is responsible for billing and customer service.

A CCA program is a hybrid approach where either a municipality, or a group of municipalities either under municipal operations or under a Joint Powers Agreement (JPA), procures energy and leverages the billing and transmission systems of the IOU. CCA programs leverage the market power of group purchasing, while enhancing consumer choice and local decision-making. CCA programs enable local governments to procure and/or develop power on behalf of their public facilities, residents, and businesses. CCA programs can lower rates, offer a greater range

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of clean energy products, and create customized programs that better serve local priorities. In addition, CCA programs can create or increase services to residents, provide public accountability in the decisions and processes of electricity provision, create jobs associated with local clean energy generation and new energy programs, and reduce GHG emissions from the procurement of electricity from cleaner sources. CCAs are expected to provide these benefits for local governments where historically the IOUs have not.

CCA IS A HYBRID UTILITY OPTION

IOU Investor-Owned Utility	CCA Community Choice Aggregation	Municipal Utility (MU)
IOU Procures Power	JPA/Local Govts Procures Power	MU Procures Power
IOU Maintains Transmission Lines	IOU Maintains Transmission Lines	MU Maintains Transmission Lines
IOU Provides Billing & Customer Service	IOU Provides Billing & Customer Service	MU Provides Billing & Customer Service

CCA Legal Creation

In 2002, Governor Gray Davis signed California Assembly Bill 117, allowing groups of communities to purchase power on behalf of their residents and businesses, completely supported by revenues rather than taxpayer subsidies. The bill's stated goal was to provide pathways for local governments to facilitate the adoption of greater levels of clean energy, while providing public accountability in the provision of this service. Not only did it enable California to join the growing number of states allowing CCA, but it also mandated automatic customer enrollment, with an opt-out option.

When a community elects to create a CCA program, all customers within the community's jurisdictional boundaries automatically become a CCA energy recipient. While all residents and businesses automatically become energy customers of the CCA, each individual resident and business has the choice to opt-out and continue to receive energy from the IOU. This provision ensures that CCA programs are able to enroll a sufficient number of customers to maintain viability as a provider of electricity.

Community Choice Energy (CCE) Programs in California

Currently, staff is aware of eight CCE programs in California that deliver electricity to customers. Marin Clean Energy (MCE) was the first operational CCE in California. MCE began providing electricity to customers in May 2010. The program currently provides electricity in Marin, Napa, and Contra Costa counties by procuring energy for participating cities and for unincorporated areas of these counties.

Seven additional CCEs provide power to customers in California. Sonoma Clean Power, serving all cities and the unincorporated areas of Sonoma County, began providing electricity in 2014. The City of Lancaster adopted a CCA, Lancaster Choice Energy, which began providing electricity in 2015. The City and County of San Francisco created CleanPowerSF as a CCE in 2006, although the program did not begin delivering electricity until 2016. The following additional programs are also active within the State: Peninsula Clean Energy (San Mateo County); Redwood Coast Energy Authority (Humboldt County); Silicon Valley Clean Energy (Santa Clara County); and Apple Valley Choice Energy (Town of Apple Valley) (see Attachment A).

Beyond these programs, a large number of cities and counties are considering creating CCA programs. Another seven programs are expected to launch either this year or next, including efforts in Los Angeles County and the region. More than a dozen CCA programs appear to be under consideration across California (see [www. http://cleanpowerexchange.org/california-community-choice/](http://cleanpowerexchange.org/california-community-choice/)). As a result of the growth in CCA's on December 12, 2017 staff became aware of the California Public Utilities (CPUC's - Executive Order E-4907) interest in expanding CPUC oversight over CCAs and the interest in imposing a one year delay on new CCAs or CCA expansions where implementation plans have not been filed as of Dec. 8, 2017. Further, the CPUC is intending to establish a two year delay for programs that do not file implementation plans by Dec. 31, 2017. It also imposes new requirements regarding the start-date of CCA programs which impact economics and other timelines. The details of the executive order have just been released with further study, analysis, and implications to CCA's/CCE's in process to be determined.

Unlike the traditional JPA model where risk is wholly held by the JPA, a city would assume a larger risk responsibility under the hybrid CCEA model. Simply, the more control a city holds, the more risk it maintains. On one extreme, a city could form its own CCA program similar to the one Lancaster originally developed, wherein said city would have complete control over every aspect of the program. These models include the Cities of Lancaster, Apple Valley, Pico Rivera, and the City/County of San Francisco. Additional research is required to determine how financial risk is mitigated in these models. On the other end of the spectrum, a CCA managed by a traditional JPA, such as LACCE, is more directly isolated from the liabilities and obligations of the CCA. The traditional JPA creates a separate and distinct organization from its member agencies, which isolates the liabilities and risks so they do not impact its member agencies. The hybrid JPA is sort of a middle ground between these two options, wherein the member agencies share risk and costs on issues of common benefit, yet they maintain control over functions of local importance. A comparison of the different structures is provided in the table below:

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CCA Activities	Standalone City	Hybrid JPA	Traditional JPA
Rate Setting	Full Control	Full Control	One Vote
Revenue Control	Full Control	Full Control	One Vote
Renewable Portfolio	Full Control	Full Control	One Vote
Operating Risk	Full Risk	Shared Risk	None
Program Control	Full Control	Full Control	One Vote
Administrative Costs	Full Cost	Shared Cost	None

The fiscal impact associated with a CCE for the City of Oxnard, with or without other cities in the region, has not yet been evaluated but models exist from which to gather information.

Creation of a Community Choice Energy (CCE) Program in Ventura County.

Ventura, Santa Barbara and San Luis Obispo Counties partnered in 2015 to evaluate the feasibility of creating a CCE program for the collective three counties (Central Coast Region).

In August of 2017 the Central Coast Power Feasibility Study (Study) was issued. The Study was completed by Willdan and EnerNex who were hired by the Counties and Cities within the Central Coast region. The Study objectives were directed by the Central Coast Power Advisory Group.

The Study concluded that a CCA Program for the region, and for combinations of agencies within the region, was not financially feasible. Meaning that over the time period examined (2020-2030), CCA rates for nearly all customer classes could not be maintained at levels lower than the incumbent utilities – Pacific Gas & Electric (PG&E) and SCE.

The Study determined CCA feasibility by projecting the cost of procuring wholesale power, by determining the cost of operating a CCA across the region, and by projecting the rates of the incumbent utilities. The Study also examined CCA feasibility across different operating scenarios: different amounts of renewable energy supplied by the CCA, different levels of customer participation, and CCA participation by individual Counties and cities within each County.

The Study concluded that for nearly all rate classes, under all operating scenarios, a Central Coast CCA could not maintain rates lower than PG&E and SCE. The Advisory Group commissioned an independent, Peer Review assessment of the Study was conducted by MRW & Associates even before the Study was issued. The Peer Review is publicly available on the Central Coast Power website, as is the Study author's response to the Peer Review. The Study authors maintain that, even with including several modifications as proposed by the Peer Review consultant, a Central Coast CCA could not maintain rates lower than the incumbent utilities.

The Central Coast Power Feasibility Study is confounding in that it declares CCA not feasible in the region at the same time, as staff has pointed out, that CCAs across the State – in both PG&E and SCE territory – are operating and are in formation. The CA Public Utilities Commission has declared that shortly (by 2025) they expect 85% of investor owned utilities load to be served by third parties (either CCAs, customer self-generation, or retail market suppliers – see Attachment B). In SCE territory alone CCAs are operating in the cities of Lancaster, Apple Valley and Pico Rivera. LACCE will commence operations in early 2018 initially serving Los Angeles County municipal accounts only and with 5 other cities enrolled in their CCA JPA. Staff is aware that the County of Riverside is filing their CCA Implementation Plan with the California Public Utility Commission shortly. The Cities of Huntington Beach and Irvine City Councils have commissioned initiation of their own feasibility studies.

CCAs are operating throughout PG&E territory in: Marin, Sonoma, Mendocino, Napa, Alameda, San Francisco, Santa Clara, Monterey, San Benito, Santa Cruz and Yolo Counties.

Los Angeles Community Choice Energy (LACCE) and Formation

Los Angeles County has completed a feasibility assessment for a CCA program throughout Los Angeles County. The County CCA has been named the Los Angeles Community Choice Energy (LACCE) Authority. The LACCE process has produced a technical study, in which a consultant team of energy experts and economists assessed the range of likely costs of implementing a CCA program within Los Angeles County under a variety of scenarios. Such a study is required for any potential CCA. In addition to cost data, the technical study also provides an analysis of various legal, regulatory, market risks and threats to the program. The Los Angeles County technical study was completed in July 2016.

The completed technical study demonstrated that the LACCE program is both feasible and cost effective under a range of scenarios within Los Angeles County. The LACCE program is expected to result in costs that are approximately 5.4 percent lower than all current SCE rate classes. This rate scenario would provide an equivalent portfolio of renewable energy to SCE. Currently, twenty-eight percent of SCE's energy comes from renewable sources which is provided to all SCE customers, including Ventura County. The LACCE could also offer a fifty percent renewable energy package, which was estimated to cost 4.1 percent less than SCE's 28 percent renewables rate.

There is also the potential for the LACCE to provide a 100 percent renewable package, which the study estimated would amount to a 6.3 percent cost increase over the SCE basic cost (28 percent renewables – this based upon the initial business plan). Customers are anticipated to be allowed to voluntarily select this option. As a result, environmentally-minded residents and businesses could contribute to sustainability goals with minimal cost impacts. They could reap these benefits without having to pay the large capital costs associated with the installation of solar panels, and other capital intensive projects. This may be valuable to residents who rent homes in Oxnard and are not able to install solar systems, but would like to support greener energy grid options. Residents who choose to "opt-up" will receive the same energy as other

residents in LACCE but the overall mix of energy provided by LACCE is marginally greener. A fact sheet pertaining to the LACCE program is attached (see Attachment C).

Which of the renewable package options would constitute the basic level of service is not currently defined, and will be decided by the LACCE Authority as it continues with implementation. Also, final determination of all rates to be charged to customers will be determined just prior to LACCE operations.

The LACCE program is structured so that energy is provided as follows:

- Phase 1 – Energy provided to LA County municipal accounts only; this “pilot” project will occur sometime in the first quarter of 2018;
- Phase 2 – Energy will be provided to member agency municipal accounts as well as LA County and member agency commercial and industrial accounts; sometime in June 2018 and in a “roll out” fashion; and
- Phase 3 – Energy provided to residential accounts; by Dec. 2018.

A recent LACCE board action on Dec. 7, 2017 spoke to additional phases for which the LACCE Board is considering.

According to LACCE, in order to ensure that Oxnard can join LACCE with no membership fee, the City must join by December 27, 2017. However, on December 12, 2017, staff learned that due to the Ventura County fires the LACCE Board extended the timeframe by which agencies must go. Interested cities have three months or roughly by the end of March 2018 to join. Because action to join the LACCE is required to be taken by ordinance, a first and second reading of the ordinance followed by a 30-day period before the ordinance will take effect there is no way the required action will be initiated by the December deadline. Entities joining the LACCE after the extended deadline or by March 31, 2018 deadline would be aggregated and added into the LACCE JPA in June 2018. The cost, if any to join after 2017 is not known at this time. Electric power would become available to non-initial participants in 2019.

On December 12th, the County of Ventura Board of Supervisors and the City of Thousand Oaks voted to join LACCE.

Joint Powers Agreement (JPA)

The LACCE JPA agreement entitled “Los Angeles Community Choice Energy Authority - Joint Powers Agreement” is included as Attachment D to this report. The agreement was prepared by LA County and has not been reviewed by the Oxnard City Attorney or fully evaluated by Staff. To participate in the LACCE the City would need to sign the JPA. The following is a summary of the key provisions in the JPA:

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- Separate Legal Entity. The JPA establishes the Los Angeles Community Choice Energy Authority as a separate legal entity; the member cities assume no obligations (except in narrow circumstances provided for in the JPA, e.g., upon withdrawal, Section 8 of the JPA) for the debts and liabilities of the Authority.
- Board of Directors. The Authority Board of Directors shall consist of an elected representative from each member agency and two alternate directors from each member agency, both of whom must be either a member of the agency's elected body, City staff, or an individual appointed from the community that has experience in energy related issues.
- Voting. The Authority Board of Directors can act by a majority of directors voting in favor of an item. Following an affirmative vote, if three directors so request, an Authority action can be overturned by a "Voting Shares Vote," where each director's vote represents that share of the Authority's overall electrical load represented by the member entity. For example, Claremont's share of the overall load is projected to be 0.84 percent, the City's vote would be 0.84 percent towards a needed fifty percent majority to stop an action from proceeding.
- Implementation Plan. LACCE will create an Implementation Plan to establish a roadmap for the Authority's operations and strategies. The Plan shall include a description of how the CCA Program will contribute to fostering local economic benefits, such as job creation and community energy programs.
- Withdrawal. The JPA agreement provides a process for member entities to withdraw and provides that in the event of a complete withdrawal of both municipal and all constituent accounts, the member agencies will reimburse the JPA for any costs incurred as a result of serving the withdrawing agency and all of its community's customers. This could include the cost of power procured over long-term contracts for all JPA members.
- Powers. The JPA includes a number of powers for the Authority, including the contractual authority to purchase electricity, enter into agreements to implement the CCA program, and to submit documentation and compliance forms to ensure regulatory compliance. In addition, the Authority is granted permission to issue revenue bonds and other forms of indebtedness, to acquire property by eminent domain, as well as other regulatory related actions.

Fiscal impact to the City, LACCE governance, and Financing of the LACCE would need to be further evaluated should the City wish to participate in LACCE and sign the JPA.

Conclusion

CCA programs are being adopted throughout the State. Depending on the renewable portfolio selected by the CCA program, Oxnard residents and businesses could potentially save on their

current energy consumption. The City's greenhouse gas (GHG) emissions could also be lowered as a result of CCA program operation; this would support the City Council's goals stipulated in the City's Energy Action Plan (April 2013) of reducing greenhouse gas emissions ten percent by 2020. These monetary savings would be coupled with the environmental benefits that come with having a portfolio with greater amounts of renewable energy being consumed within the community.

Two things are important to note when discussing the feasibility of CCA's:

1. CCAs in California have been operating successfully and other feasibility studies indicate that they are forecasted to continue to operate successfully using the same forecasts of future power supply costs, CCA operating costs, and future utility rates; and
2. Size or scale of customer load does not seem to matter regarding feasibility as individual cities are operating CCAs in SCE territory now, and other individual cities are exploring CCA feasibility.

Joining the LACCE or another, larger CCA should be carefully examined in light of these situations:

1. LACCE is claiming that other jurisdictions may join their CCA, and that there is an urgency in that jurisdictions may be charged a fee for joining later. This is confusing in that other CCAs that enroll other agencies after initial operations (Marin Clean Energy, Sonoma Clean Power) have not charged those agencies. In addition, all CCA operating costs are collected in customer rates – Staff is not aware of one-time, CCA capital or operating costs that should appropriately be collected up front from new participants. Also, if operating CCAs are financially viable, then adding new load from new participants increases financial viability (and revenues) and new participants should be welcomed – not necessarily charged for joining. In other operating CCAs, initial costs to develop and implement were covered by cash contributions or loans which were paid back through customer rates. Under a financially viable CCA, the more customers there are – the sooner the contributions or loans are paid back.
2. An often-stated feature of CCAs is that they provide “local control.” For most CCAs this has meant local entities determine where to procure wholesale power and how to establish retail rates. However, under CCA operations “local control” should also consider the following:
 - How can rates be used in individual jurisdictions to support community/local goals and objectives (e.g., agricultural and low income in Ventura County)? Can a rate exist specifically for Ventura County/Oxnard ratepayers?
 - What types of energy programs (efficiency, local renewables, customer behavior, etc.) will be used in communities for the same purposes? Can Ventura County/Oxnard design energy programs for specific rate classes?
 - How will CCA revenues be used in support of individual/local jurisdictions? Will use of revenues be determined and used locally – or will they be determined and used across the JPA membership?
 - How can CCAs support local policies and goals? The larger the CCA, the more difficult it may become to meet individual city objectives. Many of the CCAs in

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northern California consists of jurisdictions that are “like-minded” demographically and politically. Will this be true of joining a CCA JPA with many members and diverse demographics and politics?

In the City of Oxnard especially, given the recent (and ongoing) situation around the Puente Power Plan, Staff recommends that the City should examine how a CCA will meet the City’s specific energy goals. In 2020, the City will again be subjected to an SCE solicitation to acquire resources to mitigate the need for the Puente Power Plant. How can a CCA (whether a large, multi-jurisdiction CCA; or a small CCA – perhaps only Oxnard and neighboring cities) help meet the requirements of that solicitation and finalize the mitigation of Puente Power Plant? These local needs may be lost under a large, geographically and politically diverse CCA.

A more thorough vetting of the value of CCA to “local” needs – especially under the State’s volatile energy industry – is warranted. The CCA landscape is changing and different models are emerging – especially around smaller CCAs that can address local issues and needs. In evaluating the two options, there are pros and cons associated with both. Staff has highlighted them in the table below, but the primary differences between the two programs are program control, comfort with risk, and the desired intensity of staff and resource dedication.

LACCE		CCEA	
Pros	Cons	Pros	Cons
No cost to participate	One vote on Board	City Council makes decisions on behalf of City	Startup loan required
Minimal staff Impact	Potential for large Board	Full revenue control	Heavy staff involvement
No operating risk	Operating procedures not defined	Claremont only programs	Operating risk
	No revenue control		
	Regional programs		

There are still a lot of unknowns with participation in either the LACCA or another CEEA program. If the City were to join LACCE, the program is still in its early stages with a lot of questions to be answered: Can cities phase in their facilities? How would the withdrawal process work if a city decides to exit the program? Will program revenue be shared with the cities and how much? How large will the program/Board be? What percentage of Oxnard program revenues will go back into the community?

Questions regarding CCEA include: Will energy costs savings be similar to LACCE? Will CCEA also have a legislative risk? Specifically, legislation was proposed at the State level at the end of this year’s legislative session that would have prevented the formation of any new CCA programs. While the legislation was defeated this year, it could be introduced again next year. If the City is in the process of studying the feasibility of participation in CCEA and such legislation

were to pass, the City would potentially forfeit its investment in becoming a CCEA member. There are no answers to these questions at the present time.

Joining LACCE would remove the legislative risk and ensure that the City gets to participate in a CCA program, and if the City joins now it would have a chance to mold program operations and procedures as an early adopter. However, joining CCEA provides complete control of programming and local investment. Both programs have their strengths and weaknesses.

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 1. Ensure Master plans for all City infrastructure are current, synchronized and consistent with the General Plan.

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

Objective 5a. Develop and implement a sustainability program.

Objective 5b. Protect ocean and waterways.

FINANCIAL IMPACT

Any of the options and alternatives the City Council will consider will require a thorough financial analysis. If the City were to join and receive its energy from a LACCE program, the financial and risk impact of this contractual arrangement would need to be analyzed and is dependent upon the energy portfolio selected by the City's ratepayers and the negotiated agricultural rates stipulated by SCE.

It is currently unknown what the costs of participation in any CCA would be and what benefits would be derived for the City under each CCE option.

ATTACHMENTS:

Attachment A - LACCE Fact Sheet

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Attachment B - JPA Agreement

Attachment C - Summary of CCA's

Attachment D - CPUC Retail Choice White Paper

LOS ANGELES COUNTY

CHIEF SUSTAINABILITY OFFICE**Los Angeles Community Choice Energy FAQ****What is Los Angeles Community Choice Energy (LACCE)?**

LACCE is the name for a Community Choice Aggregation (CCA) program in Los Angeles County. California law allows local governments to control the source and the price of the electricity consumed by their residents and businesses using a CCA program.

How does LACCE work?

LACCE will negotiate contracts for power supply and offer renewable electricity at competitive rates. Southern California Edison (SCE) delivers it through its existing utility lines. SCE continues to bill the customer, maintain power lines and handle new service requests and emergencies.

How will LACCE be run?

LACCE will be run by an Executive Director and a small staff. It will be overseen by elected officials from cities and the county who will serve on a Board of Directors of the LACCE Authority, a nonprofit agency established to operate the program. The Board will be advised by a public Community Advisory Committee.

Will LACCE just create another layer of bureaucracy?

No. LACCE will be entirely self-funded by revenues it receives from the sale of electricity to customers. None of its expenses are paid by taxes, and its revenues cannot be diverted to pay for non-LACCE uses.

Have other communities done this before?

Yes, more than 70 cities and counties in California are already doing this. There are currently seven operational CCAs in California: Apple Valley Choice Energy, CleanPowerSF, Lancaster Choice Energy, MCE Clean Energy, Peninsula Clean Energy, Silicon Valley Clean Energy and Sonoma Clean Power. More

lacounty.gov/sustainability

and more communities in California continue to investigate Community Choice Aggregation. In addition, Illinois, Ohio, Massachusetts, New Jersey, Rhode Island, and New York also have community power programs. Furthermore, the State of California estimates that by the mid-2020s, more than 80% of Investor Owned Utility (IOU) customers will receive their power from non-IOU providers like CCAs.

Have the 70 cities and counties in California that have already formed CCAs experienced rate increases?

No. Almost every city has reduced its residents' utility bills. Some CCAs in California offer rates approximately equal to those offered by their existing utility. However, in these cases the CCAs power is significantly greener than the power offered by the existing utility.

How can CCAs offer lower rates than the existing utilities?

There are many factors that contribute to CCA's ability to offer cheaper rates than incumbent utilities. CCAs have less overhead and can acquire low-cost government debt financing. Also, because CCAs are nonprofit governmental entities, they do not need to make profits for shareholders

Who can participate?

LACCE is available to all residents and businesses in L.A. County cities serviced by SCE. The only cities that cannot participate are cities with their own municipal utility (like LADWP in Los Angeles or Glendale Water & Power in Glendale)

How does a city join LACCE?

Cities join LACCE by having their city councils approve the LACCE Joint Powers Agreement and the CCA enabling ordinance. Once a city chooses to participate, all its residents and businesses will automatically be enrolled for LACCE service, starting in 2018. Importantly, customers can opt out of LACCE service and return to SCE at any time.



There are many cities in LA County. Won't they have different goals in terms of how much renewable energy to purchase and the importance of maintaining lower rates?

Yes. That is why each city can make its own choice on the level of renewable energy it wants to purchase for its residents (e.g., 33%, 50%, or 100%).

Is there a liability or legal risk to a city or its residents for joining?

No. The city and its residents are protected because LACCE is a separate legal entity as defined in California law. Its liabilities and obligations are its own, not those of the individual cities that are members.

Won't L.A. County just make all the decisions for the cities that join?

No. Decisions will be made by the LACCE Board of Directors. L.A. County will have one seat on the Board, as will any participating city. So L.A. County will not be able to make decisions on behalf of cities.

Does it cost for customers opt out of LACCE?

Customers can opt out of LACCE at no cost during the first 60 days of the program. After that, a small processing fee (around \$1.50) may be charged.

How much does it cost a city to join?

There are no membership fees or other costs for cities to participate. Cities may choose to spend money on public information materials and may dedicate some staff time to supporting their representative on the Board of Directors of the LACCE Authority.

Does LACCE replace SCE?

No. LACCE only replaces SCE's electric procurement services with its LACCE's own electric generation services. LACCE will generate cleaner electricity, and pay SCE to carry and deliver it to your home or business through their wires. SCE is still responsible for electric delivery, billing and powerline maintenance, including handling power outages and other emergencies.



How does SCE feel about LACCE?

SCE is officially neutral on the formation of LACCE and is committed to ensuring a smooth transition for all LACCE customers.

Will I get two electric bills?

Customers will see no change with their billing and will continue to receive one monthly bill from SCE. The only difference will be a few line items that note that the customer's electricity was generated by LACCE. And, their bill may be lower.

Will SCE programs still be available to LACCE customers?

Yes, almost all SCE programs are still available to LACCE customers. Furthermore, LACCE will offer other, separate programs for its customers in addition to the existing programs offered by SCE.

When does LACCE begin serving customers?

LACCE will begin serving customers through a three-phase enrollment period. The initial group of customers begin enrollment in January, 2018. The second and third phases will take place later in 2018

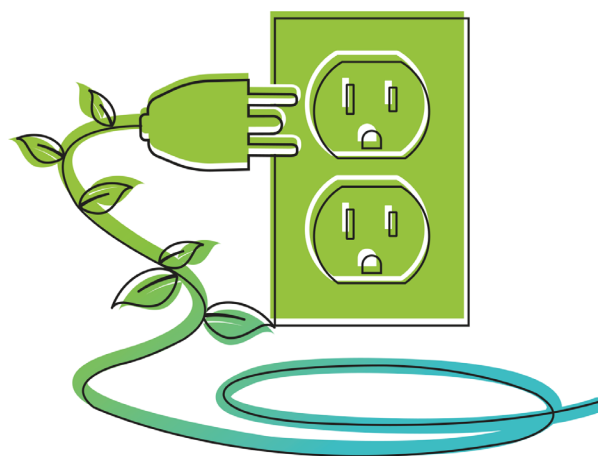


LOS ANGELES COMMUNITY CHOICE ENERGY (LACCE)

1. What is LACCE?

Los Angeles Community Choice Energy (LACCE) is the name for a regional Community Choice Aggregation program in Los Angeles County.

Community Choice Aggregation (CCA), authorized in California under AB 117 (2002) and SB 790 (2011), allows local governments, including counties and cities, to purchase electricity in the wholesale power market and sell it to their residents and businesses at competitive rates as an alternative to electricity provided by an investor owned utility (IOU).



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2. About the LACCE Feasibility Study

The County of Los Angeles, at the direction of the Board of Supervisors, initiated a technical feasibility study to determine if the County can meet the electricity load requirements for 82 eligible cities and County unincorporated areas with rates that are competitive with the local IOU, Southern California Edison. This feasibility study culminated in a Business Plan. This Business Plan concluded that the formation of a CCA in Los Angeles County is financially feasible and would yield considerable benefits for all participating County residents and businesses.

3. LACCE Benefits

Perhaps the greatest benefit of CCA to local governments is the economic vitality it can bring to the community, and the region as a whole. Benefits to the local community include:

- Local control over energy mix - meet or exceed Renewable Portfolio Standard (RPS)
- Create quality jobs and local, renewable generation assets
- Meet or exceed Climate Action Plan goals
- Invest in local energy programs - integrated demand side management
- Provide rate stability - lower costs for homeowners and businesses
- Consumer choice - competition for lower rates and options for cleaner energy

4. Process of Formation and Funding

From December 2016 - March 2017, the County worked with relevant stakeholders and interested cities to negotiate a Joint Powers Agreement (JPA) to govern the LACCE program.

On Tuesday, April 18, 2017, the Los Angeles County Board of Supervisors unanimously approved a motion to begin the implementation of LACCE, including the JPA and the \$10 Million in funding needed to begin pre-operation and start up activities.

5. Options for Cities

Initial Participants

Cities that execute the LACCE JPA within 180 days of LACCE's formation will become Initial Participants of the program. Initial Participants will benefit from the \$10 Million loan from Los Angeles County and will not have to commit any funds of their own.

Furthermore, Initial Participants will have the opportunity to make important, foundational decisions at the inception of LACCE. These include the establishment of committees to ensure sound governance and the hiring of an Executive Director to oversee LACCE operations.

(Continued on back)

Membership after Formation

If cities do not wish to be Initial Participants, they will have the option to become a member of LACCE after its formation. In this scenario, a city's membership will be subject to approval of the LACCE Board of Directors, and any conditions that the Board of Directors finds reasonable, potentially including a monetary contribution.



Implementation Schedule

LACCE IMPLEMENTATION SCHEDULE									
2017-2018									
	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan
First City adopts JPA		◆	OPEN ENROLLMENT PERIOD						
First LACCE Board Meeting		◆							
Executive Director Search									
Phase 1 begins								◆	◆

6. Next Steps for Cities

Cities that would like to participate in the LACCE program should reach out to the County of Los Angeles for more information. The County will provide information on upcoming meetings and a more detailed timeline of LACCE formation and launch.

The County can also schedule individual briefings for city councilmembers and/or city staff.

For more information, please contact:

GARY GERO

Chief Sustainability Officer

County of Los Angeles

Phone 213-974-1160

Email ggero@ceo.lacounty.gov

LOS ANGELES COMMUNITY CHOICE ENERGY AUTHORITY

JOINT POWERS AGREEMENT

This Joint Powers Agreement (the “Agreement”), effective as of _____, is made and entered into pursuant to the provisions of Title 1, Division 7, Chapter 5, Article 1 (Section 6500 et seq.) of the California Government Code relating to the joint exercise of powers among the public agencies set forth in Exhibit A.

RECITALS

1. The Parties are public agencies sharing various powers under California laws, including but not limited to the power to purchase supply, and aggregate electricity for themselves and their inhabitants.
2. In 2006, the State Legislature adopted AB 32, the Global Warming Solutions Act, which mandates a reduction in greenhouse gas emissions in 2020 to 1990 levels. The California Air Resources Board is promulgating regulations to implement AB 32 which will require local government to develop programs to reduce greenhouse emissions.
3. The purposes for the Initial Participants (as such term is defined in Section 2.3 below) entering into this Agreement include addressing climate change by reducing energy related greenhouse gas emissions and securing energy supply and price stability; energy efficiencies and local economic benefits, such as jobs creation, community energy programs; and local power development. It is the intent of this Agreement to promote the development and use of a wide range of renewable energy sources and energy efficiency programs, including but not limited to solar and wind energy production.
4. The Parties desire to establish a separate public agency, known as the Los Angeles Community Choice Energy Authority ("Authority"), under the provisions of the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 et seq.) ("Act") in order to collectively study, promote, develop, conduct, operate, and manage energy programs.
5. The Initial Participants have each adopted an ordinance electing to implement through the Authority a Community Choice Aggregation program pursuant to California Public Utilities Code Section 366.2 ("CCA Program"). The first priority of the Authority will be the consideration of those actions necessary to implement the CCA Program.
6. By establishing the Authority, the Parties seek to:
 - (a) Develop an electric supply portfolio with overall lower greenhouse gas intensity and lower greenhouse gas (GHG) emissions than Southern California Edison (“SCE”), and one that supports the achievement of the parties' greenhouse gas reduction goals and the comparable goals of all participating jurisdictions;

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

- (b) Establish an energy portfolio that encourages the use and development of cost-effective local renewable and distributed energy resources and that discourages the use unbundled renewable energy credits;
- (c) Promote an energy portfolio that incorporates energy efficiency and demand response programs and pursues ambitious energy consumption reduction goals;
- (d) Provide electricity rates that are lower or at worst competitive with those offered by SCE for similar products;
- (e) Offer differentiated energy options (e.g. 33% or 50% qualified renewable) for default service, and a 100% renewable content option in which customers may "opt-up" and voluntarily participate;
- (f) Achieve quantifiable economic benefits to the region;
- (g) Recognize the value of current workers in existing jobs that support the energy infrastructure of Los Angeles County and Southern California (e.g. union and prevailing wage jobs, local workforce development, apprenticeship programs, and local hire). The Authority, as a leader in the shift to clean energy, commits to ensuring it will take steps to minimize any adverse impacts to these workers to ensure a "just transition" to the new clean energy economy;
- (h) Support a stable, skilled workforce through such mechanisms as project labor agreements, collective bargaining agreements, or community benefit agreements, or other workforce programs that are designed to avoid work stoppages, ensure quality, and benefit local residents by delivering cost-effective clean energy programs and projects (e.g. new energy programs and increased local energy investments);
- (i) Promote supplier and workforce diversity, including returning veterans and those from disadvantaged and under-represented communities, to better reflect the diversity of the region;
- (j) Promote personal and community ownership of renewable resources, spurring equitable economic development and increased resilience, especially in low income communities;
- (k) Provide and manage its energy portfolio and products in a manner that provides cost savings to customers and promotes public health in areas impacted by energy production;
- (l) Ensure that low-income households and communities are provided with affordable and flexible energy options, including the provision of energy discounted rates to eligible low-income households;
- (m) Recognize and address the importance of healthy communities, including those disproportionately affected by air pollution and climate change;

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

- (n) Use program revenues to provide energy-related programs and services; and
- (o) Create an administering Authority that is financially sustainable, responsive to regional priorities, well-managed, and a leader in fair and equitable treatment of employees.

1. DEFINITIONS

- 1.1 "AB 117" means Assembly Bill 117 (Stat. 2002, Ch. 838, codified at Public Utilities Code Section 366.2), which created Community Choice Aggregation.
- 1.2 "Act" means the Joint Exercise of Powers Act of the State of California (Chapter 5, Division 7, Title 1 of the Government Code commencing with Section 6500).
- 1.3 "Agreement" means this Joint Powers Agreement.
- 1.4 "Authority" means Los Angeles Community Choice Energy Authority.
- 1.5 "Authority Document(s)" means document(s) duly adopted by the Board by resolution or motion implementing the powers, functions and activities of the Authority, including but not limited to the Operating Policies and Procedures, the annual budget, and plans and policies.
- 1.6 "Board" means the Board of Directors of the Authority.
- 1.7 "Community Choice Aggregation" or "CCA" means an electric service option available to cities, counties, and other public agencies pursuant to Public Utilities Code Section 366.2.
- 1.8 "CCA Program" means the Authority's program relating to CCA that is principally described in Section 2.4 (Purpose) of this Agreement.
- 1.9 "Days" shall mean calendar days unless otherwise specified by this Agreement.
- 1.10 "Director" means a member of the Board representing a Party, including up to two alternate Directors appointed in accordance with Sections 4.1 (Board of Directors) and 4.2 (Appointment and Removal of Directors) of this Agreement.
- 1.11 "Effective Date" means the date on which the Agreement shall become effective and the Authority shall exist as a separate public agency, as further described in Section 2.1 (Effective Date and Term) of this Agreement.
- 1.12 "Initial Costs" means all costs incurred by the Authority relating to the establishment and initial operation of the Authority, such as the hiring of the executive, technical, and any administrative staff, any required accounting, administrative, technical and legal services in support of the Authority's initial formation activities or in support of the negotiation, preparation and approval of

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

power purchase agreements. The Board shall determine the termination date for the Initial Costs.

- 1.13 "Initial Participants" means, for purpose of this Agreement, the County of Los Angeles, and the cities of _____, and any other Parties joining in accordance with Section 2.3 (Initial Participants) of this Agreement.
- 1.14 "Operating Policies and Procedures" means the rules, regulations, policies, bylaws and procedures governing the operation of the Authority.
- 1.15 "Parties" means, collectively, the signatories to this Agreement that have satisfied the conditions in Sections 2.3 (Initial Participants) or 2.5 (Addition of Parties) of this Agreement, such that they are considered members of the Authority.
- 1.16 "Party" means, singularly, a signatory to this Agreement that has satisfied the conditions in Sections 2.3 (Initial Participants) or 2.5 (Addition of Parties) of this Agreement, such that it is considered a member of the Authority.
- 1.17 "Public Agency" as defined in the Act includes, but is not limited to, the federal government or any federal department or agency, this state, another state or any state department or agency, a county, a county board of education, county superintendent of schools, city, public corporation, public district, regional transportation commission of this state or another state, a federally recognized Indian tribe, or any joint powers authority formed pursuant to the Act.

2. FORMATION OF LOS ANGELES COMMUNITY CHOICE ENERGY AUTHORITY

- 2.1 **Effective Date and Term.** This Agreement shall become effective and the Authority shall exist as a separate public agency on the date this Agreement is executed by the County of Los Angeles and at least one other public agency after the adoption of the ordinances required by Public Utilities Code Section 366.2(c)(12). The Authority shall provide notice to the Parties of the Effective Date. The Authority shall continue to exist, and this Agreement shall be effective, until the Agreement is terminated in accordance with Section 8.3 (Mutual Termination) of this Agreement, subject to the rights of the Parties to withdraw from the Authority.
- 2.2 **Formation of the Authority.** Under the Act, the Parties hereby create a separate joint exercise of power agency which is named Los Angeles Community Choice Energy Authority. Pursuant to Sections 6506 and 6507 of the Act, the Authority is a public agency separate from the Parties. The debts, liabilities or obligations of the Authority shall not be debts, liabilities or obligations of the individual Parties unless the governing body of a Party agrees in writing to assume any of the debts, liabilities or obligations of the Authority. The jurisdiction of the Authority shall be all territory within the geographic boundaries of the Parties; however the Authority may, as authorized under applicable law, undertake any

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

action outside such geographic boundaries as is necessary and incidental to the accomplishment of its purpose.

- 2.3 **Initial Participants.** In addition to Parties executing this Agreement on or prior to the Effective Date, any incorporated municipality, county, or other eligible public agency may become a Party and recognized as an Initial Participant provided during the first 180 days after the Effective Date it executes this Agreement and delivers an executed copy of this Agreement and a copy of the adopted ordinance required by Public Utilities Code Section 366.2(c)(12) to the Authority. All Initial Participants to this Agreement shall be required to commence electric service as soon as practicable, as determined by the Board.
- 2.4 **Purpose.** The purpose and objectives of this Agreement are to establish the Authority, to provide for its governance and administration, and to define the rights and obligations of the Parties. This Agreement authorizes the Authority to provide a means by which the Parties can more effectively develop and implement sustainable energy initiatives that reduce energy demand, increase energy efficiency, and advance the use of clean, efficient, and renewable resources in the region for the benefit of the Parties and their constituents, including, but not limited to, establishing and operating a Community Choice Aggregation program.
- 2.5 **Addition of Parties.** After 180 days from the Effective Date any incorporated municipality, county, or other public agency may become a Party to this Agreement if all of the following conditions are met:
- 2.5.1 The adoption of a resolution of the Board admitting the public agency to the Authority;
 - 2.5.2 The adoption by an affirmative vote of the Board satisfying the requirements described in Section 4.10 (Board Voting) of this Agreement, of a resolution authorizing membership into the Authority and establishing its pro rata share of organizational, planning and other pre-existing expenditures, and describing additional conditions, if any, associated with membership;
 - 2.5.3 The adoption by the public agency of an ordinance required by Public Utilities Code Section 366.2(c)(12) and approval and execution of this Agreement and other necessary program agreements by the public agency;
 - 2.5.4 Payment of the membership payment, if any; and
 - 2.5.5 Satisfaction of any reasonable conditions established by the Board.

Pursuant to this Section 2.5 (Addition of Parties), all parties shall be required to commence electric service as soon as is practicable, as determined by the Board, as a condition to becoming a Party to this Agreement.

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

- 2.6 **Continuing Participation.** The Parties acknowledge that membership in the Authority may change by the addition, withdrawal and/or termination of Parties. The Parties agree to participate with such other Parties as may later be added, as described in Section 2.5 (Addition of Parties) of this Agreement. The Parties also agree that the withdrawal or termination of a Party shall not affect this Agreement or the remaining Parties' continuing obligations under this Agreement.

3. **POWERS**

- 3.1 **General Powers.** The Authority shall have the powers common to the Parties and which are necessary or convenient to the accomplishment of the purposes of this Agreement, subject to the restrictions set forth in Section 3.4 (Limitation on Powers) of this Agreement. As provided in the Act, the Authority shall be a public agency separate and apart from the Parties.
- 3.2 **Specific Powers.** The Authority shall have all powers common to the Parties and such additional powers accorded to it by law. The Authority is authorized, in its own name, to exercise all powers and do all acts necessary and proper to carry out the provisions of this Agreement and fulfill its purposes, including, but not limited to, each of the following:
- 3.2.1 make and enter into contracts;
 - 3.2.2 employ agents and employees, including but not limited to an Executive Director;
 - 3.2.3 acquire, contract, manage, maintain, and operate any buildings, works or improvements;
 - 3.2.4 acquire property by eminent domain, or otherwise, except as limited under Section 6508 of the Act, and to hold or dispose of any property;
 - 3.2.5 lease any property;
 - 3.2.6 sue and be sued in its own name;
 - 3.2.7 incur debts, liabilities, and obligations, including but not limited to loans from private lending sources pursuant to its temporary borrowing powers authorized by law pursuant to Government Code Section 53850 et seq. and authority under the Act;
 - 3.2.8 issue revenue bonds and other forms of indebtedness;
 - 3.2.9 apply for, accept, and receive all licenses, permits, grants, loans or other aids from any federal, state or local public agency;

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

- 3.2.10 form independent corporations or entities, if necessary to carry out energy supply and energy conservation programs at the lowest possible cost or to take advantage of legislative or regulatory changes;
 - 3.2.11 submit documentation and notices, register, and comply with orders, tariffs and agreements for the establishment and implementation of the CCA Program and other energy programs;
 - 3.2.12 adopt rules, regulations, policies, bylaws and procedures governing the operation of the Authority ("Operating Policies and Procedures"); and
 - 3.2.13 make and enter into service agreements relating to the provision of services necessary to plan, implement, operate and administer the CCA Program and other energy programs, including the acquisition of electric power supply and the provision of retail and regulatory support services.
- 3.3 **Additional Powers to be Exercised.** In addition to those powers common to each of the Parties, the Authority shall have those powers that may be conferred upon it as a matter of law and by subsequently enacted legislation.
- 3.4 **Limitation on Powers.** As required by Section 6509 of the Act, the powers of the Authority are subject to the restrictions upon the manner of exercising power possessed by the County of Los Angeles.
- 3.5 **Obligations of the Authority.** The debts, liabilities, and obligations of the Authority shall not be the debts, liabilities, and obligations of the Parties unless the governing body of a Party agrees in writing to assume any of the debts, liabilities, and obligations of the Authority. In addition, pursuant to the Act, no Director shall be personally liable on the bonds or subject to any personal liability or accountability by reason of the issuance of bonds.
- 3.6 **Compliance with the Political Reform Act and Government Code Section 1090.** The Authority and its officers and employees shall comply with the Political Reform Act (Government Code Section 81000 et seq.) and Government Code Section 1090 et seq. The Board shall adopt a Conflict of Interest Code pursuant to Government Code Section 87300. The Board may adopt additional conflict of interest regulations in the Operating Policies and Procedures.

4. GOVERNANCE

- 4.1 **Board of Directors.** The governing body of the Authority shall be a Board of Directors ("Board") consisting of one director for each Party appointed in accordance with Section 4.2 (Appointment and Removal of Directors) of this Agreement. The Board, in consultation with the Executive Director, may determine at any time to consider options to reduce the size of the Board if it determines that the efficient functioning and operation of the Board would be improved by having a smaller number of Directors. Any such change to the size

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

of the Board would require amendment of this Joint Powers Agreement in accordance with Section 4.11 (Special Voting).

4.2 **Appointment and Removal of Directors.** The Directors shall be appointed and may be removed as follows:

4.2.1 The governing body of each Party shall appoint and designate in writing one regular Director who shall be authorized to act for and on behalf of the Party on matters within the powers of the Authority. The governing body of each Party shall appoint and designate in writing up to two alternate Directors who may vote on matters when the regular Director is absent from a Board meeting. The person appointed and designated as the regular Director shall be an elected or appointed member of the governing body of the Party. The persons appointed and designated as the alternate Directors may be an elected or appointed member of the governing body of the Party, an appointed member of an advisory body of the Party, a staff member of the Party or a member of the public who meets the criteria below. All Directors and alternates shall be subject to the Board's adopted Conflict of Interest Code.

(a) Any alternate Director that is a member of the public must have demonstrated knowledge in energy-related matters through significant experience in either: 1) an electric utility or company, agency, or nonprofit providing services to a utility, 2) a regulatory agency or local government body overseeing an electric utility or a company, agency, or nonprofit providing services to such an agency, 3) an academic or nonprofit organization engaged in research and/or advocacy related to the electric sector.

4.2.2 The Operating Policies and Procedures, to be developed and approved by the Board in accordance with Section 3.2.12 (Specific Powers), shall specify the reasons for and process associated with the removal of an individual Director for cause. Notwithstanding the foregoing, no Party shall be deprived of its right to seat a Director on the Board and any such Party for which its Director and/or alternate Directors have been removed may appoint a replacement.

4.3 **Terms of Office.** Each regular and alternate Director shall serve at the pleasure of the governing body of the Party that the Director represents, and may be removed as Director by such governing body at any time. If at any time a vacancy occurs on the Board, the affected Party shall appoint to fill the position of the previous Director within 90 days of the date that such position becomes vacant.

4.4 **Purpose of Board.** The general purpose of the Board is to:

4.4.1 Provide structure for administrative and fiscal oversight;

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

- 4.4.2 Retain an Executive Director to oversee day-to-day operations;
- 4.4.3 Retain legal counsel;
- 4.4.4 Identify and pursue funding sources;
- 4.4.5 Set policy;
- 4.4.6 Maximize the utilization of available resources; and
- 4.4.7 Oversee all Committee activities.
- 4.5 **Specific Responsibilities of the Board.** The specific responsibilities of the Board shall be as follows:
 - 4.5.1 Identify Party needs and requirements;
 - 4.5.2 Formulate and adopt the budget prior to the commencement of the fiscal year;
 - 4.5.3 Develop and implement a financing and/or funding plan for ongoing Authority operations;
 - 4.5.4 Retain necessary and sufficient staff and adopt personnel and compensation policies, rules and regulations;
 - 4.5.5 Adopt rules for procuring supplies, equipment, and services;
 - 4.5.6 Adopt rules for the disposal of surplus property;
 - 4.5.7 Establish standing and ad hoc committees as necessary to ensure that the interests and concerns of each Party are represented and to ensure operational, technical, and financial issues are thoroughly researched and analyzed;
 - 4.5.8 The setting of retail rates for power sold by the Authority and the setting of charges for any other category of retail service provided by the Authority;
 - 4.5.9 Termination of the CCA Program;
 - 4.5.10 Address any concerns of consumers and customers;
 - 4.5.11 Conduct and oversee Authority audits at intervals not to exceed three years;
 - 4.5.12 Arrange for an annual independent fiscal audit;

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- 4.5.13 Adopt such bylaws, rules and regulations as are necessary or desirable for the purposes hereof; provided that nothing in the bylaws, rules and regulations shall be inconsistent with this Agreement;
- 4.5.14 Exercise the Specific Powers identified in Sections 3.2 and 4.6 except as the Board may elect to delegate to the Executive Director; and
- 4.5.15 Discharge other duties as appropriate or required by statute.
- 4.6 **Startup Responsibilities.** The Authority shall have the duty to do the following within one year of the Effective Date of the Agreement:
 - 4.6.1 To adopt an implementation plan prepared by the County of Los Angeles, pursuant to Public Utilities Code Section 366.2(c)(3), for electrical load aggregation;
 - 4.6.2 To prepare a statement of intent, pursuant to Public Utilities Code Section 366.2(c)(4), for electrical load aggregation;
 - 4.6.3 To encourage other qualified public agencies to participate in the Authority;
 - 4.6.4 To obtain financing and/or funding as is necessary or desirable;
 - 4.6.5 To evaluate the need for, acquire, and maintain insurance.
- 4.7 **Meetings and Special Meetings of the Board.** The Board shall hold at least one regular meetings per year but the Board may provide for the holding of regular meetings at more frequent intervals. The date, hour and place of each regular meeting shall be fixed by resolution or ordinance of the Board. Regular meetings may be adjourned to another meeting time. Special meetings of the Board may be called in accordance with the provisions of Government Code Section 54956. Directors may participate in meetings telephonically, with full voting rights, only to the extent permitted by law.
- 4.8 **Brown Act Applicable.** All meetings of the Board shall be conducted in accordance with the provisions of the Ralph M. Brown Act (Government Code Section 54950, et seq.).
- 4.9 **Quorum; Approvals.** A majority of the Directors shall constitute a quorum, except that less than a quorum may adjourn from time to time in accordance with law. The affirmative votes of a majority of the Directors who are present at the subject meeting shall be required to take any action by the Board.
- 4.10 **Board Voting.**
 - 4.10.1 **Percentage Vote.** Each Director shall have one vote. Action of the Board on all matters shall require an affirmative vote of a majority of all

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

Directors who are present at the subject meeting, except when a supermajority vote is expressly required by this Agreement. When a supermajority vote is required under Section 4.11 (Special Voting), action of the Board shall require an affirmative vote of the specified supermajority of all Directors who are present at the subject meeting. All votes taken pursuant to this Section 4.10.1 shall be referred to as a percentage vote. Notwithstanding the foregoing, in the event of a tie in a percentage vote, the Board can break the tie and act upon an affirmative voting shares vote as described in section 4.10.2 (Voting Shares Vote).

4.10.2 Voting Shares Vote. In addition to and immediately after an affirmative percentage vote three or more Directors may request that a vote of the voting shares shall be held. In such event, the corresponding voting shares, as described in section 4.10.3, of all Directors voting in order to take an action shall exceed 50%, or such other higher voting shares percentage expressly required by this Agreement or the Operating Policies and Procedures of all Directors who are present at the subject meeting. All votes taken pursuant to this Section 4.10.2 shall be referred to as a voting shares vote. In the event that any one Director has a voting share that equals or exceeds that which is necessary to disapprove the matter being voted on by the Board, at least one other Director shall be required to vote in the negative in order to disapprove such matter. When a voting shares vote is held, action by the Board requires both an affirmative percentage vote and an affirmative voting shares vote.

4.10.3 Voting Shares Formula. When a voting shares vote is requested by three or more Directors, voting shares of the Directors shall be determined by the following formula:

(Annual Energy Use/Total Annual Energy) multiplied by 100, where (a) "Annual Energy Use" means (i) with respect to the first two years following the Effective Date, the annual electricity usage, expressed in kilowatt hours ("kWh"), within the Party's respective jurisdiction and (ii) with respect to the period after the second anniversary of the Effective Date, the annual electricity usage, expressed in kWh, of accounts within a Party's respective jurisdiction that are served by the Authority and (b) "Total Annual Energy" means the sum of all Parties' Annual Energy Use.

4.11 Special Voting.

4.11.1 Except as provided below, matters that require Special Voting as described in this Section shall require 72 hours prior notice to any Brown Act meeting or special meeting. Two-thirds vote (or such greater vote as required by state law) of the appointed Directors shall be required to take any action on the following:

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- (a) Change the designation of Treasurer or Auditor of the Authority;
- (b) Issue bonds or other forms of debt;
- (c) Exercise the power of eminent domain, subject to prior approval by the passage of an authorizing ordinance or other legally sufficient action by the affected Party; and
- (d) Amend this Agreement or adopt or amend the bylaws of the Authority. At least 30 days advance notice shall be provided for such actions. The Authority shall also provide prompt written notice to all Parties of the action taken and enclose the adopted or modified documents.

5. INTERNAL ORGANIZATION

- 5.1 Chair and Vice Chair.** For each fiscal year, the Board shall elect a Chair and Vice Chair from among the Directors. The term of office of the Chair and Vice Chair shall continue for one year, but there shall be no limit on the number of terms held by either the Chair or Vice Chair. The Chair shall be the presiding officer of all Board meetings, and the Vice Chair shall serve in the absence of the Chair. The Chair shall sign all contracts on behalf of the Authority, and shall perform such other duties as may be imposed by the Board. In the absence of the Chair, the Vice-Chair shall sign contracts and perform all of the Chair's duties. The office of the Chair or Vice Chair shall be declared vacant and a new selection shall be made if: (a) the person serving dies, resigns, or the Party that the person represents removes the person as its representative on the Board, or (b) the Party that he or she represents withdraws from the Authority pursuant to the provisions of this Agreement. Upon a vacancy, the position shall be filled at the next regular meeting of the Board held after such vacancy occurs or as soon as practicable thereafter. Succeeding officers shall perform the duties normal to said offices.
- 5.2 Secretary.** The Board shall appoint a Secretary, who need not be a member of the Board, who shall be responsible for keeping the minutes of all meetings of the Board and all other office records of the Authority.
- 5.3 Treasurer.** The Board shall appoint a qualified person to act as the Treasurer, who need not be a member of the Board. Unless otherwise exempted from such requirement, the Authority shall cause an independent audit to be made by a certified public accountant, or public accountant, in compliance with Section 6506 of the Act. The Treasurer shall act as the depositary of the Authority and have custody of all the money of the Authority, from whatever source, and as such, shall have all of the duties and responsibilities specified in Section 6505.5 of the Act. The Board may require the Treasurer to file with the Authority an official bond in an amount to be fixed by the Board, and if so requested the Authority shall pay the cost of premiums associated with the bond. The Treasurer shall

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report directly to the Board and shall comply with the requirements of treasurers of incorporated municipalities. The Board may transfer the responsibilities of Treasurer to any person or entity as the law may provide at the time.

- 5.4 **Auditor.** The Board shall appoint a qualified person to act as the Auditor, who shall not be a member of the Board. The Board may require the Auditor to file with the Authority an official bond in an amount to be fixed by the Board, and if so requested the Authority shall pay the cost of premiums associated with the bond.
- 5.5 **Executive Director.** The Board shall appoint an Executive Director for the Authority, who shall be responsible for the day-to-day operation and management of the Authority and the CCA Program. The Executive Director may exercise all powers of the Authority, except those powers specifically reserved to the Board including but not limited to those set forth in Section 4.5 (Specific Responsibilities of the Board) of this Agreement or the Operating Policies and Procedures, or those powers which by law must be exercised by the Board. The Executive Director may enter into and execute any Energy Contract, in accordance with criteria and policies established by the Board.
- 5.6 **Bonding of Persons Having Access to Property.** Pursuant to the Act, the Board shall designate the public officer or officers or person or persons who have charge of, handle, or have access to any property of the Authority exceeding a value as established by the Board, and shall require such public officer or officers or person or persons to file an official bond in an amount to be fixed by the Board.
- 5.7 **Other Employees/Agents.** The Board shall have the power by resolution to hire employees or appoint or retain such other agents, including officers, loan-out employees, or independent contractors, as may be necessary or desirable to carry-out the purpose of this Agreement.
- 5.8 **Privileges and Immunities from Liability.** All of the privileges and immunities from liability, exemption from laws, ordinances and rules, all pension, relief, disability, workers' compensation and other benefits which apply to the activities of officers, agents or employees of a public agency when performing their respective functions shall apply to the officers, agents or employees of the Authority to the same degree and extent while engaged in the performance of any of the functions and other duties of such officers, agents or employees under this Agreement. None of the officers, agents or employees directly employed by the Board shall be deemed, by reason of their employment by the Authority to be employed by the Parties or by reason of their employment by the Authority, to be subject to any of the requirements of the Parties.
- 5.9 **Commissions, Boards and Committees.** The Board may establish any advisory commissions, boards and committees as the Board deems appropriate to assist the Board in carrying out its functions and implementing the CCA Program, other energy programs and the provisions of this Agreement. The Board may establish

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rules, regulations, policies, bylaws or procedures to govern any such commissions, boards, or committees and shall determine whether members shall be compensated or entitled to reimbursement for expenses.

5.9.1 The Board shall establish the following Advisory Committees:

- (a) **Executive Committee.** The Board shall establish an executive committee consisting of a smaller number of Directors. The Board may delegate to the Executive Committee's such authority as the Board might otherwise exercise, except that the Board may not delegate authority regarding certain essential functions, including but not limited to, approving the fiscal year budget or hiring or firing the Executive Director, and other functions as provided in the Operating Policies and Procedures. The Board may not delegate to the Executive Committee or any other committee its authority under Section 3.2.12 to adopt and amend the Operating Policies and Procedures.
- (b) **Finance Committee.** The Board shall establish a finance committee consisting of a smaller number of Directors. The primary purpose of the Finance Committee is to review and recommend to the Board:
 - (1) A funding plan;
 - (2) A fiscal year budget;
 - (3) Financial policies and procedures to ensure equitable contributions by Parties;
 - (4) Such other responsibilities as provided in the Operating Policies and Procedures, including but not limited to policies, rules and regulations governing investment of surplus funds, and selection and designation of financial institutions for deposit of Authority funds.
- (c) **Community Advisory Committee.** The Board shall establish a community advisory committee comprised of members of the public representing key stakeholder communities. The primary purpose of the Community Advisory Committee shall be to provide a venue for ongoing citizen support and engagement in the operations of the Authority.
- (d) **Meetings of the Advisory Committees.** All meetings of the Advisory Committees shall be held in accordance with the Ralph M. Brown Act. For the purposes of convening meetings and conducting business, unless otherwise provided in the bylaws, a majority of the members of the Advisory Committee shall

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

constitute a quorum for the transaction of business, except that less than a quorum or the secretary of each Advisory Committee may adjourn meetings from time-to-time. As soon as practicable, but no later than the time of posting, the Secretary of the Advisory Committee shall provide notice and the agenda to each Party, Director and Alternate Directors.

- (e) **Officers of Advisory Committees.** Unless otherwise determined by the Board, each Advisory Committee shall choose its officers, comprised of a Chairperson, a Vice-Chairperson and a Secretary.

6. IMPLEMENTATION ACTION AND AUTHORITY DOCUMENTS

6.1 Preliminary Implementation of the CCA Program.

- 6.1.1 **Enabling Ordinance.** In addition to the execution of this Agreement, each Party shall adopt an ordinance in accordance with Public Utilities Code Section 366.2(c)(12) for the purpose of specifying that the Party intends to implement a CCA Program by and through its participation in the Authority.
- 6.1.2 **Implementation Plan.** The Authority shall cause to be prepared and secure Board approval of an Implementation Plan meeting the requirements of Public Utilities Code Section 366.2 and any applicable Public Utilities Commission regulations as soon after the Effective Date as reasonably practicable. .
- 6.1.3 **Termination of CCA Program.** Nothing contained in this Section 6 or this Agreement shall be construed to limit the discretion of the Authority to terminate the implementation or operation of the CCA Program at any time in accordance with any applicable requirements of state law.

- 6.2 **Authority Documents.** The Parties acknowledge and agree that the affairs of the Authority will be implemented through various documents duly adopted by the Board through Board resolution or minute action, including but not necessarily limited to the Operating Policies and Procedures, the annual budget, and specified plans and policies defined as the Authority Documents by this Agreement. The Parties agree to abide by and comply with the terms and conditions of all such Authority Documents that may be adopted by the Board, subject to the Parties' right to withdraw from the Authority as described in Section 8 (Withdrawal and Termination) of this Agreement.

7. FINANCIAL PROVISIONS

- 7.1 **Fiscal Year.** The Authority's fiscal year shall be 12 months commencing July 1 and ending June 30. The fiscal year may be changed by Board resolution.
- 7.2 **Depository.**

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- 7.2.1 All funds of the Authority shall be held in separate accounts in the name of the Authority and not commingled with funds of any Party or any other person or entity.
- 7.2.2 All funds of the Authority shall be strictly and separately accounted for, and regular reports shall be rendered of all receipts and disbursements, at least quarterly during the fiscal year. The books and records of the Authority shall be open to inspection and duplication by the Parties at all reasonable times. The Board shall contract with a certified public accountant or public accountant to make an annual audit of the accounts and records of the Authority, which shall be conducted in accordance with the requirements of Section 6506 of the Act.
- 7.2.3 All expenditures shall be made in accordance with the approved budget and upon the approval of any officer so authorized by the Board in accordance with its Operating Policies and Procedures. The Treasurer shall draw checks or warrants or make payments by other means for claims or disbursements not within an applicable budget only upon the prior approval of the Board.

7.3 Budget and Recovery Costs.

- 7.3.1 **Budget.** The initial budget shall be approved by the Board. The Board may revise the budget from time to time as may be reasonably necessary to address contingencies and unexpected expenses. All subsequent budgets of the Authority shall be prepared and approved by the Board in accordance with the Operating Policies and Procedures.
- 7.3.2 **Funding of Initial Costs.** Subject to the approval of the Board of Supervisors, the County of Los Angeles has agreed to provide up to \$10 million for funding Initial Costs in establishing the Authority and implementing the CCA Program. In the event that the CCA Program becomes operational, the County of Los Angeles shall be reimbursed for the Initial Costs. The County and the Authority will execute an agreement specifying the terms and conditions of the Initial Costs provided by the County, including but not limited to: (a) Repayment of this amount, which shall be first priority in relation to all other indebtedness of the Authority; and (b) authorization for the County Auditor-Controller to conduct an audit of the Authority's books and records (including personnel records, as necessary) and/or investigation, following reasonable advance notice from the County, to ensure compliance with the terms and conditions of the agreement. The Authority may establish a reasonable time period over which such costs are recovered. In the event that the CCA Program does not become operational, the County shall not be entitled to any reimbursement of the Initial Costs they have paid from the Authority or any other Party.

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- 7.3.3 **Program Costs.** The Parties desire that, to the extent reasonably practicable, all costs incurred by the Authority that are directly or indirectly attributable to the provision of electric services under the CCA Program, including the establishment and maintenance of various reserve and performance funds, shall be recovered through charges to CCA customers receiving such electric services.
- 7.3.4 **General Costs.** Costs that are not directly or indirectly attributable to the provision of electric services under the CCA Program, as determined by the Board, shall be defined as general costs. General costs shall be shared among the Parties on such bases as the Board shall determine pursuant to the Authority documents.
- 7.4 **Contributions.** Parties are not required under this Agreement to make any financial contributions. Consumers may subscribe as customers of the Authority pursuant to the Act and outside of this Agreement and through their on-bill selections.
- 7.4.1 A Party may, in the appropriate circumstance, and when agreed-to:
- (a) Make contributions from its treasury for the purposes set forth in this Agreement;
 - (b) Make payments of public funds to defray the cost of the purposes of the Agreement and Authority;
 - (c) Make advances of public funds for such purposes, such advances to be repaid as provided by written agreement; or
 - (d) Use its personnel, equipment or property in lieu of other contributions or advances.
 - (e) No Party shall be required to adopt any tax, assessment, fee or charge under any circumstances.
- 7.5 **Accounts and Reports.** The Treasurer shall establish and maintain such funds and accounts as may be required by good accounting practice or by any provision of any trust agreement entered into with respect to the proceeds of any bonds issued by the Authority. The books and records of the Authority in the hands of the Treasurer shall be open to inspection and duplication at all reasonable times by duly appointed representatives of the Parties. The Treasurer, within 180 days after the close of each fiscal year, shall give a complete written report of all financial activities for such fiscal year to the Parties.
- 7.6 **Funds.** The Treasurer shall receive, have custody of and/or disburse Authority funds in accordance with the laws applicable to public agencies and generally accepted accounting practices, and shall make the disbursements required by this Agreement in order to carry out any of the purposes of this Agreement.

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8. WITHDRAWAL AND TERMINATION

8.1 Withdrawal

- 8.1.1 **Withdrawal by Parties.** Any Party may withdraw its membership in the Authority, effective as of the beginning of the Authority's fiscal year, by giving no less than 180 days advance written notice of its election to do so, which notice shall be given to the Authority and each Party. Withdrawal of a Party shall require an affirmative vote of the Party's governing board.
- 8.1.2 **Amendment.** Notwithstanding Section 8.1.1 (Withdrawal by Parties) of this Agreement, a Party may withdraw its membership in the Authority upon approval and execution of an amendment to this Agreement provided that the requirements of this Section 8.1.2 are strictly followed. A Party shall be deemed to have withdrawn its membership in the Authority effective 180 days after the Board approves an amendment to this Agreement if the Director representing such Party has provided notice to the other Directors immediately preceding the Board's vote of the Party's intention to withdraw its membership in the Authority should the amendment be approved by the Board.
- 8.1.3 **Continuing Liability; Further Assurances.** A Party that withdraws its membership in the Authority may be subject to certain continuing liabilities, as described in Section 8.4 (Continuing Liability; Refund) of this Agreement, including, but not limited to, Power Purchase Agreements. The withdrawing Party and the Authority shall execute and deliver all further instruments and documents, and take any further action that may be reasonably necessary, as determined by the Board, to effectuate the orderly withdrawal of such Party from membership in the Authority. The Operating Policies and Procedures shall prescribe the rights if any of a withdrawn Party to continue to participate in those Board discussions and decisions affecting customers of the CCA Program that reside or do business within the jurisdiction of the Party.
- 8.2 **Involuntary Termination.** This Agreement may be terminated with respect to a Party for material non-compliance with provisions of this Agreement or the Authority Documents upon an affirmative vote of the Board in which the minimum percentage vote and percentage voting shares, as described in Section 4.10 (Board Voting) of this Agreement, shall be no less than 67% excluding the vote and voting shares of the Party subject to possible termination. Prior to any vote to terminate this Agreement with respect to a Party, written notice of the proposed termination and the reason(s) for such termination shall be delivered to the Party whose termination is proposed at least 30 days prior to the regular Board meeting at which such matter shall first be discussed as an agenda item. The written notice of proposed termination shall specify the particular provisions of this Agreement or the Authority Documents that the Party has

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allegedly violated. The Party subject to possible termination shall have the opportunity at the next regular Board meeting to respond to any reasons and allegations that may be cited as a basis for termination prior to a vote regarding termination. A Party that has had its membership in the Authority terminated may be subject to certain continuing liabilities, as described in Section 8.4 (Continuing Liability; Refund) of this Agreement. In the event that the Authority decides to not implement the CCA Program, the minimum percentage vote of 67% shall be conducted in accordance with Section 4.10 (Board Voting) of this Agreement.

8.3 **Mutual Termination.** This Agreement may be terminated by mutual agreement of all the Parties; provided, however, the foregoing shall not be construed as limiting the rights of a Party to withdraw its membership in the Authority, and thus terminate this Agreement with respect to such withdrawing Party, as described in Section 8.1 (Withdrawal) of this Agreement.

8.4 **Continuing Liability; Refund.** Upon a withdrawal or involuntary termination of a Party, the Party shall remain responsible for any claims, demands, damages, or liabilities arising from the Party's membership in the Authority through the date of its withdrawal or involuntary termination, it being agreed that the Party shall not be responsible for any claims, demands, damages, or liabilities arising after the date of the Party's withdrawal or involuntary termination. In addition, such Party also shall be responsible for any costs or obligations associated with the Party's participation in any program in accordance with the provisions of any agreements relating to such program provided such costs or obligations were incurred prior to the withdrawal of the Party. The Authority may withhold funds otherwise owing to the Party or may require the Party to deposit sufficient funds with the Authority, as reasonably determined by the Authority, to cover the Party's liability for the costs described above. Any amount of the Party's funds held on deposit with the Authority above that which is required to pay any liabilities or obligations shall be returned to the Party.

8.5 **Disposition of Authority Assets.** Upon termination of this Agreement and dissolution of the Authority by all Parties, and after payment of all obligations of the Authority, the Board:

8.5.1 May sell or liquidate Authority property; and

8.5.2 Shall distribute assets to Parties in proportion to the contributions made by the existing Parties.

Any assets provided by a Party to the Authority shall remain the asset of that Party and shall not be subject to distribution under this section.

9. **MISCELLANEOUS PROVISIONS**

9.1 **Dispute Resolution.** The Parties and the Authority shall make reasonable efforts to settle all disputes arising out of or in connection with this Agreement. Before exercising any remedy provided by law, a Party or the Parties and the Authority

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shall engage in nonbinding mediation or arbitration in the manner agreed upon by the Party or Parties and the Authority. The Parties agree that each Party may specifically enforce this section 9.1 (Dispute Resolution). In the event that nonbinding mediation or arbitration is not initiated or does not result in the settlement of a dispute within 60 days after the demand for mediation or arbitration is made, any Party and the Authority may pursue any remedies provided by law.

- 9.2 **Liability of Directors, Officers, and Employees.** The Directors, officers, and employees of the Authority shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to this Agreement. No current or former Director, officer, or employee will be responsible for any act or omission by another Director, officer, or employee. The Authority shall defend, indemnify and hold harmless the individual current and former Directors, officers, and employees for any acts or omissions in the scope of their employment or duties in the manner provided by Government Code Section 995 et seq. Nothing in this section shall be construed to limit the defenses available under the law, to the Parties, the Authority, or its Directors, officers, or employees.
- 9.3 **Indemnification of Parties.** The Authority shall acquire such insurance coverage as is necessary to protect the interests of the Authority, the Parties and the public. The Authority shall defend, indemnify and hold harmless the Parties and each of their respective governing board members, officers, agents and employees, from any and all claims, losses, damages, costs, injuries and liabilities of every kind arising directly or indirectly from the conduct, activities, operations, acts and omissions of the Authority under this Agreement.
- 9.4 **Notices.** Any notice required or permitted to be made hereunder shall be in writing and shall be delivered in the manner prescribed herein at the principal place of business of each Party. The Parties may give notice by (1) personal delivery; (2) e-mail; (3) U.S. Mail, first class postage prepaid, or a faster delivery method; or (3) by any other method deemed appropriate by the Board.
- Upon providing written notice to all Parties, any Party may change the designated address or e-mail for receiving notice.
- All written notices or correspondence sent in the described manner will be deemed given to a party on whichever date occurs earliest: (1) the date of personal delivery; (2) the third business day following deposit in the U.S. mail, when sent by “first class” mail; or (3) the date of transmission, when sent by e-mail or facsimile.
- 9.5 **Successors.** This Agreement shall be binding upon and shall inure to the benefit of the successors of each Party.

LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

- 9.6 **Assignment.** Except as otherwise expressly provided in this Agreement, the rights and duties of the Parties may not be assigned or delegated without the advance written consent of all of the other Parties, and any attempt to assign or delegate such rights or duties in contravention of this Section 9.6 shall be null and void. This Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the Parties. This Section 9.6 does not prohibit a Party from entering into an independent agreement with another agency, person, or entity regarding the financing of that Party's contributions to the Authority, or the disposition of the proceeds which that Party receives under this Agreement, so long as such independent agreement does not affect, or purport to affect, the rights and duties of the Authority or the Parties under this Agreement.
- 9.7 **Severability.** If any one or more of the terms, provisions, promises, covenants, or conditions of this Agreement were adjudged invalid or void by a court of competent jurisdiction, each and all of the remaining terms, provisions, promises, covenants, and conditions of this Agreement shall not be affected thereby and shall remain in full force and effect to the maximum extent permitted by law.
- 9.8 **Governing Law.** This Agreement is made and to be performed in the State of California, and as such California substantive and procedural law shall apply.
- 9.9 **Headings.** The section headings herein are for convenience only and are not to be construed as modifying or governing the language of this Agreement.
- 9.10 **Counterparts.** This Agreement may be executed in any number of counterparts, and upon execution by all Parties, each executed counterpart shall have the same force and effect as an original instrument and as if all Parties had signed the same instrument. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing the legal effect of any signatures thereon, and may be attached to another counterpart of this Agreement identical in form hereto but having attached to it one or more signature pages.

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LOS ANGELES COMMUNITY CHOICE ENERGY – JOINT POWERS AGREEMENT

CITY OF _____

By: _____
Mayor

ATTEST:

By: _____
City Clerk

Community Choice Energy in California

Sonoma Clean Power

- Santa Rosa
- Sonoma County
- Mendocino County
- Town of Windsor
- Sebastopol
- Petaluma
- Cloverdale
- Cotati
- Town of Sonoma
- Rohnert Park
- Fort Bragg

Silicon Valley Clean Energy

- Cupertino
- Los Gatos
- Mountain View
- Santa Clara County
- Los Altos Hills
- Los Altos
- Campbell
- Gilroy
- Morgan Hill
- Sunnyvale
- Monte Sereno
- Saratoga

Peninsula Clean Energy

- San Mateo County
- City of San Mateo
- Atherton
- Belmont
- Brisbane
- Burlingame
- Colma
- Daly City
- Foster City
- East Palo Alto
- Hillsborough
- Menlo Park
- Half Moon Bay
- Millbrae
- Pacifica
- Portola Valley
- Redwood City
- San Bruno
- San Carlos
- Woodside
- South San Francisco

Lancaster Choice Energy

- Lancaster
- Pico Rivera
- San Jacinto

Marin Clean Energy

- Mill Valley
- Walnut Creek
- County of Marin
- Richmond
- Benicia
- San Rafael
- El Cerrito
- Town of Ross
- Larkspur
- Sausalito
- Town of San Anselmo
- County of Napa
- San Pablo
- Town of Tiburon
- Novato
- Belvedere
- Town of Corte Madera
- Town of Fairfax

Clean Power San Francisco

- San Francisco

Apple Valley Choice Energy

- Apple Valley



Consumer and Retail Choice, the Role of the Utility, and an Evolving Regulatory Framework

Staff White Paper

CALIFORNIA PUBLIC UTILITIES COMMISSION
MAY 2017



DISCLAIMER

This paper does not necessarily represent the views of the CPUC, its employees, or the State of California. This paper has not been approved or disapproved by the CPUC nor has the CPUC passed upon the accuracy or adequacy of the information in this paper

Introduction

California's electric sector is undergoing unprecedented change, brought about by a sequence of innovations in technology as well as many incremental policy actions taken in several different decision-making arenas. Between rooftop solar, Community Choice Aggregators (CCAs) and Direct Access providers (ESPs), as much as 25%¹ of Investor Owned Utility (IOU) retail electric load will be effectively unbundled and served by a non-IOU source or provider sometime later this year. This share is set to grow quickly over the coming decade with some estimates that over 85% of retail load served by sources other than the IOUs by the middle of the 2020s². All this is to say that California may well be on the path towards a competitive market for consumer electric services, but is moving in that direction without a coherent plan to deal with all the associated challenges that competition poses, ranging from renewable procurement rules to reliability requirements and consumer protection.

In many ways, these changes are a function of California's success implementing world leading policies like the Renewable Portfolio Standard (RPS), the California Solar Initiative (CSI), and the Energy Storage Mandate. Through these policies, California's regulatory bodies and its IOUs have integrated renewable energy into the electric grid at massive scale, both at the transmission level through independently-owned large-scale projects and the distribution level through rooftop solar. This experience has empowered customers to choose new energy options and enabled new market entrants like Community Choice Aggregators (CCAs) to serve customers with innovative solutions. Though these changes have been largely positive so far, the consequence of fast-scaling competition is that the California Public Utilities Commission (CPUC) and California Energy Commission (CEC) must now look at long held assumptions in their regulatory frameworks and examine the role of the electric utility at the center of this system, tasked with the primary responsibility for providing power and other services to all consumers within a geographic service area.

California's Changing Electricity Landscape

California has set itself on the path to reducing statewide greenhouse gas emissions by 40% below 1990 levels³ by 2030, using tools such as a 50% renewable portfolio standard, doubling of existing energy efficiency savings for both electricity and natural gas usage⁴ and putting well over 1.5 million zero emission vehicles on the road⁵. Achieving these goals will require enormous investments in the electricity sector, from widespread deployment of electric charging infrastructure to thousands of

¹ Estimate of Direct Access, CCA and NEM retail sales offsets are 23% to 24% of Utility 2015 Retail Sales. For Direct Access, in 2016 ESPs served 12.9% of IOU Load (Direct Access Implementation Activity Reports). For CCAs, estimated retail sales are 7.4 GWh per CPUC Presentation at Feb 1, 2017 CCA En Banc. For NEM, 4,555 MWs of rooftop PV, per California Solar Statistics, April 19, 2017, with expected capacity factor of 15%-16% based on NREL PV Watts calculation of fixed tilt rooftop systems in San Jose, Los Angeles and San Diego. Other sources of NEM not counted for purposes of this estimate as rooftop PV accounts for more than 90% of NEM capacity per CPUC Net Energy Metering information page.

² Estimate of 85% load departure based on 15 to 20 million consumers being served by CCA, Direct Access or Customer sited generation like rooftop solar

³ SB 32 (2016) requires California Air Resources Board ensures that statewide greenhouse gas emissions are reduced 40% below the 1990 level by 2030

⁴ SB 350 (2015) requires the amount of electricity generated and sold to retail customers per year from eligible renewable energy resources be increased to 50% by December 31, 2030. Requires the State Energy Resources Conservation and Development Commission (Energy Commission) to establish annual targets for statewide energy efficiency savings and demand reduction that will achieve a cumulative doubling of statewide energy efficiency savings in electricity and natural gas final end uses of retail customers by January 1, 2030.

⁵ Executive Order B-16-12: Goal for CA to Deploy 1.5 million Zero-Emission Vehicles by 2025

megawatts of renewable energy, hundreds of miles of transmission lines and a much more robust distribution system.

Much of the policy framework underpinning the goals has presumed the electric utility serves as the central agent for making these investments, raising low cost capital in financial markets, and then recovering costs through sales of electricity. Yet, at the same time that California is grappling with how to plot a path forward to build this infrastructure in the most efficient, reliable and equitable way, the status quo retail electric service model is being up-ended.

Leading up to the new millennium, California de-regulated the electric industry and created a flawed retail market structure and rate design for consumer choice. Essentially, private electric utilities only provided wire and transmission services, and customers were expected over time to buy their electricity from third party companies. After a catastrophic collapse of the new markets, California made the conscious decision to return to the three IOUs as the dominant and monopoly providers of retail electric service for most California consumers, while continuing to restrict their ownership of sources of electric generation. As part of California's return to a regulated retail electric market, customers who had direct access at the time of the suspension were allowed to maintain service with their ESPs. A 2009 law (Senate Bill 695) led to a relatively small number of additional non-residential electric consumers being given the option to obtain their electric needs by ESPs. None of this had directly affected ongoing service by municipal and publicly owned utilities (POUs) who serve all customers in their service area with both electric and local transmission services. As a result, the three IOUs and 34 POU have been the dominant parties on whom policy makers have relied as enablers of a number of key public policy initiatives, ranging from the procurement of renewable energy to providing low-income Californians with subsidized electricity.

Among the many new trends reshaping the California electricity landscape is the continued growth of net energy metering, largely driven by technology innovation and cost reduction in solar PV manufacturing and financing. Since 2007, over 4,500 MWs and 550,000 customers have 'gone solar'⁶. Programs like the Self Generation Incentive Program (SGIP) have furthered market transformation for additional technologies like fuel cells, thermal storage and lithium ion battery storage, allowing customers to produce their own power and /or to reduce their peak energy consumption. On top of these trends, energy efficiency programs and changes in California's economy have sharply reduced the growth rate in the use of electricity here.

One more recent trend is the growth of the CCA. Marin Clean Energy formed California's first CCA in 2010 and now serves 255,000 customers in Marin County, Napa County and the Cities of Richmond, Benicia, El Cerrito, San Pablo, Walnut Creek, and Lafayette.⁷ Other active CCAs include Sonoma Clean Power, Lancaster Choice Energy, Clean Power San Francisco and Peninsula Clean Energy who serve a cumulative 660,000 customers⁸. Between all these communities, 915,000 customers currently take retail

⁶ <https://www.californiasolarstatistics.ca.gov/> as of April 19, 2017

⁷ CPUC Staff Presentation at Feb 1, 2017 CCA En Banc-- <http://www.cpuc.ca.gov/general.aspx?id=2567>

⁸ CPUC Staff Presentation at Feb 1, 2017 CCA En Banc-- <http://www.cpuc.ca.gov/general.aspx?id=2567>

service from a CCA⁹. This number is set to grow significantly in the coming years as cities and counties with populations in excess of 15,000,000 people consider launching CCAs¹⁰.

This new set of developments fundamentally challenges the incumbent regulated utility business model, which depends on: a) borrowing large amounts of money to meet customer needs based on the expectation that IOUs are able to recover their investment through retail rates; b) maintaining highly reliable service at all times and for all customers; c) providing help to low income customers to ensure that everyone has access to basic electricity service; and d) providing quality customer service among other more traditional services. Additionally, utility financing is increasingly being used to pay for new mandates that will help reduce California's greenhouse gas emissions, not just in the electric industry, but also in natural gas, transportation and natural land sectors, as well.

Much of the revenue to repay that borrowing by IOUs for the energy infrastructure Californians need to safeguard our future comes from a rate structure that depends on the volumetric (\$/kWh) sales of electricity. When customers pay for electricity, they are paying for a vast network of connected infrastructure and services, from generation (from utility scale to rooftop) to energy efficiency programs to poles, power lines, substations and the many components of the grid beyond electric power generators that delivers it to California homes, businesses and industries. As sales by the regulated IOUs shifts to customers who provide for some of their own needs but still rely on the grid for various services, or to third party providers (like CCAs) of retail service, some portion of the many costs other than electricity itself may shift to the ratepayers who remain fully bundled customers of the IOUs.

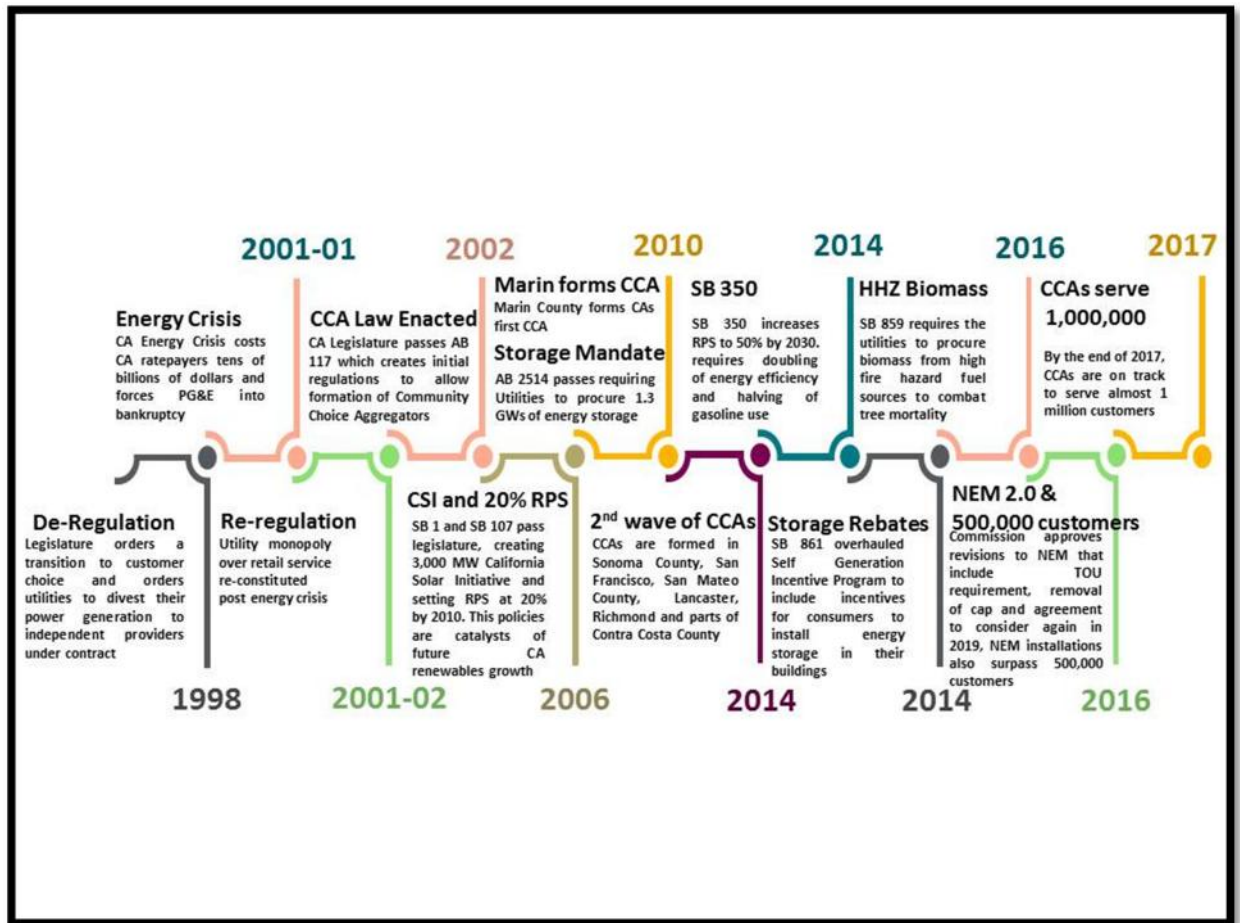
But there is more at risk here than fairly apportioning costs or the utility business model: California's utility policy makers must address how these changes will affect our continued progress on our efforts to avoid and mitigate the impacts of climate change (and to do so in ways that sustain California's strong economy). This emergent issue may be at the heart of the most important policy discussion regarding the electric industry in the last century.

This whitepaper and the upcoming 'Customer and Retail Choice En Banc' aim to frame a discussion on the trends that are driving change within California's electricity sector and overall clean-energy economy. The overarching goal being to lay out elements of a path forward to ensure that California achieves its reliability, affordability, equity and carbon reduction imperatives while recognizing important role that technology and customer preferences will play in shaping this future.

⁹ CPUC Staff Presentation at Feb 1, 2017 CCA En Banc-- <http://www.cpuc.ca.gov/general.aspx?id=2567>

¹⁰ Los Angeles County, Alameda County, Santa Clara County, City of San Diego, and City of San Francisco are all actively in the process of forming, expanding or considering the formation of CCAs. A number of smaller communities are also pursuing CCA formation, including Hermosa Beach, Monterey, Salinas and Lake County. Cumulative population of these Cities and Counties exceeds 15,000,000 people according to census.gov.

Figure 1 - How did we get here?



The following section lays out a timeline of the major events that have occurred since the mid-1990's that have played a major role in the evolution of the retail electric market and describes the major regulatory efforts that are implicated by these changes.

Part 2 . Key framework policies affected by these trends:

Resource Planning

The annual process for planning for energy needs, including natural gas, petroleum, electric generation and energy efficiency, starts with the CEC's Integrated Energy Planning Report (IEPR), which establishes a ten year needs projection. The CPUC includes this in an annual Long Term Procurement Process (LTPP), setting a long range set of resource goals – taking into account legislative and policy direction such as the Renewable Portfolio Standard or AB 2514's storage requirements – for each load serving entity under the agency's purview. The CPUC also sets annual requirements for resource adequacy. The CAISO also uses the IEPR's forecast for its transmission planning process.

SB 350 established new clean energy, clean air and greenhouse gas reduction goals for 2030 and beyond. SB 350 requires the CPUC to (1) identify a preferred portfolio of resources that meets multiple objectives including minimizing costs, maintaining reliability, and reducing greenhouse gas (GHG) emissions (Section 454.51), and (2) oversee an integrated resource planning process involving a wide range of load serving entities, including the IOUs, CCAs and ESPs. SB 350 requires these LSEs to submit proposals for incremental procurement to satisfy their renewable integration needs. The CPUC is currently undertaking a proceeding to develop the rules that will govern the IRP process, including the level of oversight that the Commission will exert over resource portfolios. The CEC and CPUC are working hand in hand in this process, holding joint hearings and sharing modeling and analysis as needed, in order to develop a consistent framework that will also apply to publicly-owned utilities.

CPUC oversight of IOU procurement, through the legacy LTPP proceedings, has historically been extremely rigorous, with CPUC approval required for both resource need and individual contracts for resources that anticipate recovery of contract costs from customers. The challenge facing the CPUC in the implementation of the IRP proceeding is that as non-IOU LSEs serve an ever-greater percentage of load, the CPUC's top-down approach to regulation will be challenged by the need to interact with many more procuring entities. Further complicating the issue is the fact that there are outstanding questions regarding what role the CPUC has in the CCA IRP process.¹¹ Depending on the resolution of these questions, issues of consistency and coordination between CPUC requirements and CCA independent authority could diminish the long-term effectiveness of the IRP process and could limit the state's ability to meet its GHG emission reduction goals.

These complications are also implicit in the limited CEC oversight of the POUs, who have generally developed procurement plans for their local service areas, but which has somewhat reduced the most optimal procurement and coordination of resources and utilization across the state.

Ensuring Reliability

The CPUC's Resource Adequacy (RA) program covers all CPUC-jurisdictional LSEs including IOUs, CCAs and ESPs. All LSEs submit load forecasts and the CPUC determines each LSE's RA obligations as

¹¹ See "Comments on Implementing GHG Planning Targets Staff White Paper" at www.cpuc.ca.gov/General.aspx?id=6442451195.

proportionate to their peak load share. The LSEs then submit annual and monthly filings to the CPUC to demonstrate compliance with their RA obligations.

When there is a need for procurement in order to meet a reliability need or a state priority goal (e.g., in response to the outage of San Onofre Nuclear Generating Station and the procurement of preferred resources to meet the need) the CPUC has ordered the IOUs to procure capacity and allocates the associated costs to all LSEs through the “Cost Allocation Mechanism” (CAM). The capacity benefits for these priority resources are also allocated to the LSEs as a reduction in their RA requirement. If significant numbers of bundled customers move to non-Utility LSEs, entities like CCAs and ESPs would make up the majority of the RA procurement requirement. This creates a number of new risk factors. These entities, without the traditional tethers to state regulatory bodies and statewide policy goals, might be less willing to utilize the RA program to advance dual reliability and public policy goals, particularly in emergency situations. This could create inequities across the body of consumers who benefit from and need to support the state’s economic and environmental goals, and could disrupt RA assumptions that must be commonly shared by all consumers of electricity from the grid. These issues of central planning and goal setting become even more critical as the grid becomes more variable due to the dynamic changes in generation from renewables, the need to focus on localized reliability instead of system reliability needs, and accommodating the increase in behind the meter distributed energy resources.

The CEC demand forecast is a foundational element of electricity system planning and procurement in California. The adopted demand forecast incorporates analysis of fundamental demand trends, impacts of distributed resources, and energy efficiency. To support distributed and renewable resource integration, the demand forecast is increasingly disaggregated, both geographically and temporally; future forecasts will be produced at an hourly level. The CEC forecast is a key input into the CPUC LTTP and resource adequacy proceedings, and the CAISO’s TPP and local and flexibility capacity needs analysis.

To support CEC demand forecasting, all LSEs in California, including CCAs and ESPs, are currently subject to data and forecast reporting requirements that vary in complexity by the size and type of the LSE. As nontraditional service providers expand and evolve, the data they provide to the CEC will also need to evolve to support demand forecasting that reflects the multiple trends affecting the timing and location of energy demand.

The California Independent System Operator (ISO) ensures reliable operation of the high voltage transmission system and infrastructure planning. Every year, the ISO conducts a transmission planning process that provides a comprehensive evaluation of the grid under the ISO’s control. The Transmission Planning Process (TPP) identifies upgrades needed to maintain reliability, successfully meet California’s policy goals, and projects that can bring economic benefits to consumers. The ISO’s TPP uses the same single forecast set as LTTP and the CEC’s IEPR. Efforts are underway to continue the agency process alignment under the CPUC’s IRP.

Ensuring All Customers Pay Their Fair Share

One of the most contentious issues that comes before the CPUC has to do with allocating costs between customers. For CCAs and ESPs, the CPUC relies on the Power Charge Indifference Adjustment (PCIA) to recover above market energy costs from customers who depart bundled service for ESPs or CCAs.

For CCA and ESP customers, the PCIA rate is set annually through the IOUs Energy Resource Recovery Account (ERRA) forecast proceedings. As the IOUs have procured increasing quantities of renewable energy, an increasing share of costs recovered through the PCIA are made up of the cost of the initial round of wind and solar projects procured through the RPS. These early, high-cost projects are often pointed to as one of the critical drivers globally of the major cost reductions that now benefit CCAs. Both the IOUs and the departing load parties have agreed that the current PCIA methodology is flawed. However stakeholders disagree on what changes are needed to ensure customer indifference and fairness.

For Self-Generation customers, IOUs rely on rates, including non-bypassable charges (NBCs), to recover broad infrastructure costs, as well as specific types of costs like low-income programs, and funding future de-commissioning of nuclear power stations. Each IOU calculates its own NBCs and applies them to all customer bills. When a customer self-generates, the IOU applies NBCs onto both electricity the customer buys from the grid and the electricity they produce and consume on-site. NEM customers have historically been exempt from paying NBCs on their solar generation, but with approval of NEM 2.0, a subset of NBCs are now going to be applied to NEM generation. Figure 2 below illustrates three examples of how NBCs are applied to PG&E's residential customers bills.

Figure 2 – PG&E Residential NBCs

	Residential NBCs	NEM 2.0 NBCs	NEM 1.0 NBCs
PPP	1.405	1.405	0
Nuclear Decommissioning	0.022	0.022	0
Competition Transition Charge	0.338	0.338	0
DWR Bond	0.539	0.539	0
Transmission	1.649	0	0
New System Generation Charge	0.255	0	0
Storage Mandate	0.045	0.045	0
TOTAL	\$0.04253/kWh	\$0.02349/kWh	\$0.00/kWh

Setting the NBCs for NEM customers was a central point of conflict throughout the NEM 2.0 proceeding and remains contentious, with both the IOUs and consumer advocates arguing that NEM customers still do not pay their fair share transmission infrastructure they rely on. Whereas, solar advocates argue that the value of NEM systems to the grid exceeds the cost of NBCs.

For the broader set of infrastructure investments, IOUs recover their transmission and distribution (T&D) related costs from ratepayers predominantly through volumetric (\$/kWh) rates. For larger customers, a portion of these infrastructure costs are recovered through demand based rates (\$/kW). Under NEM, customers (particularly residential customers) are able to largely avoid paying any volumetric contribution to infrastructure costs – with the passage of AB 327 (2014), the CPUC can consider allowing a utility to collect a \$10/month fixed charge for non-CARE customers. In the larger customer segments, energy storage systems – often subsidized by the Self Generation Incentive Program - are starting to be installed that allow customers to minimize paying demand based charges. The issue that both IOUs and consumer advocates raise is that NEM – and potentially energy storage – customers are not paying their fair share of T&D infrastructure costs. In contrast, solar advocates argue that the grid benefits of rooftop solar exceed the solar customer’s share of infrastructure costs, and as a result all customers are better off. In an effort to find middle ground between these two positions, the CPUC mandated that all NEM 2.0 systems take service under Time of Use (TOU) rates that more closely align what a customer pays for T&D infrastructure with the costs IOUs actually incur to serve them.

Allocating both generation and infrastructure costs between bundled customers and un-bundled customers is going to become more complicated as both business models and technology provide different forms of unbundling that each require different cost allocation solutions. The CPUC’s task is to seek to continue to adjust rates and tariffs like the PCIA and NEM in ways to both allow customers to continue to make the choices they want while ensuring that all other customers are not left with an unfair allocation of costs.

Ensuring Universal Access

Currently, POUs and IOUs are the provider of last resort in their respective service territories. With changes coming to California’s retail energy market, the CPUC must consider the implications of the changes for customers and evaluate whether a new ‘provider of last resort’ (POLR) requirement should be put in place. In retail choice states, POLR service (also known as Default, Basic Generation, or Standard Offer Service) is typically made available to customers who do not exercise their right to shop for energy. In all states besides Texas, the retail distribution utility holds the POLR responsibility. Even so, an overarching principle in virtually every jurisdiction with retail choice is that POLR’s structure should not undermine the competitive retail energy market and should afford to customers the opportunity to provide quality, reliable, and transparent electric commodity service while also having access to non-discriminatory electric delivery service through the local utility.

One question which may need to be addressed is: which service – competitive retail or POLR service – becomes the default. This arises in consideration of whether non-Utility LSE service is an “opt in” or an “opt out” choice. Only Texas has adopted a retail-choice model in which all customers must still affirmatively decide which retail commodity supply is the one to provide them with electricity service.

Another issue arises from IOUs’ historical obligation as the sole default providers of bundled retail service, for which they were required to make long-term investments in generation resources and long-term financial commitments through purchased power contracts. This has created (and if unaddressed

may continue to create further) a cost legacy that must be addressed during a transition to retail choice. Most of the states that adopted retail choice have addressed legacy costs through the imposition of non-bypassable exit fees and/or continuing wires charges. The sizes of the fee have been controversial. Fees set too high undermine retail choice, while fees set too low enable departing customers to shift costs to those who remain on bundled service.

A third issue pertains to rules governing when and under what circumstances CCA or ESP customers are allowed to return to a utility's bundled retail service (assuming the utility continues to provide such service). If unchecked, one possible outcome may be customers taking CCA or ESP service when it is relatively less costly and to return to the utility when it is not. There should be clear rules about the conditions applicable to customer returns to utility service: when are customers allowed to return, how long they must they remain on utility service, what price must they pay for energy, and so on. As CCAs continue to grow quickly, the CPUC must consider how its current rules fit within a much bigger competitive landscape.

Rate Design

With the passage of AB 327 (2014) and CPUC Decision (D) 15-07-001, time-of-use rate structures are scheduled to become the default for all customers in 2019. The major goals of this requirement are to better align customer bills with the actual cost to serve and to provide customers with greater incentives to use electricity during off-peak periods when the grid is less strained and with lower costs to serve. AB 327 allowed the CPUC to require each of the IOUs to develop default time-of-use rates for residential customers, but did not authorize the CPUC to set such a requirement CCAs or ESPs. As a result, it is conceivable that the utility rates for bundled service will reflect time-of-use rates for all components of electric service, and that in cases where the utility only provides T&D service, this T&D component will be based on a time-of-use structure, while the generation component of the rate served by the CCA or ESP may not.

Non-participation in default time-of-use carries two major risks. The first one has to do with consumer protection. Currently, the vast majority of residential customers in each of the IOU service territories have the same basic rate design, incorporating both the design of delivery rates and the supply of electric commodity service. By contrast, customers taking service from CCAs and ESPs have rates that reflect the retail distribution rate design approved by the CPUC as well as the generation-service provider's non-CPUC regulated generation rates. This means that residential consumers in Pacific Gas and Electric's (PG&E) territory could go from effectively having the same rate everywhere – from Chico to San Francisco to Fresno - to having dozens of different rates based solely on where a customer lives. This is not *per se* a bad thing; the risk comes when the rates among CCAs or ESPs are more or less expensive based on factors like the consumer's income or where the consumer lives. Where variation arises due to customers' options for utility service, this seems like a benefit of competition; but where variation in pricing and rates for commodity service arises from customer profiling by location, it gives rise to concerns about discrimination and other problems relating to assurance of access to basic electricity services.

The second risk is that some CCAs will choose not to default their residential customers to time-of-use or that consumer confusion around applicability of time-of-use and hard-to-understand differences in time-of-use rates across communities that are served by both an IOU and a CCA will undermine the effectiveness of time-of-use pricing. Though the actual impact of time-of-use is as yet unmeasured, the hope is that the time-of-use transition will play an important role in supporting important grid integration and renewables growth policies.

Consumer Protection

In 1997, California Senate Bill 477 adopted consumer protections that, among other things, required that all ESPs offering electrical services to residential or small commercial customers provide proof of financial viability and of technical and operational ability as a precondition to registration. SB 477 also required the CPUC to develop uniform standards for assessing ESPs financial viability and technical and operational ability. In Decision (D.) 98-03-072, D.99-05-034, and D.03-12-015, the CPUC implemented these standards through its framework for ESP registration, with particular attention to concerns about residential and small commercial customers with peak demands under 20 kW. Subsequent CPUC decisions modified various provisions governing DA enrollment, customer switching, involuntary returns to bundled service, and ESP financial security requirements.

Similar safeguards have never been fully developed to govern new forms of customer choice, whether it be CCAs, rooftop solar installers or community solar marketers. That said, the market for these products is different than the services marketed by ESPs and so differing regulations may be appropriate. The CPUC currently is examining consumer protection issues as part of its on-going oversight of NEM. As retail electric choices expand, the CPUC will need to adapt its capabilities to protect consumers from predatory marketing, misinformation and fraudulent behavior. In California, competition in telecom and natural gas have demonstrated that the CPUC must have robust consumer protection programs, otherwise residential customers face risks.

PART 3 -- Expectations for the En Banc:

Given the strong evidence of profound changes and disruptions within the electric industry and its ratemaking/regulatory foundations, we seek comment and thoughts from a wide range of key constituencies on the following major questions:

1. As an increasing number of customers can obtain electric generation service from a variety of sources (including IOUs, ESPs, CCAs, and on-site technologies), how does California ensure that all customers get the benefit of having multiple institutions play an important role in helping finance the infrastructure needed to meet the State of California's GHG strategies, including electrification of transportation and fuel switching in the natural gas industry, while also ensuring that all customers have access to at least basic electric service?
2. What are the roles of the incumbent electric distribution utilities in the future, and what are the means for them to finance their core functions (e.g., distribution service, transmission service, POLR retail service) where some of these services are provided to all electricity customers and some are provided to only some customers (and in some cases may be provided because no other supplier is willing and/or able to provide them)?
3. Who will be the provider of last resort for customers who don't seek to make key decisions for themselves, but prefer a simple and reliable bundled service? What agencies are best designed to provide customer protection in this new electric industry structure? What policies and/or authorities are necessary for utility regulators (or others) to assure that all customers - regardless of their supplier of generation and/or delivery service) have access to reliable and efficient electricity supply that also supports California's economic and environmental goals?
4. How does the State of California ensure that the many different players work together to ensure that the State's electric supply is not only clean but is also reliable, efficient and resilient? For example in light of the changes underway in the State's electric system, how should the State provide such products and services as ramping power, voltage support, frequency control and managing over-generation? How should the State's electric system become more resilient (e.g., capable of fending off attacks from physical and cyber threats, as well as speedy recovery from disasters)? How will California's consumers pay for the many mandated public goods programs, ranging from energy research to providing energy efficiency upgrades and rate discounts for low income customers, which the California legislature has determined are core elements of the State's electric system?
5. How will the State of California provide protection for consumers against predatory actions by providers of electric service or energy technologies in these new policy settings?

The CPUC and CEC, as sponsors of the En Banc, will prepare and publish a report from the hearing, summarizing the range of comments on these key questions, and summarizing the insights gleaned from comments.

The CPUC intends to open a Rulemaking to examine, and coordinate among other open proceedings, an examination of the future role(s), structure(s), fiscal and other functions of the three large California electric IOUs. This, in turn, requires a discussion of the scope and scale of the current framework for

regulation of competition – including customer centered technologies - and the structure of the retail electric market, and the transition from IOUs’ responsibilities today and their responsibilities in the future. As part of this process, the CPUC will likely examine a variety of different retail market and customer choice constructs to assess what best practices and lessons learned can be applied in California given our unique set of public policy goals.

As part of this process, the CPUC will work closely with the CEC to coordinate efforts with the Integrated Energy Planning Report (IEPR) and the Energy Program Investment Charge (EPIC) program. Because of the interplay between the CPUC and the CEC on funding research (drawn from the IOUs based on their share of electric sales), and because of the CEC’s role in setting overall electric need and overall procurement goals to meet that need, both agencies are both concerned about finding good and durable answers to these questions.

This effort necessarily implicates the ISO, as changes to retail market structures and the evolution of regulation will affect the transmission system and the wholesale power market. Furthermore, the same providers and technologies that are disrupting the retail electric market and the distribution system are also finding ways to participate within the bulk power system -- whether it be toward transacting in the wholesale market or offering alternative solutions to traditional transmission projects. To this end, this Rulemaking will seek to identify opportunities to harmonize market rules between retail and wholesale market and planning efforts between distribution and transmission infrastructure.

Finally (and as a fundamental framing consideration), it is critical to recognize that whatever the specific outcomes of this proceeding, it is very difficult to conceive of a scenario where the CPUC and CEC will not find that significant changes to the regulatory model and the utility structure are required. Drivers of change to the California electric system are accelerating whether we want them to or not. Technology will continue to advance and as a result consumers will have more options to meet their energy needs. Customers will seek to use these new developments to further their own needs and interests. California leaders and citizens intend to continue moving forward to decarbonize our economy, and the will to forge ahead grows stronger every day.



**CITY COUNCIL
AGENDA REPORT**

TYPE OF ITEM: Report

AGENDA ITEM NO.: 1

DATE: December 19, 2017

TO:

FROM: Greg Nyhoff
City Manager

SUBJECT: Resolution of the City Manager of the City of Oxnard Declaring an Emergency (For Public Bidding Purposes Only) Due to the Thomas Fire Throughout the County of Ventura, Making Findings Therefor, and Ordering that All City Facilities be Immediately Repaired And/Or Replaced as Needed. (5/5/5)

CONTACT: Greg Nyhoff, City Manager
Greg.Nyhoff@oxnard.org, 385-7430

RECOMMENDATION:

That City Council:

1. Review the emergency bidding action.
2. Approve the need to continue that action; or, in the alternative, adopt a Resolution terminating the emergency action due to the Thomas Fire throughout Ventura County, making findings therefor, and ordering that the remainder of the emergency action at the City's facilities be completed by giving notice for bids.

ATTACHMENTS:

Attachment A: Terminating Emergency Bidding Resolution

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
OXNARD TERMINATING THE EMERGENCY ACTION DUE
TO THE THOMAS FIRE THROUGHOUT VENTURA
COUNTY, MAKING FINDINGS THEREFOR, AND
ORDERING THAT THE REMAINDER OF THE EMERGENCY
ACTION AT THE CITY'S FACILITIES BE COMPLETED BY
GIVING NOTICE FOR BIDS**

WHEREAS, on December 7, 2017, pursuant to California Public Contract Code section 22050 and Oxnard Municipal Code section 4-13, the City Manager executed Resolution Number 15,072 declaring an emergency due to the Thomas Fire throughout the County of Ventura, including to the facilities in the City of Oxnard ("Facilities"), making findings therefor, and ordering that the Facilities be immediately repaired;

WHEREAS, on December 12, 2017, which was the next regularly scheduled City Council meeting, the City Manager reported to the City Council the reasons justifying why the emergency did not permit a delay resulting from a competitive solicitation for bids and why the action was necessary to respond to the emergency;

WHEREAS, at that meeting, with full City Council attendance, the Council reviewed the emergency action and unanimously voted that there was a need to continue that action;

WHEREAS, Public Contract Code section 22050 requires that when the City Council reviews the emergency action, the Council must terminate that action at the earliest possible date that conditions warrant so that the remainder of the emergency action may be completed by giving notice for bids to let contracts.

NOW, THEREFORE, the City Council of the City of Oxnard hereby finds:

1. That the recitals set forth above are true and correct and incorporated in this Resolution as if set forth in full.
2. That, as of December 13, 2017, when this resolution was written, the City procured the following necessary equipment, services and supplies for emergency work at the Facilities: for the Wastewater Division of the Public Works Department, two (2) stand-by generators, two (2) automatic transfer switches, one (1) 450-kilowatt emergency standby generator and a contractor to connect all of the electrical cabling; and for the Water Division of the Public Works Department, a communication conduit for the generators and backup power for planning station 2.
3. That there is no need to continue the emergency action as emergency conditions have ceased.

THUS, the City Council of the City of Oxnard hereby resolves, determines and orders:

1. That the action is hereby terminated.
2. That the remainder of the emergency action at the Facility be completed by giving notice for bids to let contracts.

PASSED AND ADOPTED THIS 19th day of December, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Tim Flynn, Mayor

ATTEST:

Michelle Ascencion, City Clerk

APPROVED AS TO FORM:

Stephen Fischer, City Attorney

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**CITY COUNCIL
AGENDA REPORT**

TYPE OF ITEM: Council Business

AGENDA ITEM NO.: 1

DATE: December 19, 2017

TO: City Council

THROUGH: Greg Nyhoff
City Manager

FROM: Michelle Ascencion
City Clerk

A handwritten signature in black ink, appearing to read "Michelle Ascencion".

SUBJECT: Resolution Commending Greg Nyhoff (5/5/5)

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

RECOMMENDATION:

That City Council adopt a resolution commending Greg Nyhoff for over three years of service to the City of Oxnard.

ATTACHMENTS:

Attachment A: Commending Greg Nyhoff

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD
 COMMENDING GREG NYHOFF FOR OVER THREE YEARS
 OF SERVICE TO THE CITY OF OXNARD

WHEREAS, on June 1, 2014, Greg Nyhoff began his tenure as Oxnard's City Manager – the highest administrative position of responsibility in our City government – and since that time has outstandingly served the best interests of the community; and

WHEREAS, for the past three and a half years, Mr. Nyhoff has served the City with distinction and has provided outstanding direction to the City in his role as City Manager during challenging financial times; and

WHEREAS, during his tenure as City Manager, the City has received six major awards including recognition of the City's efforts at energy conservation, measures to reduce greenhouse gas, and energy programs that have resulted in conservation and awareness which have been awarded by the League of California Cities, and Institute for Local Government; the Helen Putnam Award for excellence for CityCorps youth partnership and La Colonia Green Alley Project which will allow for bicycle and pedestrian routes to provide the residents of La Colonia neighborhood with alternative transportation access to downtown Oxnard; and

WHEREAS, through his guidance, Mr. Nyhoff has earned the respect of his fellow employees who have learned and benefited greatly from his dynamic leadership abilities; and

WHEREAS, throughout his career Mr. Nyhoff has earned the admiration and high regard of those with whom he has come into contact and are proud to consider Mr. Nyhoff a friend.

NOW, THEREFORE, the City Council of the City of Oxnard does hereby resolve to commend, recognize and extend its gratitude to Greg Nyhoff for over three years of outstanding service to the City of Oxnard and extend best wishes in all future endeavors.

PASSED AND ADOPTED this 19th day of December, 2017 by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

 Tim Flynn, Mayor

ATTEST:

APPROVED AS TO FORM:

 Michelle Ascencion, City Clerk

 Stephen M. Fischer, City Attorney



**CITY COUNCIL
AGENDA REPORT**

TYPE OF ITEM: Council Business

AGENDA ITEM NO.: 2

DATE: December 19, 2017

TO: City Council

FROM: Stephen Fischer
City Attorney

SUBJECT: Appointment of Interim City Manager and Establishment of City Manager
Recruitment Subcommittee (5/5/5)

CONTACT: Stephen Fischer, City Attorney
Stephen.Fischer@oxnard.org, 385-7483

RECOMMENDATION:

That City Council:

1. Appoint Scott Whitney to serve as Interim City Manager while continuing to serve as the City's Police Chief, effective close of business January 5, 2018.
2. Establish an ad hoc subcommittee which would work with staff on issues related to the recruitment of a new City Manager.

BACKGROUND

On December 12, 2017, the City Council accepted the resignation of City Manager Greg Nyhoff effective January 5, 2018. The City Council has considered the appointment of an Interim City Manager and has determined that Chief Scott Whitney is best qualified to fill that role while the Council recruits a City Manager. Chief Whitney is willing to take on the assignment of Interim City Manager during the recruitment process, while continuing to serve as Police Chief. Chief Whitney's service as Interim City Manager would commence at close of business on January 5, 2017, and the terms will be memorialized in an agreement that is being negotiated and will be considered at a future Council meeting.

To facilitate the recruitment of a new City Manager, the Council may establish an ad hoc subcommittee which would work with staff on issues related to the recruitment.

STRATEGIC PRIORITIES

This agenda item supports the Organizational Effectiveness strategy. The purpose of the Organizational Effectiveness strategy is to strengthen and stabilize the organizational foundation of the City in the areas of Finance, Information Technology, and Human Resources, and to improve workforce quality while increasing transparency to the public. This item supports the following goals and objectives:

Goal 1. To help foster a healthy and accountable corporate foundation by strengthening the support functions of the organization, which include Finance, Information Technology and Human Resources.

FINANCIAL IMPACT

The terms of the agreement between the City Council and Chief Whitney are in the process of being negotiated. A final agreement will be presented for Council approval at a future meeting.



**CITY COUNCIL
AGENDA REPORT**

TYPE OF ITEM: Info/Consent

AGENDA ITEM NO.: 1

DATE: December 19, 2017

TO: City Council

FROM: Greg Nyhoff
City Manager

A handwritten signature in blue ink, appearing to read "Greg Nyhoff".

SUBJECT: Agreements for City Council Review

CONTACT: Greg Nyhoff, City Manager
Greg.Nyhoff@oxnard.org, 385-7430

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. Feldman Law Group, LLP (7286-15-CA) for legal services related to public finance and bond counsel matters, including legal services related to a Wastewater Refunding (\$100,000).
- B. Revell Coastal Consulting (7211-15-DS) to provide work associated with the local coastal plan update (\$25,000).
- C. Atkinson, Andelson, Loya, Ruud, & Romo (7866-17-HR) as needed-employee investigative legal services (225,000)
- D. Applied Spectrometry Associates, Inc. (A-7711) for maintenance service for two ChemScan water analyzers located at Blending Station 1 and 3 (\$35,600).

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
December 19, 2017
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 December 19, 2017

City Manager Contract List for 12/19/2017

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

A Third Amendment to Attorney Services Agreement

Vendor: Feldman Law Group LLP
Type: Amendment
Agreement No.: 7286-15-CA
Amendment No.: 3
Purchase Order No.:
Begin Date: 10/15/2015
End Date: 06/30/2018
Term: 2 years, 8 months

Amount to be Approved:
Current FY Amount: \$100,000
Total Contract Amount: \$100,000
Funding Source: \$200,000
 Enterprise Fund
Vendor Selection Process: Negotiated Contract
of Bids/Proposals/Quotes: N/A
Project Manager: Stephen M. Fischer
Department: Office of the City Attorney
Telephone: 805-385-7483
Email: leanne.daly@oxnard.org

Purpose:

Staff is requesting authorization to enter into a Third Amendment with Feldman Law Group, LLP (7286-15-CA) in the amount of \$100,000, for a total not to exceed amount of \$200,000, for legal services related to public finance and bond counsel matters, including legal services related to a Wastewater Refunding, through June 30, 2018, during which time a Request for Qualifications will be issued.

B First amendment to extend the agreement with Revell Coastal Consulting

Vendor: Revell Coastal Consulting
Type: Amendment
Agreement No.: 7211-15-DS
Amendment No.: 1
Purchase Order No.: PO 5552
Begin Date: 07/14/2015
End Date: 12/31/2019
Term: 4 years, 5 months

Amount to be Approved:
Current FY Amount: \$25,000
Total Contract Amount: \$12,500
Funding Source: \$50,000
 General Plan Maintenance Fee Revenue
Vendor Selection Process: Negotiated Contract
of Bids/Proposals/Quotes: N/A
Project Manager: Kathleen Mallory
Department: Development Services/Planning Division
Telephone: 805-385-8370
Email: kathleen.mallory@oxnard.org

Purpose:

The Development Services Department is requesting authorization to enter into a First Amendment with Revell Coastal Consulting (7211-15-DS) to provide work associated with the LCP update. Revell Coastal Consulting is the principal, Mr. Dave Revell, PhD, a coastal geomorphologist with 15 years of experience studying marine, coastal and estuarine processes, in particular in the science and management of coastal processes and climate change.

The cost of the amendment will be \$25,000 over two years which will bring the agreement to a total of \$50,000 over 4 years. Funds to pay for this agreement will come from the General Plan maintenance fee revenue, appropriated in the Local Coastal Plan Update project.

City Manager Contract List for 12/19/2017

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

C First Amendment to Legal Services for Workplace Investigatory Services

Vendor:	Atkinson, Andelson, Loya, Ruud, & Romo	Amount to be Approved:	\$225,000
Type:	Amendment	Current FY Amount:	\$250,000
Agreement No.:	7866-17-HR	Total Contract Amount:	\$250,000
Amendment No.:	1	Funding Source:	General Fund/101-1701-801-8209
Purchase Order No.:	6466	Vendor Selection Process:	Negotiated Contract
Begin Date:	04/12/2017	# of Bids/Proposals/Quotes:	N/A
End Date:	12/31/2018	Project Manager:	Steve Naveau
Term:	1 yr. 8 months	Department:	Human Resources Department
		Telephone:	805-385-7947
		Email:	steve.naveau@oxnard.org

Purpose: Staff is requesting authorization to enter into a First Amendment with Atkinson, Andelson, Loya, Ruud, & Romo (7866-17-HR) in the amount of \$225,000 for continued as-needed employee investigative consulting services. The firm has also provided Citywide AB 1825 sexual harassment training.

The First Amendment is to increase the amount by \$225,000 for a total contract amount of \$250,000. This firm was selected based upon its specialized experience in the field of employee investigative services.

D Maintenance for Two ChemScan Water Analyzers

Vendor:	Applied Spectrometry Associates, Inc.	Amount to be Approved:	\$35,600
Type:	Amendment	Current FY Amount:	\$35,600
Agreement No.:	A-7711	Total Contract Amount:	\$71,200
Amendment No.:	1	Funding Source:	Water Operating Funds 601-6010-842-8209
Purchase Order No.:	5101	Vendor Selection Process:	Negotiated Contract
Begin Date:	09/16/2014	# of Bids/Proposals/Quotes:	N/A
End Date:	09/15/2020	Project Manager:	David Birch
Term:	6 years	Department:	Public Works Department/Water Resources
		Telephone:	805-385-8145
		Email:	david.birch@oxnard.org

Purpose: Staff is requesting authorization to enter into a First Amendment with Applied Spectrometry Associates, Inc. (A-7711) in the amount of \$35,600 for maintenance services for two ChemScan water analyzers located at Blending Station 1 and at Blending Station 3. This First Amendment will also extend the contract through September 15, 2020. The ChemScan system was installed at Blending Station No. 1 in 2006 as part of the desalter improvements.

The analyzers are used to monitor free chlorine, total chlorine, free ammonia, total ammonia and nitrates. Applied Spectrometry Associates, Inc. is the manufacturer of the ChemScan Process Analyzer System and is the only authorized source of supply repair parts and repair service. The system includes patented and proprietary sample preparation components, optical subassemblies, circuit boards and software. There are sufficient funds in the current fiscal year 2017/2018 in Water Enterprise Fund, 601-6010-842-8209 for these services.



**CITY COUNCIL
AGENDA REPORT**

TYPE OF ITEM: Info/Consent

AGENDA ITEM NO.: 2

DATE: December 19, 2017

TO:

THROUGH: Greg Nyhoff
City Manager

FROM: Ashley Golden
Development Services Director

SUBJECT: Adoption of Ordinance No. 2932 to Pre-Zone Property Located at 4600 Olds Road to Community Reserve (C-R).

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

RECOMMENDATION:

That the City Council adopt Ordinance No. 2932, approving Planning and Zoning Permit No. 17-560-03 to Pre-Zone property located at 4600 Olds Road (APN: 232-001-006) to Community Reserve (C-R).

BACKGROUND

Ordinance No. 2932 was introduced at the December 12, 2017 City Council meeting. If Ordinance No. 2932 is adopted on December 19, 2017, it will take effect after 30 days.

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

Ocean View Pre-Zone Ordinance No. 2932 Second Reading
December 19, 2017
Page 2

culture.

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

FINANCIAL IMPACT

The financial impact is in accordance with the agreed upon settlement agreement between the Ocean View School District and the City.

<INSERT BODY HERE>

ATTACHMENTS:

Attachment A_Zone Map Ordinance_12.19.17

Exhibit A_Zone Change Map

CITY COUNCIL OF THE CITY OF OXNARD
ORDINANCE NO. 2932

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OXNARD
APPROVING PZ-17-560-03 TO PRE-ZONE PROPERTY LOCATED
AT 4600 OLDS ROAD (APN: 232-001-006) TO COMMUNITY
RESERVE (C-R). FILED BY CITY OF OXNARD, DEVELOPMENT
SERVICES DEPARTMENT, 214 SOUTH C STREET, OXNARD, CA,
93030.

WHEREAS, Annexation File No. 17-610-03 for the unincorporated parcel located at 4600 Olds Road has been filed to annex to the City of Oxnard (City), Calleguas Municipal Water District (Calleguas), and the Metropolitan Water District of Southern California (MWD); and

WHEREAS, in order to continue to have water service from the City of Oxnard, the subject property is required to be annexed to the City of Oxnard, the Calleguas Municipal Water District and Metropolitan Water District of Southern California; and

WHEREAS, Annexation Request No. PZ. 17-610-03 states the reasons for requesting annexation and describing the property and attaching a map thereof; and

WHEREAS, the operative documents of the Oxnard 2030 General Plan consist of (1) the Background Report (2006), and (2) the Goals and Policies; and

WHEREAS, the 2030 General Plan Final Program Environmental Impact Report (PEIR) was presented to the City Council at a public hearing on February 2, 2010, following which the City Council adopted Resolution No.13,770 certifying in accordance with Section 15090 of the State CEQA Guidelines that the Final PEIR was completed in accordance with CEQA, and reflects the independent judgment and analysis of the City; and

WHEREAS, Addendum No. 1 to the Final PEIR was prepared according to State CEQA Guidelines Section 15164 to document environmental impacts of changes to the 2030 General Plan that occurred after February 2, 2010; and

WHEREAS, the documents and other material that constitute the record of proceedings upon which the 2030 General Plan, PEIR, and Statement of Overriding Considerations and Findings of Fact are located in the Planning Division, and the custodian of the record is the Planning Manager; and

WHEREAS, on October 18, 2017, the Planning Commission of the City of Oxnard (**“Planning Commission”**) conducted a duly noticed public hearing and reviewed the Applicant’s request and recommended that the City Council approve Planning and Zoning Permit No. 17-620-03 (General Plan Amendment); 17-560-03 (Pre-zoning); and 17-610-03 (Annexation) and (the **“Project”**) in accordance with the 2030 General Plan and Zoning Ordinance; and

WHEREAS, the City Council has reviewed Planning Commission Resolution No. 2017-27 recommending approval of a Pre-zoning for the subject property; and

WHEREAS, the City Council finds after due study and deliberation that the public interest and general welfare require the adoption of PZ 17-560-03 and the Pre-zoning to Community Reserve (C-R) as shown on Exhibit A hereto; and

WHEREAS; the Council finds the Pre-zoning consistent with the amended General Plan

Land Use Map approved under PZ 17-620-03; and

WHEREAS, the subject parcel is contiguous to the boundary of the City of Oxnard on the parcel's north and east boundaries; and

WHEREAS, a concurrent request has been filed to Pre-zone the property "Community Reserve" (C-R) and amend the City's 2030 General Land Use Map to include the property into the City, designate the property "School" (SCH) commensurate to the Pre-zone and amend the CURB boundary, and request to LAFCo an amendment to the SOI boundary; and

WHEREAS, the General Plan Amendment, Pre-zone and Annexation are consistent with policies and directives identified in the City's 2030 General Plan and Zoning Ordinance; and

WHEREAS, the proposed General Plan Amendment PZ 17-620-03 would amend the 2030 General Plan Land Use Map to include the parcel located at 4600 Old Road into the City and designate the project parcel a land use designation of "School" (SCH) commensurate with the Pre-zone of the property to "Community Reserve" (C-R) to be consistent with all land use policies and regulations set forth in the 2030 General Plan and Zoning Ordinance. Additionally, the General Plan Amendment requests to amend the CURB boundary and requests approval from LAFCo to amend the SOI boundary, which are currently coterminous and will be extended south to the subject parcel delineating the new CURB and SOI boundaries. The proposed land use map amendment will not create any inconsistency among any of the 2030 General Plan and Zoning Ordinance directives and policies; in fact, the modification will bring additional clarity among these same policies and directives. Therefore, the General Plan Amendment, Pre-zoning, and Annexation, meet this finding; and

WHEREAS, the proposed General Plan Amendment, Pre-zoning, and Annexation will not be detrimental to public interest, health, safety, convenience, or welfare of the City because the General Plan Amendment, Pre-zoning, and Annexation do not introduce any policy or directive changes to the 2030 General Plan and Zoning Ordinance, and will not reduce or compromise existing standards that protect the health, safety or general welfare of the City. Additionally, the General Plan Amendment, Pre-zoning, and Annexation will allow Ocean View to rectify the current unpermitted water service by annexing to the City, Calleguas and the MWD. Accordingly, the General Plan Amendment, Pre-zoning, and Annexation meet this finding; and

WHEREAS, the proposed General Plan Amendment, Pre-zoning, and Annexation will not alter the physical environment of the project site; thus, not compromising access, compatibility with adjoining land uses and will not create any physical constraints to any site in the City. Therefore, the General Plan Amendment, Pre-zoning, and Annexation meet this finding; and

WHEREAS, each portion of the proposed General Plan Amendment, Pre-zoning, and Annexation is fully set forth in the staff report to this matter, and each portion is incorporated by this reference as if fully set forth in full herein; and

WHEREAS, the proposed Annexation, General Plan Amendment, and Pre-Zoning are consistent with the policies and directives in the 2030 General Plan and Zoning Ordinance to allow development to those areas that can be served by existing or planned utilities, transportation, and service systems. The existing school's water supply is currently being supplied by the City of Oxnard through an unauthorized extension of City water service and the proposed annexation will rectify the error by allowing the school be annexed to the City of

Oxnard and properly serviced by the Calleguas Municipal Water District and the Metropolitan Water District of Southern California. The General Plan Amendment, Pre-zone and Annexation do not represent a significant change in the 2030 General Plan and Zoning Ordinance nor does it result in significant new environmental impacts that have not been previously evaluated; and

WHEREAS, under California Environmental Quality Act (CEQA) Guidelines Section 15319(a) (Annexation of Existing Facilities and Lots for Exempt Facilities) because it involves the annexation of existing developed parcel, and the pre-zoning of said parcel is commensurate with the proposed land use designation in the City's 2030 General Plan. Additionally, the proposed project is exempt from the CEQA pursuant to Section 15061(b) (3), General Rule, because it can be seen with certainty that the project will not have a significant effect on the environment; therefore the project is not subject to CEQA.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF OXNARD DOES HEREBY RESOLVE AS FOLLOWS:

1. Zone Change No. 17-560-03 (Pre-zoning) is approved, as shown on the map attached hereto as Exhibit A and incorporated herein as reference.
2. The City Council hereby directs staff to proceed with Annexation No. PZ 17-610-03; Pre-zoning No. 17-560-03 for the land comprising of said annexation and that the Pre-zoning be established as "Community Reserve" (C-R) and General Plan Amendment PZ 17-620-03 amending the General Plan Land Use Map to designate said annexation parcel with a land designation of "School" (SCH) and amend the CURB boundary, and request to LAFCo an amendment to the SOI boundary to the south. For the reasons stated above in the recitals, and the reasons set forth in the staff report, the City Council hereby finds that the proposed General Plan Amendment, Pre-zoning, and Annexation will not result in any new significant environmental impacts that were not addressed in the 2030 General Plan Program EIR, will not increase the severity of any previously identified impacts, and is exempt from CEQA under Guidelines sections 15319(a) and 15061(b)(3).

PASSED AND ADOPTED this 19th day of December, 2017.

AYES:

NOES:

ABSENT:

ABSTAIN:

Tim Flynn, Mayor

ATTEST:

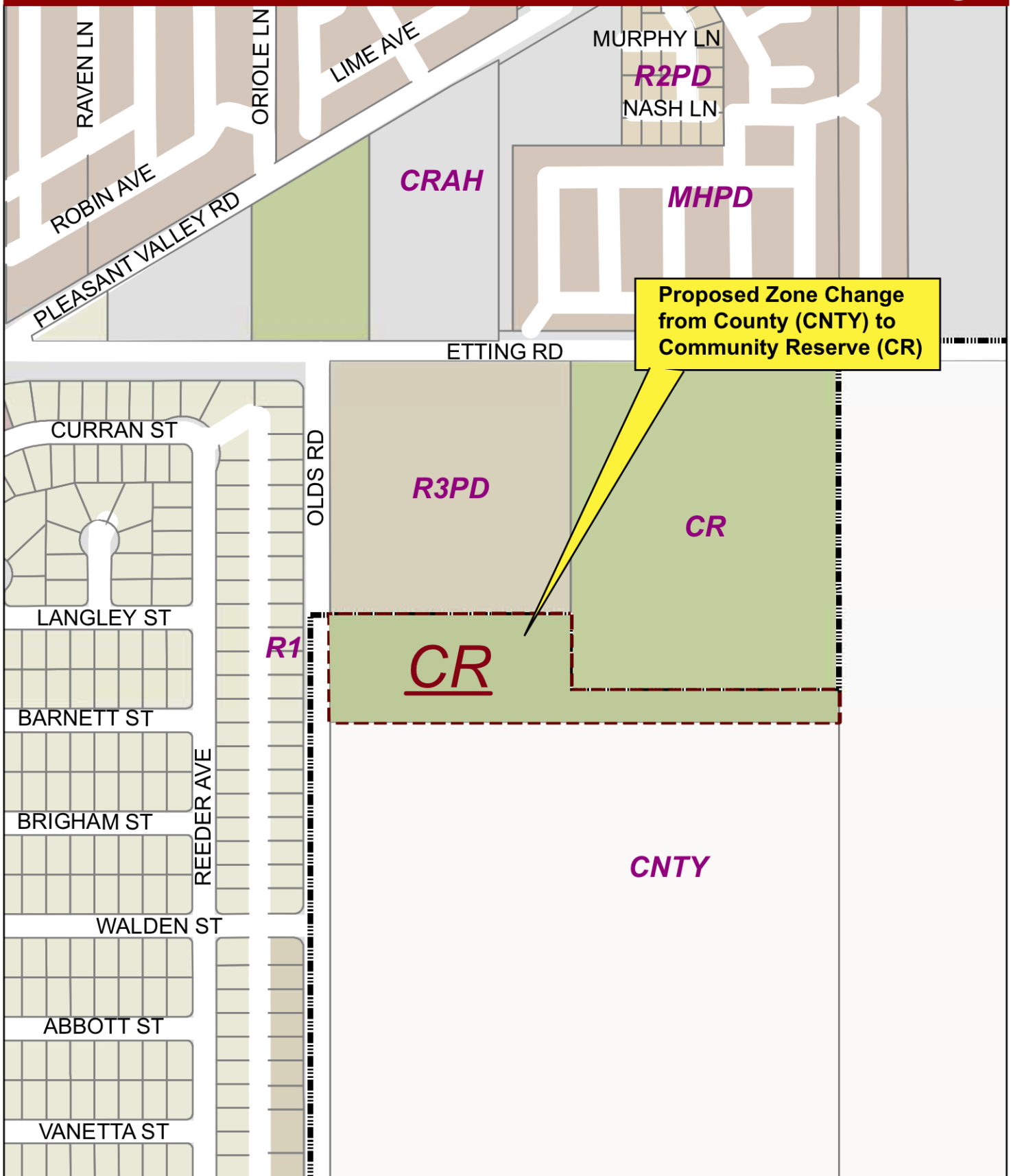
APPROVED AS TO FORM:

Michelle Ascencion, CMC, City Clerk

Stephen M. Fischer, City Attorney

Exhibits: A. Zone Change Map

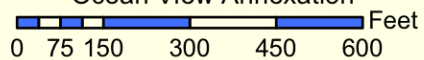
Zone Change



Oxnard Planning

October 9, 2017

PZ 17-610-03, 17-620-03, 17-560-03
 Location: 4600 Olds Rd
 APN: 232001006
 Ocean View Annexation



Zone Change



1:4,000



**CITY COUNCIL
AGENDA REPORT**

TYPE OF ITEM: Info/Consent

AGENDA ITEM NO.: 3

DATE: December 19, 2017

TO: City Council

THROUGH: Greg Nyhoff
City Manager

FROM: Ashley Golden
Development Services Director

SUBJECT: Pollinate Agreement No. 8113-17-DS

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

RECOMMENDATION:

That City Council award and authorize the City Manager to execute an agreement with Pollinate for Ormond Beach coordinator services in the amount of \$150,000 over a three year period.

BACKGROUND

Karen Kraus of Pollinate has served as the Ormond Beach Coordinator since December 2014 for the Ormond Beach restoration project, a plan to permanently protect and restore up to 1,000 acres of coastal wetlands along the south Oxnard coast. Pollinate also coordinates goals and activities within the City and among Ormond Beach stakeholders and partners, assists with the development of an Ormond Beach working plan, and works with staff to analyze issues and implement recommendations to resolve those issues.

SCOPE OF WORK

The Development Services Department requests approval of Agreement #8113-17-DS with Pollinate to provide Ormond Beach Coordinator services for the City. Pollinate will assist the City in implementing the City Council's Infrastructure and Natural Resources strategic priorities specific to Ormond Beach goals, policies, and priorities. Pollinate will address issues related to: the Halaco Superfund Site, cleanup and removal of hazardous waste, security; engage and assist

with implementation of the Ormond Beach Area Memorandum of Understanding (MOU); arrange, coordinate, and facilitate Ormond Beach Task Force meetings; review and provide input pertaining to the Local Coastal Plan Update; and engage and assist with work associated with the interim/ongoing restoration, natural resource management, and access issues. Pollinate will also evaluate issues of concern, identified by the City or by Pollinate, and will work with staff and Project Partners to prepare and implement recommendations to resolve those issues.

As part of these efforts Pollinate will support and facilitate communication and coordination within the City, as well as among Project Partners, and other Ormond Beach stakeholders. Pollinate will monitor existing and emerging issues that may support or interfere with the City's goals, policies and priorities, and conduct outreach to Project Partners, other stakeholders, decision makers, elected officials, and community members about these issues.

Pollinate was selected due to Ms. Kraus's unique experience, including extensive legal and planning expertise and comprehensive background in wetland restoration issues, endangered species protection, coastal public access, and the California Environmental Quality Act. She has worked with the City of Oxnard, The Nature Conservancy, the State Coastal Conservancy, and other Ormond Beach partners and stakeholders, including the community, to advance restoration and public access at Ormond Beach. Ms. Kraus has also worked on behalf of the State Coastal Conservancy to implement acquisition and restoration activities and to prevent impacts to Ormond Beach.

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.

Objective 5b. Protect ocean and waterways.

FINANCIAL IMPACT

The total cost of the agreement will be \$150,000 over 3 years. It is anticipated that salary savings will help offset contract costs for the remainder of FY 2017-18. Through the upcoming budget process, Staff will be requesting an increased budget for this line item/work effort to cover future year contract costs, e.g., FY 2018-19, FY 2019-20, and FY 2020-21.

Pollinate Agreement
December 19, 2017
Page 3

ATTACHMENTS:

Attachment A: Agreement No. 8113-17-DS with Pollinate

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT FOR PROFESSIONAL SERVICES (“Agreement”) is made and entered into in the County of Ventura, State of California, this _____ day of December, 2017, by and between the City of Oxnard, a municipal corporation (“City”), and Pollinate (“Consultant”). City and Consultant are sometimes individually referred to as “Party” and collectively as “Parties.”

WHEREAS, City desires to hire Consultant to perform certain consulting services specified herein; and

WHEREAS, Consultant represents that Consultant and/or Consultant’s personnel have the qualifications and experience to properly perform such services.

NOW, THEREFORE, City and Consultant hereby agree as follows:

1. Scope of Services

Consultant shall furnish City with professional consulting services as more particularly set forth in **Exhibit A** attached hereto and incorporated by this reference in full herein (the “Services”).

2. Method of Performing Services

Subject to the terms and conditions of this Agreement, Consultant may determine the method, details, and means of performing the Services.

3. Standard of Performance

Consultant agrees to undertake and complete the Services to conclusion, using that standard of care, skill, and diligence normally provided by a professional person in performance of similar consulting services.

4. Nonexclusive Services

This Agreement shall not be interpreted to prevent or preclude Consultant from rendering any services for Consultant’s own account or to any other person or entity as Consultant in its sole discretion shall determine. Consultant agrees that performing such services will not materially interfere with the Services to be performed for the City.

5. Coordination of Services

The Services shall be coordinated with Isidro Figueroa (“Manager”), subject to the direction of the City Manager or Department Manager.

6. Place of Work

Consultant shall perform the Services provided for in this Agreement at any place or location and at such times as the Consultant shall determine.

7. Correction of Errors

Consultant agrees to correct, at its expense, all errors which may be disclosed during review of the Services. Should Consultant fail to make such correction in a reasonably timely manner, such correction shall be made by City, and the cost thereof shall be paid by Consultant.

8. Time for Performance

The Services performed under this Agreement shall be completed during the term of this Agreement. City agrees to amend the performance termination date whenever Consultant is delayed by action or inaction of City and Consultant promptly notifies Manager of such delays.

9. Principal in Charge

Consultant hereby designates Karen Kraus as its principal-in-charge and person responsible for necessary coordination with Manager.

10. Permits, Licenses, Certificates

Consultant, at Consultant's sole expense, shall obtain and maintain during the term of this Agreement, all permits, licenses, and certificates required in connection with the performance of the Services, including a City business tax certificate.

11. City's Responsibility

City shall cooperate with Consultant as may be reasonably necessary for Consultant to perform the Services. Manager agrees to provide direction to Consultant as requested regarding particular project requirements.

12. Term of Agreement

This Agreement shall begin on January 1, 2018, and expire on January 1, 2021.

13. Termination

a. This Agreement may be terminated by City without cause if Manager notifies Consultant, in writing, of Manager's desire to terminate the Agreement. Such termination shall be effective ten (10) calendar days from the date of delivery or mailing of such notice. City agrees to pay Consultant in full for all amounts due Consultant as of the effective date of termination, including any expenditures incurred on City's behalf, whether for the employment of third parties or otherwise.

b. This Agreement may be terminated by Consultant without cause if Consultant notifies Manager, in writing, of Consultant's desire to terminate the Agreement. Such termination shall be effective ten (10) calendar days from the date of delivery or mailing of such notice and only if all assignments accepted by Consultant have been completed prior to the date of termination.

14. Compensation

a. City agrees to pay Consultant in an amount not to exceed \$150,000 for the Services at rates provided in Exhibit B attached hereto and incorporated by this reference in full herein.

b. The acceptance by Consultant of the final payment made under this Agreement shall constitute a release of City from all claims and liabilities for compensation to Consultant for anything completed, finished or relating to the Services.

c. Consultant agrees that payment by City shall not constitute nor be deemed a release of the responsibility and liability of Consultant or its employees, subcontractors, agents and subconsultants 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 Consultant, its employees, subcontractors, agents and subconsultants.

d. Consultant shall provide Manager with a completed Request for Taxpayer Identification Number and Certification, as issued by the Internal Revenue Service.

e. If any sales tax is due for the Services performed by Consultant or materials or products provided to City by Consultant, Consultant shall pay the sales tax. City shall not reimburse Consultant for sales taxes paid by Consultant.

15. Method of Payment

a. City agrees to pay Consultant monthly upon satisfactory completion of the Services and upon submission by Consultant of an invoice delineating the Services performed, in a form satisfactory to Manager. The invoice shall identify the Services by project as specified by Manager.

b. Consultant agrees to maintain current monthly records, books, documents, papers, accounts and other evidence pertaining to the Services performed and costs incurred. Such items shall be adequate to reflect the time involved and cost of performing the Services. Consultant shall provide Manager with copies of payroll distribution, receipted bills and other documents requested for justification of the invoice.

16. Responsibility for Expenses

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Except as otherwise expressly provided in this Agreement, City shall not be responsible for expenses incurred by Consultant in performing the Services. All expenses incident to the performance of the Services shall be borne by the Consultant, including, but not limited to rent, vehicle, and travel, entertainment and promotion, general liability and health insurance, workers' compensation insurance, and all compensation and benefits of employees or agents engaged by Consultant. Consultant shall, at its own cost and expense, supply all personal property necessary or appropriate to perform the Services provided for under this Agreement, including, but not limited to any personal property used by employees and agents of Consultant in the performance of such Services.

17. Non-Appropriation of Funds

Payments to be made to Consultant by City for the Services performed within the current fiscal year are within the current fiscal budget and within an available, unexhausted and unencumbered appropriation of City. In the event City does not appropriate sufficient funds for payment of the Services beyond the current fiscal year, this Agreement shall cover payment for the Services only up to the conclusion of the last fiscal year in which City appropriates sufficient funds and shall automatically terminate at the conclusion of such fiscal year.

18. Records

a. Consultant agrees that all final computations, exhibits, files, plans, correspondence, reports, drawings, designs, data and photographs expressly required to be prepared by Consultant as part of the scope of services ("**documents and materials**") shall be the property of City and shall, upon completion of the Services or termination of this Agreement, be delivered to Manager.

b. At City's request, City shall be entitled to immediate possession of, and Consultant shall furnish to Manager within ten (10) calendar days, all of the documents and materials. Consultant may retain copies of these documents and materials.

c. Any substantive modification of the documents and materials by City staff or any use of the completed documents and materials for other City projects, or any use of uncompleted documents and materials, without the written consent of Consultant, shall be at City's sole risk and without liability or legal exposure to Consultant. City agrees to hold Consultant harmless from all damages, claims, expenses and losses arising out of any reuse of the documents and materials for purposes other than those described in this Agreement, unless Consultant consents in writing to such reuse.

19. Maintenance and Inspection of Records

Consultant agrees that City or its auditors shall have access to and the right to audit and reproduce any of Consultant's relevant records to ensure that City is receiving the Services to which City is entitled under this Agreement or for other purposes relating to the Agreement. Consultant shall maintain and preserve all such records for a period of at least three (3) years after the expiration of this Agreement, or until an audit has been completed and accepted by City.

Consultant 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.

20. Confidentiality of Information

Any documents and materials given to or prepared or assembled by Consultant under this Agreement shall be confidential and shall not be made available to any third person or organization by Consultant without prior written approval of the Manager.

21. Hold Harmless, Indemnity and Defense

a. For architectural, landscape architectural, engineering or land surveying services only:

(1) To the fullest extent permitted by law, Consultant 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 that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Consultant, or its employees, agents or subcontractors. 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. If it is finally adjudicated that liability is caused by the comparative active negligence or willful misconduct of the Indemnified Party, then Consultant’s indemnification obligation shall be reduced in proportion to the established comparative liability.

(2) The duty to defend is a separate and distinct obligation from Consultant’s duty to indemnify. Consultant shall be obligated to defend, in all legal, equitable, administrative, or special proceedings, with counsel approved by the Indemnified Party immediately upon tender to Consultant 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 that persons other than Consultant are responsible for the liability shall not relieve Consultant 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 Consultant asserts that the liability is caused in whole or in part by the negligence or willful misconduct of the Indemnified Party. If it is finally adjudicated that liability was caused by the comparative active negligence or willful misconduct of the Indemnified Party, Consultant may submit a claim to City for reimbursement of reasonable attorneys’ fees and defense costs.

b. For everything else:

(1) To the fullest extent permitted by law, Consultant 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 Consultant’s performance of this Agreement or Consultant’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. If it is finally adjudicated that liability is caused by the comparative negligence or willful misconduct of the Indemnified Party, Consultant’s indemnification obligation shall be reduced in proportion to the established comparative liability of the Indemnified Party.

(2) The duty to defend is a separate and distinct obligation from Consultant’s duty to indemnify. Consultant shall be obligated to defend, in all legal, equitable, administrative, or special proceedings, with counsel approved by the Indemnified Party immediately upon tender to Consultant 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 Consultant 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 Consultant asserts that liability is caused in whole or in part by the 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, Consultant may submit a claim to City for reimbursement of reasonable attorneys’ fees and defense costs.

c. For services under both 21a and 21b, the review, acceptance or approval of Consultant’s work or work product by the Indemnified Party shall not affect, relieve or reduce Consultant’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.

22. Insurance

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

b. Consultant shall, prior to performance of the Services, file with the Risk Manager evidence of insurance coverage as specified in Exhibit INS-B. Evidence of insurance coverage shall be forwarded to the Risk Manager, addressed as specified in Exhibit INS-B.

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

23. Independent Contractor

a. City and Consultant agree that in the performance of the Services, Consultant shall be, and is, an independent contractor, and that Consultant and its employees are not employees of City. Consultant has and shall retain the right to exercise full control over the employment, direction, compensation and discharge of all persons assisting Consultant.

b. Consultant shall be solely responsible for, and shall save City harmless from, all matters relating to the payment of Consultant's employees, agents, subcontractors and subconsultants, including compliance with social security requirements, federal and State income tax withholding and all other regulations governing employer-employee relations.

c. Consultant acknowledges that Consultant and Consultant's employees are not entitled to receive from City any of the benefits or rights afforded employees of City, including but not limited to reserve leave, sick leave, vacation leave, holiday leave, compensatory leave, Public Employees Retirement System benefits, or health, life, dental, long-term disability and workers' compensation insurance benefits.

24. Consultant Not Agent

Except as Manager may specify in writing, Consultant, and its agents, employees, subcontractors and subconsultants shall have no authority, expressed or implied, to act on behalf of City in any capacity, as agents or otherwise, or to bind City to any obligation.

25. Conflict of Interest

If, in performing the Services set forth in this Agreement, Consultant makes, or participates in, a "**governmental decision**" as described in Title 2, section 18704 of the California Code of Regulations, or performs the same or substantially all the same duties for City that would otherwise be performed by a City employee holding a position specified in City's conflict of interest code, Consultant shall be subject to City's conflict of interest code, the requirements of which include the filing of one or more statements of economic interests disclosing the relevant financial interests of Consultant's personnel providing the Services set forth in this Agreement.

26. Assignability of Agreement

Consultant agrees that this Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's personnel's unique competence, experience and specialized personal knowledge. Assignments of any or all rights, duties, or obligations of Consultant under this Agreement will be permitted only with the express written consent of Manager, which consent may be withheld for any reason.

27. Successors and Assigns

Agreement No. 8113-17-DS

Consultant and City agree that this Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of Consultant and City.

28. Fair Employment Practices

a. Consultant agrees that all persons employed by Consultant shall be treated equally by Consultant without regard to or because of race, color, religion, ancestry, national origin, disability, sex, marital status, age, or any other status protected by law, and in compliance with all antidiscrimination laws of the United States of America, the State of California, and City.

b. Consultant agrees that, during the performance of this Agreement, Consultant and any other parties with whom Consultant may subcontract shall adhere to equal opportunity employment practices to assure that applicants and employees are treated equally and are not discriminated against because of their race, color, religion, ancestry, national origin, disability, sex, marital status, age, or any other status protected by law.

c. Consultant agrees to state in all of its solicitations or advertisements for applicants for employment that all qualified applicants shall receive consideration for employment without regard to their race, color, religion, ancestry, national origin, disability, sex, marital status, age, or any other status protected by law.

d. Consultant shall provide City staff with access to and, upon request by Manager, provide copies to Manager of all of Consultant's records pertaining or relating to Consultant's employment practices, to the extent such records are not confidential or privileged under State or federal law.

29. Force Majeure

Consultant and City agree that neither City nor Consultant shall be responsible for delays or failures in performance resulting from acts beyond the control of either party. Such acts shall include, but not be limited to acts of God, strikes, lockouts, riots, acts of war, epidemics, governmental regulations imposed after this Agreement was executed, fire, communication line failures, earthquakes, or other disasters.

30. Time of Essence

Consultant and City agree that time is of the essence in regard to performance of any of the terms and conditions of this Agreement.

31. Covenants and Conditions

Consultant and City agree that each term and each provision of this Agreement to be performed by Consultant shall be construed to be both a covenant and a condition.

Agreement No. 8113-17-DS

32. Governing Law

City and Consultant agree that the construction and interpretation of this Agreement and the rights and duties of City and Consultant hereunder shall be governed by the laws of the State of California.

33. Compliance with Laws

Consultant agrees to comply with all City, State, and federal laws, rules, and regulations, now or hereafter in force, pertaining to the Services performed by Consultant pursuant to this Agreement.

34. Severability

City and Consultant agree that the invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision.

35. Waiver

City and Consultant agree that no waiver of a breach of any provision of this Agreement by either Consultant or City shall constitute a waiver of any other breach of the same provision or any other provision of this Agreement. Failure of either City or Consultant to enforce at any time, or from time to time, any provision of this Agreement, shall not be construed as a waiver of such provision or breach.

36. Counterparts

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.

37. Arbitration

Consultant and City agree that in the event of any dispute with regard to the provisions of this Agreement, the Services rendered or the amount of Consultant's compensation, the dispute may be submitted to non-binding arbitration upon the mutual agreement of the parties, under such procedures as the parties may agree upon, or, if the parties cannot agree, then under the Rules of the American Arbitration Association.

38. Expenses of Enforcement

Consultant and City agree that the prevailing party's reasonable costs, attorneys' fees (including the reasonable value of the services rendered by the City Attorney Office) and

Agreement No. 8113-17-DS

expenses, including investigation fees and expert witness fees, shall be paid by the non-prevailing party in any dispute involving the terms and conditions of this Agreement.

39. Authority to Execute

a. City acknowledges that the person executing this Agreement has been duly authorized by the City Council to do so on behalf of City.

b. Consultant acknowledges that the person executing this Agreement has been duly authorized by Consultant to do so on behalf of Consultant.

40. Notices

a. Any notices to Consultant may be delivered personally or by mail addressed to Pollinate, 514 Village Road, Port Hueneme, CA 93041, Attention: Karen Kraus.

b. Any notices to City may be delivered personally or by mail addressed to City of Oxnard, Planning Division, 214 South C Street, Oxnard, California 93030, Attention: Isidro Figueroa.

41. Amendment

City and Consultant agree that the terms and conditions of the Agreement may be reviewed or modified at any time. Any modifications to this Agreement, however, shall be effective only when agreed upon to in writing by both the City representative authorized to do so under the City's purchasing policies and Consultant.

42. Entire Agreement

City and Consultant agree that this Agreement constitutes the entire agreement of the parties regarding the subject matter described herein and supersedes all prior communications, agreements, and promises, either oral or written.

[Signatures on next page]

Agreement No. 8113-17-DS

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

CITY OF OXNARD

CONSULTANT

Greg Nyhoff, City Manager

Date

Karen Kraus, Principal

Date

APPROVED AS TO FORM:

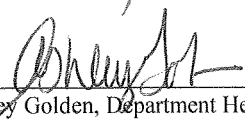
Stephen M. Fischer, City Attorney

Date

APPROVED AS TO CONTENT:


Isidro Figueroa, Project Manager

10.23.17
Date


Ashley Golden, Department Head

10/30/17
Date

APPROVED AS TO INSURANCE:

Mike More, Risk Manager

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.

EXHIBIT A

SCOPE OF SERVICES

BACKGROUND

The Ormond Beach area is approximately 1500-acres, spans two-miles of south Oxnard's shoreline from the northwestern boundary of Pt. Mugu Naval Air Station to the Oxnard/Port Hueneme boundary, and extends over a mile inland. It includes a recreational beach, plant and wildlife habitat, active farmland, industrial operations, and the Halaco Superfund Site. The City of Oxnard owns over 80-acres in the area.

Several goals and policies in the 2030 General Plan highlight the City's role in the Ormond Beach area, including GOAL CD-22 (Environmentally sound Ormond Beach wetlands with appropriate public access) and implementing Policies CD-22.1 (Participation in the Ormond Beach Wetlands Restoration Plan) and CD-22.2 (Develop Ormond Beach Visitor Access). In addition, GOAL CD-21 specifies "An updated Local Coastal Program that includes the restoration of the Ormond Beach wetlands. . . ." Consistent with the 2030 General Plan, the City has partnered with the California State Coastal Conservancy ("SCC") and The Nature Conservancy ("TNC"), both of which own property (SCC owns 260-acres, TNC owns 277-acres) and are actively working to restore and improve public access at Ormond Beach. In 2016, the City, SCC, and TNC ("Project Partners") entered into the Ormond Beach Area Memorandum of Understanding ("MOU") to memorialize their mutual goals and priorities for the Ormond Beach area and establish a collaborative working relationship to carry out these goals and priorities. A current priority for the Project Partners is preparation of the Ormond Beach Restoration and Public Access Project plan.

SCOPE OF SERVICES

Consultant will assist the City in implementing its Ormond Beach goals, policies, and priorities. Consultant will support and facilitate communication and coordination within the City, as well as among Project Partners, and other Ormond Beach stakeholders. Consultant will monitor existing and emerging issues that may support or interfere with the City's goals, policies, and priorities, and conduct outreach to Project Partners, other stakeholders, decision makers, elected officials, and community members about these issues. Consultant will also evaluate issues of concern, identified by the City or by Consultant, and will work with staff and Project Partners to prepare and implement recommendations to resolve those issues.

Ormond Beach goals, policies, priorities and issues that Consultant will address include:

- **Halaco Superfund Site: cleanup and removal of hazardous waste, security.** U.S. EPA continues to evaluate potential cleanup options at the Halaco Superfund Site, including whether to remove the 700,000 cubic yards of toxic waste that currently remain on site. If cleaned up, the Halaco Superfund Site may be incorporated into the Ormond Beach Restoration and Public Access Project. Consultant will ensure communication and coordination between U.S. EPA, the City, and the Project Partners throughout Ormond Beach

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Restoration and Public Access Project planning and U.S. EPA's evaluation and cleanup. Consultant will also develop and implement strategies to promote the cleanup and removal of hazardous waste at the Halaco Superfund Site, including advising the City about the Superfund cleanup process, standards for U.S. EPA's cleanup decision, and formal and informal opportunities for comment; facilitating safe, innovative remediation opportunities; assisting in preparation of data and other information (e.g., impacts of sea level rise at site) for submission to U.S. EPA; monitoring ongoing U.S. EPA activities and progress, Agency reports, and emerging issues of concern; and ensuring completion of Halaco-area related land use designation changes and policies in City's Local Coastal Plan update, consistent with 2030 General Plan. Consultant will identify need and opportunities for City, Project Partners, other stakeholders, community, and elected officials to communicate with U.S. EPA staff and officials and will help facilitate such input to the Agency. Consultant will also support and advise the City in its efforts to ensure security and safety in and around the Site.

ESTIMATED TIMELINE – U.S. EPA has not identified a timeline for cleanup – Ongoing.

- **Implementation of Ormond Beach Area Memorandum of Understanding (MOU).** Consultant will facilitate preparation and maintenance of the Project Partners' annual plan. Consultant will facilitate regular meetings of the Project Partners. Consultant will support the City, and coordinate with and among the Project Partners, to specifically implement the following MOU goals and priorities as described below:
 - *Planning and providing for the protection of plants, wildlife and habitat.* Consultant's services will include preparation and public outreach for the Ormond Beach Restoration and Public Access Project Plan and preparation of joint communications (fact sheets, website materials, etc.) about Project Partners' efforts to protect and restore the Ormond Beach area.
 - *Planning and providing for security and other measures to protect the public and natural resources.* Consultant's services will include monitoring, outreach and coordination with Project Partners, resource agencies, Naval Base Ventura County, City of Port Hueneme, and others; implementation of appropriate actions to ensure public safety and natural resource protection, particularly at the Arnold Road and Perkins Road access points.
 - *Planning and providing for an institutional structure to support long-term management of the Ormond Beach area.* Consultant's services will include advising the City on evaluating options for, and facilitating transition to a local or other entity to support long-term management of the Ormond Beach area (e.g., identifying priority management "transition" goals for new entity).
 - *Planning and evaluation of the area as additional properties are acquired.* Consultant's services will include monitoring, outreach and coordination about other properties in the Ormond Beach area, potential acquisition of additional properties by

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Project Partners, and potential impacts of any such acquisition to the Ormond Beach Restoration and Public Access Project.

- *Facilitating the remediation of the Halaco Superfund Site.* Consultant's services will include outreach and coordination with Project Partners to support mutual cleanup goals and coordinate cleanup and restoration planning. (See, also detailed description of Halaco Superfund Site services specific to City goals and policies, above)

ESTIMATED TIMELINE – MOU effective until July 2021, with automatic 3-year renewal. Annual Plan updated and maintained throughout each Fiscal Year; Quarterly Project Partner meetings, with additional meetings scheduled as needed; Ormond Beach Restoration and Public Access Project Plan estimated date of completion Dec. 2018; Long Term Management “Transition Plan” estimated date of completion 2Q 2018; all other identified activities – ongoing.

- **Ormond Beach Task Force meetings.** The Ormond Beach Task Force (“OBTF”) is a group of stakeholders (e.g., educators, academic and research institutions, NGOs, property owners, businesses, local governments, elected officials, and resource management agencies) that meets regularly to share information and discuss Ormond Beach area issues. Since 2015, the meetings have been facilitated by Consultant, on behalf of the City of Oxnard. Consultant will continue to arrange and facilitate OBTF meetings for the City of Oxnard.

ESTIMATED TIMELINE – Expected to meet at least quarterly. During 2018, OBTF meetings may be replaced, as appropriate, by public workshops/meetings for the Ormond Beach Restoration and Public Access Project Plan.

- **Local Coastal Plan Update.** The City of Oxnard is currently revising its existing Local Coastal Plan (“LCP”) to bring it into conformance with Coastal Commission directives to address climate change adaptation strategies, such as those for sea level rise. Consultant will review, comment, and provide other support as requested by City staff on Ormond Beach related portions of the City’s LCP update. Consultant’s expertise and services are specific to Ormond Beach restoration and public access (including Halaco Superfund Site) and will not overlap or otherwise duplicate work being performed by any other City consultant on this issue.
- **Interim/Ongoing Restoration, Natural Resource Management, Access Issues.** Needs, issues, and questions regarding potential restoration activities (e.g., removal of invasive plants) ongoing natural resource management (e.g., plover/tern management), and public access (e.g., implementation of Ormond Beach Ordinance) continue to occur while the City updates its LCP and the Project Partners prepare the Ormond Beach Restoration and Public Access Project Plan. Consultant will monitor ongoing and emerging restoration, natural resource, and public access issues to ensure appropriate outcomes and consistency with LCP update and the Ormond Beach Restoration and Public Access Project planning. Consultant will conduct outreach and coordinate with stakeholders, Project Partners, agency decision makers, elected officials, and community members to prepare and implement recommendations to resolve those issues.

- *Application to California Coastal Commission for Joint Consolidated Development Permit.* To facilitate ongoing implementation of certain anticipated activities within the Ormond Beach area while the City prepares and completes its LCP Update (and also for SCC compliance with term of City emergency CDP issued to SCC), the Project Partners are preparing an application to the California Coastal Commission for a Joint Consolidated Development Permit ("Joint CDP"). The Joint CDP would only apply to the 630-acres owned by the Project Partners for routine maintenance and habitat and species conservation activities (Nesting Shorebird Protection Activities; Invasive Plant Removal and Associated Habitat Restoration; and Access Road/Trails Maintenance) over the next 5 years (2018-2023). Consultant will facilitate the preparation and submission of the Joint CDP application, by working with City staff and Project Partners to draft application and supporting material, ensure consistency with Ormond Beach policies and requirements (e.g., Ormond Beach Ordinance, LCP Update, Ormond Beach Restoration and Public Access Project planning), and coordinate with resource agencies, Coastal Commission staff, and others as appropriate.

ESTIMATED TIMELINE – Application to Coastal Commission target, end of 1Q 2018;
Other issues ongoing.

- Other issues that may require periodic attention and support from Consultant include, the shutdown and removal of Oxnard coastal power plants as pertains to restoration and public access in the Ormond Beach area; entitlement and other applications with potential impacts to the Ormond Beach area, including the Agromin Conditional Use Permit application, the Arcturus CUPA, beach events, etc.; identifying and applying for, state and federal grants, and funding opportunities for restoration and other support in the Ormond Beach area; and other items as identified by City staff and Consultant.

ESTIMATED TIMELINE – Ongoing, consistent with identified schedules for applications, etc.

EXHIBIT B**COMPENSATION RATES**

The City will compensate Consultant for Consultant's time at the rate of \$125/hour plus expenses. Consultant will submit invoices to the City documenting time and expenses. Consultant will be paid on a monthly basis, invoiced no less than every 30 days.

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**CITY COUNCIL
AGENDA REPORT**

TYPE OF ITEM: Info/Consent

AGENDA ITEM NO.: 4

DATE: December 19, 2017

TO: City Council

THROUGH: Greg Nyhoff
City Manager

FROM: Thien Ng
Interim Public Works Director

Thien Ng

SUBJECT: Award Contract for Police Station Roof Replacement Project PW 17-33

CONTACT: Thien Ng, Interim Public Works Director
thien.ng@oxnard.org, 432-3575

RECOMMENDATION:

That City Council:

1. Award and authorize the Mayor to execute Agreement A-8029 in the amount of \$569,979 with Best Contracting Services, Inc. for the Police Station Roof Replacement Project PW 17-33; and
2. Approve an additional appropriation of \$251,000 for the Police Station Roof Replacement Project No. MO2107.

BACKGROUND

The Project

On May 13, 2017, City Council approved the plans and specifications and authorized staff to solicit bids for the Police Station Roof Replacement Project PW 17-33 ("Project"). At that time, \$375,000 was the estimated cost to replace the Police Station Roof.

The main Police Station building was originally constructed in 1975. The building's roof was last replaced in 1989. Over its lifetime the roof has been repaired, patched, and mended; however, it has now reached the end of its serviceable life. This Project is for the removal, repair and replacement of the City's Public Safety Building (Police Station) roof located at 251 South C

Award Contract for Police Station Roof Replacement Project PW 17-33

December 19, 2017

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Street. Working with roofing consultants and City staff, a plan is in place to remove the heavy wood/plaster equipment screen; remove the existing roof; repair any sub-roof damage; add insulation, new equipment screen and new flashing; and install a new 20-year Title 24 Energy Efficient Code compliant built-up asphalt roof system.

Lowest Responsive Bid

The advertisement of the notice inviting formal bids (NIFB) on the Project was on September 28, 2017, and all bids were due on October 31, 2017. The City received the bids listed below:

Best Contracting Services, Inc.:	\$569,979.00
Craig Roof Company:	\$588,888.00
Chapman Coast Roof Co, Inc.:	\$595,500.00
Channel Islands Roofing, Inc.:	\$598,566.78
Western States Roofing, Inc.:	\$904,742.73

The lowest bidder is Best Contracting Services, Inc., and its bid is responsive to the City's NIFB. Following this determination, procurement staff reviewed all documentation received from Best Contracting Services, Inc. and its subcontractors. For the contractor and all subcontractors, staff verified possession of required currently valid licenses, reviewed the federal Occupational Safety and Health Administration (OSHA) website for safety violations, checked that all City business licenses are current, and verified registration with the State of California Department of Industrial Relations (DIR). Staff has no reason at this time to believe that the contractor or any of its subcontractors are not legally responsible, which means trustworthy and fit and capable to satisfactorily complete the Project. Thus, staff recommends that the City Council award the contract for this Project to Best Contracting Services, Inc.

The contract (which incorporates the notice inviting bids, the entire bid packet, and Best Contracting Services, Inc.'s bid) is attached for review; however, this contract will not be sent to the contractor for signatures until Council has approved the award. The contractor will then have 14 days to sign and return the contract along with the necessary insurance and bond documents.

Funding for this Project is from Measure O Funds (Half Cent Sales Tax Fund) and was budgeted in FY 16/17 in the amount of \$375,000 as originally estimated. The current total estimated cost of the Project is \$626,000. The requested additional appropriation of \$251,000 includes an estimated amount of \$56,021 for project contingency and project management.

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:

Award Contract for Police Station Roof Replacement Project PW 17-33
December 19, 2017
Page 3

Goal 4. Ensure proper construction and maintenance of infrastructure to provide maximum benefit with lowest life cycle cost following CIP plans.

Objective 4b. Catch up on deferred maintenance for City facilities.

FINANCIAL IMPACT

Approval of this action would require an additional appropriation of \$251,000 for Police Building C Roof Replacement Project No. MO2107 from the Measure O Funds (Half Cent Sales Tax Fund Account 104-2103-826.86-05). The unaudited FY 16-17 estimated undesignated fund balance for Half Cent Sales Tax Fund 104 is \$8.1 Million.

ATTACHMENTS:

Attachment A - Bid Tabulation

Attachment B - Best Contracting Services, Inc., Bid Package

Attachment C - Agreement A-8029 with Best Contracting

Attachment D - Police Building Roof BA

This is a tabulation of bid results, not an offer of award or contract. The City has not yet determined if this project will go forward and reserves the right to reject all bids.

PW 17-33 POLICE STATION ROOF REPLACEMENT PROJECT													
Bid Opening: 10/31/17				Best Contracting Services, Inc.		Craig Roof Company, Inc.		Chapman Coast Roof Co., Inc.		Channel Islands Roofing, Inc.		Western States Roofing, Inc.	
				19027 S. Hamilton Gardena, CA 90248 US		P.O. Box 4520 Santa Barbara, CA US		2301 E. Orangethorpe Fullerton, CA 92831 US		4155 N. Southbank Oxnard, CA 93036 US		18605 Parthenia Street Northridge, CA 91326 US	
				#1		#2		#3		#4		#5	
Item #	Item Description	Unit of Measure	Estimated Quantity	Unit Price	Extended Amount	Unit Price	Extended Amount	Unit Price	Extended Amount	Unit Price	Extended Amount	Unit Price	Extended Amount
2	Mobilization and demobilization	LS	1	\$15,000.00	\$15,000.00	\$3,500.00	\$3,500.00	\$8,000.00	\$8,000.00	\$3,200.00	\$3,200.00	\$26,351.73	\$26,351.73
#REF!	Demolition and disposal per industry standards	LS	1	\$50,000.00	\$50,000.00	\$38,900.00	\$38,900.00	\$40,400.00	\$40,400.00	\$60,600.00	\$60,600.00	\$280.00	\$57,960.00
3	Post removal and demolition of roof deck area that needs repair	LS	1	\$5,000.00	\$5,000.00	\$7,200.00	\$7,200.00	\$5,000.00	\$5,000.00	\$4,800.00	\$4,800.00	\$157.00	\$32,499.00
4	Furnish and install 1.5" thermal insulation 0.5" barrier board and membrane roofing	LS	1	\$445,979.00	\$445,979.00	\$443,388.00	\$443,388.00	\$408,245.00	\$408,245.00	\$391,650.00	\$391,650.00	\$2,820.00	\$583,740.00
5	Furnish and install equipment screen and panel doors	LS	1	\$40,000.00	\$40,000.00	\$72,700.00	\$72,700.00	\$85,650.00	\$85,650.00	\$105,450.00	\$105,450.00	\$180.00	\$50,400.00
6	Furnish and install flashing, edging and penetration device to provide a complete seal from water infiltration.	LS	1	\$3,000.00	\$3,000.00	\$6,200.00	\$6,200.00	\$22,500.00	\$22,500.00	\$18,861.00	\$18,861.00	\$11.60	\$24,012.00
7	Provide method (crane) to lift existing equipment up in place and to bring roofing material up curbs and under equipment. Re-install all equipment in original location.	LS	1	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$9,200.00	\$9,200.00	\$3,500.00	\$3,500.00	\$400.00	\$82,800.00
8	Furnish and install new mounting plates for cameras and lights	LS	1	\$2,000.00	\$2,000.00	\$1,800.00	\$1,800.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$750.00	\$3,000.00
9	Furnish and install new roofed in sleepers for equipment storage shed (shed provided by City).	LS	1	\$1,000.00	\$1,000.00	\$4,000.00	\$4,000.00	\$4,500.00	\$4,500.00	\$2,200.00	\$2,200.00	\$2,700.00	\$2,700.00
10	Furnish and install Dura-Block supports or equal for all utility runs that sit on the roof.	LS	1	\$1,000.00	\$1,000.00	\$2,400.00	\$2,400.00	\$2,000.00	\$2,000.00	\$1,600.00	\$1,600.00	\$150.00	\$15,000.00
11	Provide water run-off test. Furnish and install new drains per detail.	LS	1	\$3,000.00	\$3,000.00	\$3,300.00	\$3,300.00	\$5,000.00	\$5,000.00	\$1,700.00	\$1,700.00	\$4,500.00	\$18,000.00
12	Repair Damaged Roof Deck Areas	SF	1	\$1,000.00	\$1,000.00	\$2,500.00	\$2,500.00	\$5.00	\$5.00	\$5.78	\$5.78	\$2.00	\$8,280.00
Bid List Total -SUBMITTED				\$569,979.00		\$588,888.00		\$959,500.00		\$598,561.00		\$904,742.73	
Total Bid Amount -VERIFIED				\$569,979.00		\$588,888.00		\$595,500.00		\$598,566.78		\$904,742.73	
				Best Contracting Services, Inc.		Craig Roof Company, Inc.		Chapman Coast Roof Co., Inc.		Channel Islands Roofing, Inc.		Western States Roofing, Inc.	
Listed Subs				Klondike Construction Services, Inc. 10016 Pioneer Blvd, #102 Santa Fe Springs, Ca 90670		B&M Tear Off 2420 Sand Creek Road Brentwood, Ca		Klondike Construction Services, Inc. 10016 Pioneer Blvd, #102 Santa Fe Springs, Ca 90670		Klondike Construction Services, Inc. 10016 Pioneer Blvd, #102 Santa Fe Springs, Ca 90670		None	

BID PACKET

CITY OF

OXNARD

CALIFORNIA

FOR

POLICE STATION ROOF REPLACEMENT

PROJECT NO. PW 17-33

Submitted by:

Contractor's Name: Best Contracting Services, Inc.Address: 19027 S. Hamilton Ave.City: Gardena State: CA Zip Code: 90248Contact Person: Matt Adab Project Estimator Phone: _____Email: madab@bestcontracting.com Date: October 31, 2017

BID FOR POLICE STATION ROOF REPLACEMENT – Project No. PW 17-33

The undersigned, as Bidder, declares that:

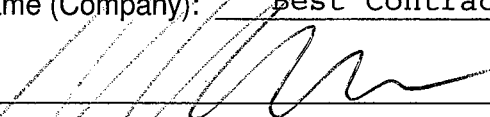
1. The Bidder has carefully examined the Contract Documents, all Addenda, and the Police Station Roof Replacement (“Project”) site and is satisfied as to the conditions, character, quality and quantities of Work to be performed, and the materials to be furnished.
2. The Bid includes all taxes, fees and costs, and as such is the total amount required for the Bidder to complete this Project in accordance with the Contract Documents.
3. The Bidder is properly licensed by the State as a contractor to perform this type of Work.

The undersigned, as Bidder, agrees to the following:

1. The submission of this Bid shall be conclusive evidence that the Bidder has examined and investigated the surface, subsurface and other conditions affecting the Work, including also the groundwater conditions, transportation, the disposal, handling and storage of materials, and the availability of labor, water, electric power, roads and the equipment and facilities needed for the Work. No information derived from an inspection of records or investigation will relieve the Bidder from its obligations under the Contract Documents nor entitle the Bidder to any additional compensation. The Bidder shall not make any claim, including for additional compensation, against the City based upon ignorance or misunderstanding of any condition of the Project site or of the Contract Documents’ or any Addendum’s requirements.
2. Accompanying this Bid is a permissible form of Bid security in an amount equal to at least ten percent (10%) of the total Bid price submitted. The Bid security is given as a guarantee that, if selected, the Bidder will execute the Contract in conformity with the Contract Documents, provide evidence of all required insurance, provide a copy of its City business license and furnish the Performance and Payment Bonds (as well as a photocopy of each Bond)—each in the amount of one hundred percent (100%) of the Contract Price—within fourteen (14) Calendar Days of the date of delivery of the Contract to the Bidder. If the Bidder refuses or fails to do so, the City may award the Contract to the next lowest responsible Bidder, and this Bid security may be forfeited to the City as permitted by law.
3. In the event the Contract is awarded to the Bidder, the Bidder shall execute the Contract to perform the Project in accordance with the Contract Documents and all Addenda. Should the undersigned be awarded the Contract and thereafter fail or refuse to execute the Contract and provide the required evidence of the business license, insurance and Bonds (plus photocopies) within fourteen (14) Calendar Days after the Contract award, then the cashier’s check or Bid Bond shall be forfeited to the City to the extent permitted by law.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on October 31, 2017 [date], at Gardena [city], California [state].

Bidder's Name (Company): Best Contracting Services, Inc.

Signature:  Title: CEO/Secretary Date: 10/31/2017

Print: Sean Tabazadeh

CITY OF OXNARD

BID SHEETS FOR POLICE STATION ROOF REPLACEMENT – PROJECT NO. PW 17-33

Bidder's Name: Best Contracting Services, Inc.

To the Honorable Mayor and Members of the City Council:

In compliance with the Notice Inviting Bids, the undersigned hereby agrees to execute the Contract to furnish all labor, materials, equipment and supplies for the Project in accordance with the Contract Documents to the satisfaction and under the direction of the Project Manager at the following prices:

ITEM NO.	DESCRIPTION	UNIT OF MEASURE	ESTIMATED QUANTITY	UNIT PRICE	EXTENDED AMOUNT
1	Mobilization and demobilization (up to 3% of Total Bid Price)	LS	1	\$15,000.00	\$15,000.00
2	Demolition and disposal per industry standards	LS	1	\$50,000.00	\$50,000.00
3	Post removal and demolition of roof deck area that needs repair	LS	1	\$5,000.00	\$ 5,000.00
4	Furnish and install 1.5" thermal insulation 0.5" barrier board and membrane roofing	LS	1	\$445,979.00	\$ 445,979.00
5	Furnish and install equipment screen and panel doors	LS	1	\$40,000.00	\$ 40,000.00

6	Furnish and install flashing, edging and penetration device to provide a complete seal from water infiltration.	LS	1	\$3,000.00	\$ 3,000.00
7	Provide method (crane) to lift existing equipment up in place and to bring roofing material up curbs and under equipment. Re-install all equipment in original location.	LS	1	\$3,000.00	\$ 3,000.00
8	Furnish and install new mounting plates for cameras and lights	LS	1	\$ 2,000.00	\$ 2,000.00
9	Furnish and install new roofed in sleepers for equipment storage shed (shed provided by City).	LS	1	\$1,000.00	\$ 1,000.00
10	Furnish and install Dura-Block or equal supports or equal for all utility runs that sit on the roof.	LS	1	\$ 1,000.00	\$ 1,000.00

11	Provide water run-off test. Furnish and install new drains per detail.	LS	1	\$ 3,000.00	\$ 3,000.00
12	Repair Damaged Roof Deck Areas	SF	1	\$1,000.00	\$ 1,000.00
TOTAL BASE AMOUNT:					\$ 569,979.00

Note: Several items may be adjusted or deleted. Any changes to the quantities for these items shall not classify as a substantial change as stipulated in Greenbook Section 3-2.2.1. Regardless of total actual volume compared to estimated quantities, the unit prices provided above shall be applied to the final quantity when payment is calculated for these items. No adjustment in the unit prices will be allowed. The City reserves the right to not use any of the estimated quantities, and if this right is exercised, the Contractor will not be entitled to any additional compensation. Cost of all export of material shall be included in the above unit costs; no additional compensation will be granted for such expenses.

TOTAL BID PRICE IN DIGITS: \$ 569,979.00

TOTAL BID PRICE IN WORDS: Five Hundred Sixty Nine Thousand Nine Hundred Seventy Nine Dollars

Contractor must complete all Work within sixty (60) Working Days of the City's Notice to Proceed.

Signature: _____

Sean Tabazadeh,
Title: Secretary Date: 10/31/2017

Bidder acknowledges receipt of all addenda

Addendum: Date Received:
#01 None
#02 _____
#03 _____
#04 _____

Addendum: Date Received:
#05 _____
#06 _____
#07 _____
#08 _____

QUESTIONNAIRE FORM

Fill out all of the following information. Attach additional sheets if necessary. Do not leave any question blank. If the question does not apply, write "N/A."

- (1) Bidder's Name: Best Contracting Services, Inc.
- (2) If the Bidder's name is a fictitious name, what is the full name of the registered owner?
- SAME AS ABOVE
 * If you are doing business under a fictitious name, provide a copy of the filed valid Fictitious Business Name Statement with your submitted Bid.
- (3) Business Address: 19027 S. Hamilton Ave.
Gardena, CA 90248
- Phone 1: (310) 328-6969 Phone 2: (310) 505-5841 (cell)
 Email: madab@bestcontracting.com
- (4) Type of Firm (Partnership, LLC, Corporation, S-Corp, etc.): Corporation
 Corporation or S-Corp organized under the laws of the State of: California
- (5) California State Contractor's License Number and Class: # 456263 /Class: C39, C43
A, B, C17,
 Original Date Issued: 5/07/1984 Expiration Date: May 31, 2018
- (6) DIR Contractor Registration Number: # 1000000563
- (7) Does the Bidder have a minimum of three (3) consecutive years of current experience in the type of Work related to the Project, and is this experience in actual operation of the Bidder with permanent employees performing a part of the Work as distinct from a firm operating entirely by subcontracting all phases of the Work? Circle one: (YES) NO
- (8) List the names, titles, addresses and phone numbers of all individuals, members, partners, joint venturers and company officers having a principal interest in this Bid:
Moji Tabazadeh, President-19027 S. Hamilton Ave. Gardena, CA
90248 - (310) 328-6969
Sean Tabazadeh, CEO/Secretary/RMO-19027 S. Hamilton Ave.
Gardena, CA 90248 - (310) 328-6969
Fatemeh Tabazadeh, Treasurer-19027 S. Hamilton Ave.
Gardena, CA 90248 - (310) 328-6969
- (9) List all current and prior D.B.A.'s, aliases, and fictitious business names for any principal having interest in this Bid:
Best Roofing Company
Best Roofing & Waterproofing, Inc.

- (10) List the dates of any voluntary or involuntary bankruptcy judgments against any principal having an interest in this Bid:

None

- (11) For all arbitrations, lawsuits, settlements and the like (in/out of court) that the Bidder or any principal with an interest in this Bid has been involved with in the past five (5) years:

- a. List the names, addresses and phone numbers of contact persons for the parties:

None

- b. Briefly summarize the parties' claims and defenses:

N/A

- c. State the tribunal (e.g., Superior Court, American Arbitration Association, etc.), the matter number, and the outcome:

N/A

- (12) If the Bidder or any principal having an interest in this Bid has ever had a contract terminated by the owner or agency, explain below:

No

- (13) If the Bidder or any principal having an interest in this Bid ever failed to complete a project, explain below:

No

- (14) If the Bidder or any principal having an interest in this Bid has ever been terminated for cause, even if it was converted to a "termination of convenience," explain below:

No

- (15) List the dates of any voluntary or involuntary bankruptcy judgments against any principal having an interest in this Bid:

None

For the final questions, the word "you" and "your" shall refer to the Bidder and all individuals, members, partners, joint venturers and company officers having a principal interest in this Bid.

- (16) For projects that the company or any principal having an interest in this Bid has been involved with in the last five (5) years, did you have any claims or actions:

- | | | |
|--|-----------------|-------------------------------------|
| a. By you against the owner? | Circle one: Yes | ☒ No |
| b. By the owner against you? | Circle one: Yes | ☒ No |
| c. By any agency or individual for labor compliance? | Circle one: Yes | ☒ No |
| d. By Subcontractors? | Circle one: Yes | ☒ No |
| e. Are any such claims/actions unresolved/outstanding? | Circle one: Yes | ☒ No |

If your answer is "yes" to any part or parts of this question, explain.

N/A

Upon request of the City, the Bidder shall furnish evidence showing a notarized financial statement, financial data, construction experience or other additional information.

The Bidder certifies under penalty of perjury under the laws of the State of California that the information provided in this Questionnaire Form is true and correct.

Signature: _____

Sean Tabazadeh, 10/30/2017
 Title: CEO/Secretary

* See Attached Notary *

This Questionnaire Form must be notarized below.

State of California)

County of _____) ss

City of _____)

On _____ before me, _____

(insert name and title of the officer) personally appeared _____,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct. WITNESS my hand and official seal.

Signature _____

(Seal)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of Los Angeles)

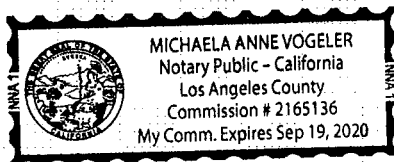
On October 30, 2017 before me, Michaela Anne Vogeler, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared Sean Tabazadeh
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Michaela Anne Vogeler
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Question Form

Document Date: 10/30/17 Number of Pages: 4

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: Sean Tabazadeh

☒ Corporate Officer — Title(s): CEO

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: _____

Signer Is Representing: _____

Signer's Name: _____

☐ Corporate Officer — Title(s): _____

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: _____

Signer Is Representing: _____

REFERENCES FORM

For all like work that you are currently working on or have worked on for public agencies in the past two (2) years, provide the information requested below. If all such work does not fit on this page, attach another page listing all information for all other such work. You may, but are not obligated to, attach a separate page to explain why a final contract amount differed from the original contract amount (e.g., change orders, extra work, or other circumstances), or if you or the Agency filed any claims against each other, the substance and outcome of those claims.

Project 1 Description: South Hall Convention Center had Single Ply installed

Construction Dates From: 04/15/2015 To: 09/16/2016

Agency Name: City Of Los Angeles

Project Manager: Randy Ayala Telephone: (310) 328-6969

Original Contract Amount: \$ 3,551,011.00 Final Contract Amount: \$ 3,999,511.00

Did you file any claims against the Agency? Circle one: Yes ☒ No

Did the Agency file any claims against you? Circle one: Yes ☒ No

Project 2 Description: LAX Cup Replacement Project had Single Ply installed

Construction Dates From: 11/21/2011 To: 11/06/2015

Agency Name: Los Angeles World Airports

Project Manager: Randy Ayala Telephone: (310) 328-6969

Original Contract Amount: \$ 551,314.00 Final Contract Amount: \$ 781,583.00

Did you file any claims against the Agency? Circle one: Yes ☒ No

Did the Agency file any claims against you? Circle one: Yes ☒ No

Project 3 Description: Casa Grande at Hearst San Simeon State Historic Monument

Construction Dates From: 10/23/2014 To: 12/31/2015

Agency Name: State Of California Department Of Parks & Recreation

Project Manager: Gary Shimotsu Telephone: (916) 445-8847

Original Contract Amount: \$ 1,446,500.00 Final Contract Amount: \$ 1,846,542.00

Did you file any claims against the Agency? Circle one: Yes

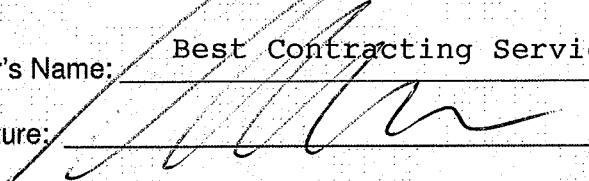
No

Did the Agency file any claims against you? Circle one: Yes

No

I hereby give my permission to the City of Oxnard and its employees, representatives and agents to contact references of Contractor and/or its officers, managers, members, general partners, limited partners and other owners (collectively, the "Owners") and/or request information from other agencies in which Contractor and/or its Owners have worked. This permission includes the City reviewing any criminal records of the Owners and obtaining public records regarding the Owners, such as records of arrests, indictments, convictions, civil judicial actions, tax liens, or outstanding judgments. I have authority to waive, and I do waive, any and all rights and claims Contractor and its Owners, employees, representatives and agents may have against the City, its employees, representatives and agents, as well as any agency providing feedback or the mentioned records, and those agencies' employees, representatives and agents, regarding any actions taken pursuant to, related to or incidental to, the authorization given in this paragraph.

Bidder's Name: Best Contracting Services, Inc.

Signature: 

Sean Tabazadeh
Title: CEO/Secretary

Date: 10/31/2017

REFERENCES FORM

For all like work that you are currently working on or have worked on for public agencies in the past two (2) years, provide the information requested below. If all such work does not fit on this page, attach another page listing all information for all other such work. You may, but are not obligated to, attach a separate page to explain why a final contract amount differed from the original contract amount (e.g., change orders, extra work, or other circumstances), or if you or the Agency filed any claims against each other, the substance and outcome of those claims.

Project 1 Description: Reroof at El Camino Real High School had Single Ply installed

Construction Dates From: 6/04/2014 To: 10/9/2015

Agency Name: Los Angeles Unified School District

Project Manager: Randy Ayala Telephone: (310) 328-6969

Original Contract Amount: \$ 1,018,000.00 Final Contract Amount: \$ 1,023,111.00

Did you file any claims against the Agency? Circle one: Yes ☒ No

Did the Agency file any claims against you? Circle one: Yes ☒ No

Project 2 Description: Katherine Edwards Middle School

Construction Dates From: 6/07/2015 To: 9/18/2015

Agency Name: East Whittier City School District

Project Manager: Lovis Baker Telephone: (562) 789-3073

Original Contract Amount: \$ 1,645,416.00 Final Contract Amount: \$ 1,645,416.00

Did you file any claims against the Agency? Circle one: Yes ☒ No

Did the Agency file any claims against you? Circle one: Yes ☒ No

Project 3 Description: Casa Grande at Hearst San Simeon State Historic Monument

Construction Dates From: 10/23/2014 To: 12/31/2015

Agency Name: State Of California Department Of Parks & Recreation

Project Manager: Gary Shimotsu Telephone: (916) 445-8847

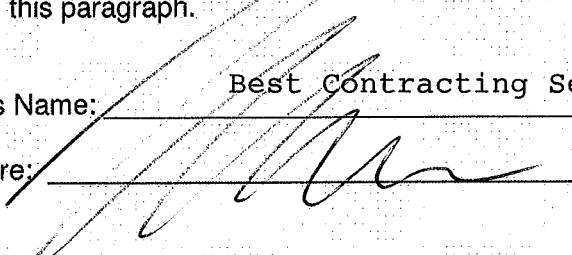
Original Contract Amount: \$ 1,446,500.00 Final Contract Amount: \$ 1,846,542.00

Did you file any claims against the Agency? Circle one: Yes ☒ No

Did the Agency file any claims against you? Circle one: Yes ☒ No

I hereby give my permission to the City of Oxnard and its employees, representatives and agents to contact references of Contractor and/or its officers, managers, members, general partners, limited partners and other owners (collectively, the "Owners") and/or request information from other agencies in which Contractor and/or its Owners have worked. This permission includes the City reviewing any criminal records of the Owners and obtaining public records regarding the Owners, such as records of arrests, indictments, convictions, civil judicial actions, tax liens, or outstanding judgments. I have authority to waive, and I do waive, any and all rights and claims Contractor and its Owners, employees, representatives and agents may have against the City, its employees, representatives and agents, as well as any agency providing feedback or the mentioned records, and those agencies' employees, representatives and agents, regarding any actions taken pursuant to, related to or incidental to, the authorization given in this paragraph.

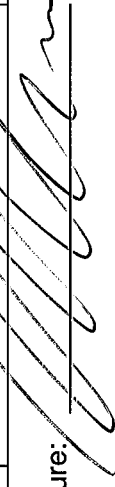
Bidder's Name: Best Contracting Services, Inc.

Signature:  Title: CEO/Secretary Date: 10/31/2017

DESIGNATION OF SUBCONTRACTORS

List all Subcontractors who will perform Work or labor or render service to the Contractor in or about the construction of the Work or improvement, or a Subcontractor licensed by the State of California who, under subcontract to the Contractor, specially fabricates and installs a portion of the Work or improvement according to detailed drawings contained in the Plans and Specifications, in an amount in excess of one-half percent (0.5%) of the Contractor's total Bid or, in the case of bids or offers for the construction of streets or highways, including bridges, in excess of one-half percent (0.5%) of the Contractor's total Bid or \$10,000, whichever is greater. If all Subcontractors do not fit on this page, photocopy it onto blue paper and attach that page or those pages listing all other Subcontractors. If there is any change in this list of Subcontractors, Contractor must provide a new list to Project Manager before any unlisted Subcontractor can perform any Work.

Name under which Subcontractor is Licensed and Registered	CSLB License Number(s) and Class(es)	DIR Contractor Registration Number	Address and Phone Number	Type of Work (e.g., Electrical)	Percentage of Total Bid (e.g., 10%)
Klondike Construction Services Inc.	# 990645	# 1000008336	10016 Pioneer Blvd. #102 Santa Fe Springs, CA 90670 (626) 851-4747	Roof Demo	10 %

Bidder's Name: Best Contracting Services, Inc. Signature:  Title: CEO/Secretary Date: 10/31/2017

Sean Tabazadeh,

* The percentage of the total Bid shall represent the "portion of the work" for the purposes of Public Contract Code Section 4104(b).

INDUSTRIAL SAFETY RECORD FORM

This Safety Record must include all construction work undertaken in California by the undersigned and any partnership, joint venture corporation or s-corporation that any principal of the undersigned participated in as a principal or owner for the listed years. Separate information must be submitted for each such partnership, joint venture, or corporate or individual Bidder. The undersigned may attach any additional information or explanation of data that it would like to be taken into consideration in evaluating the Safety Record. An explanation of the circumstances surrounding any and all fatalities must be attached.

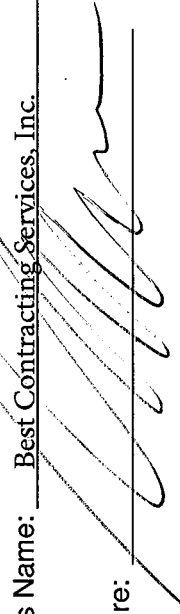
	2017 (so far)	2016	2015	2014	2013	2012	Total
Number of contracts	400 +	400+	400+	350+	350+	450+	
Total dollar amount of contracts (in thousands)	\$210 Mil.	\$220 Mil.	\$230 Mil.	\$153 Mil.	\$135 Mil.	\$176 Mil.	\$1,124,000,000.00
Number of fatalities	0	0	0	0	0	0	0
Number of lost workday cases	0	4	4	6	2	3	19
Number of lost workday cases involving permanent transfer to another job or termination of employment	0	0	0	1	0	2	3

The above information was compiled from the records that are available to me at this time, and I declare under penalty of perjury that the information is true and accurate within the limitations of those records.

Bidder's Name: Best Contracting Services, Inc.

Sean Tabazadeh,

Title: CEO/Secretary Date: 10/31/2017

Signature: 

B 14

**NONCOLLUSION DECLARATION
TO BE EXECUTED BY BIDDER AND SUBMITTED WITH BID**

The undersigned declare(s):

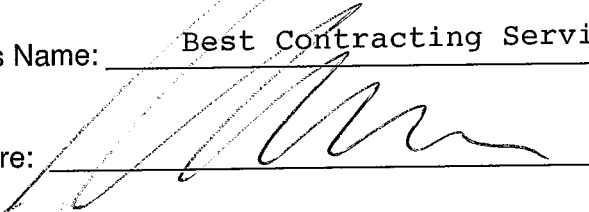
I/we am/are the CEO/Secretary of Best Contracting Services, Inc.
the party making the foregoing bid.

The bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, LLC, corporation or s-corporation. The bid is genuine and not collusive or sham. The bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid. The bidder has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or to refrain from bidding. The bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder. All statements contained in the bid are true. The bidder has not, directly or indirectly, submitted its, his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, s-corporation, LLC, partnership, company, association, organization, bid depository, or to any member or agent thereof, or to any individual, to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose.

Any person(s) executing this declaration on behalf of a bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on October 30, 2017 [date], at Gardena [city], California [state].

Bidder's Name: Best Contracting Services, Inc.

Signature:  Title: Sean Tabazadeh, CEO/Secretary Date: 10/30/2017

This Noncollusion Declaration must be notarized on the following page.

* See Attached Notary *

(Continuation of Noncollusion Declaration)

State of California)

County of _____) ss

City of _____)

On _____ before me,

_____ (insert name and title of the officer)

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct. WITNESS my hand and official seal.

Signature _____

(Seal)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of Los Angeles)

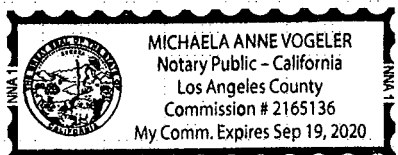
On October 30, 2017 before me, Michaela Anne Vogeler, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared Sean Tabazadeh
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature

Michaela Anne Vogeler
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Non Col Dec

Document Date: 10/30/17 Number of Pages: 2

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: Sean Tabazadeh

☒ Corporate Officer — Title(s): CEO

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: _____

Signer Is Representing: _____

Signer's Name: _____

☐ Corporate Officer — Title(s): _____

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☐ Other: _____

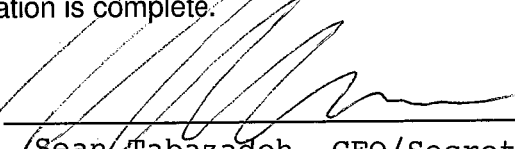
Signer Is Representing: _____

CITY OF OXNARD
Police Station Roof Replacement
Project Number PW 17-33

ESCROW BID DOCUMENTS COVER PAGE

ESCROW BID DOCUMENT CERTIFICATION

The undersigned hereby certifies under penalty of perjury that the bid documentation contained herein constitutes the complete, only and all documentary information used in preparation of the bid for the Police Station Roof Replacement, and that I have personally examined these contents and have found that this bid documentation is complete.

By: 
Title: Sean Tabazadeh, CEO/Secretary
Firm: Best Contracting Services, Inc.
Date: October 31, 2017

*IF PROJECT BID IS IN EXCESS OF \$500,000, IT REQUIRES SUBMITTAL OF ESCROW BID DOCUMENTS BY THE THREE LOWEST BIDDERS AND THIS DOCUMENT WILL BE INCLUDED WITH THOSE ESCROW BID DOCUMENTS. THIS DOCUMENT PACKAGE IS DUE WITHIN THREE (3) BUSINESS DAYS FOLLOWING BID OPENING:

THIS DOCUMENT PACKAGE IS TO BE SUBMITTED TO:

Public Works
305 W. 3rd Street, East Wing, 3rd floor
Oxnard, CA 93030
Attn: Renee Hatcher



March 30, 2007

To Whom It May Concern:

This communication is to notify you that effective March 23, 2007 our company name, Best Roofing & Waterproofing, Inc. has been changed to Best Contracting Services, Inc.

Kindly update your records accordingly

Moji Tabazadeh,
President

19027 S. Hamilton Avenue, Gardena, CA 90248
Tel: (310) 328-6969 Fax: (310) 328-9176
www.bestcontracting.com info@bestcontracting.com
An Equal Opportunity Employer
Contractor's License #456263



A0658529

ENDORSED - FILED
In the office of the Secretary of State
of the State of California

MAR 19 2007

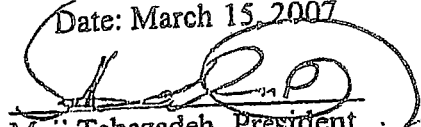
CERTIFICATE OF AMENDMENT
OF
ARTICLES OF INCORPORATION OF
BEST ROOFING & WATERPROOFING, INC.

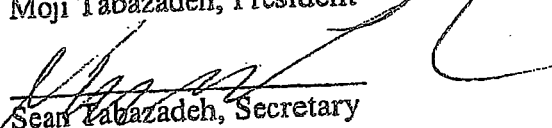
The undersigned certify that:

1. They are the President and Secretary, respectively, of Best Roofing & Waterproofing, Inc., a California corporation.
2. Article I of the Articles of Incorporation of this corporation is amended to read as follows: The name of this corporation is Best Contracting Services, Inc.
3. The foregoing amendment of Articles of Incorporation has been duly approved by the board of directors.
4. The foregoing amendment of Articles of Incorporation has been duly approved by the required vote of the shareholders in accordance with Section 902, California Corporation Code. The total number of outstanding shares of the corporation is 100. The number of shares voting in favor of amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

Date: March 15, 2007


Moji Tabazadeh, President


Sean Tabazadeh, Secretary



**BEST CONTRACTING SERVICES, INC.
MINUTES OF SPECIAL BOARD OF DIRECTORS MEETING**

Date: June 1, 2015
Place: 19027 S. Hamilton Ave., Gardena, California
Nature of Meeting: Special
Meeting called by: President
Notice: Was waived
Directors present: Modjtaba Tabazadeh, Sean Tabazadeh
Directors absent: None
Shareholders present: Sean Tabazadeh
Shareholders absent: None
Others present: None

1. Call to Order

The meeting of directors was called to order at 2:00 p.m. by Modjtaba Tabazadeh, the President of the Corporation who announced that a quorum was present. The President further announced that this meeting was held pursuant to written waiver of notice and consent to the holding of this meeting. The waiver and consent was presented to this meeting and, on a motion duly made, seconded and unanimously carried, was made a part of the records and ordered inserted in the corporation's Minute Book immediately preceding the records of this meeting.

2. Approval of Prior Minutes

The Minutes of the last meeting of directors was then read and approved.

3. Adoption of Resolution

The following resolution was considered by the Board and adopted by majority vote of the directors present:

WHEREAS, Several Public Agencies that Corporation bids or has contract with require the Corporation to authorize an individual to execute the Agreements and the Bonds required by the Contract Documents,

NOW, THEREFORE, BE IT RESOLVED, that the following persons are authorized to execute the Agreements and the Bonds required by the Contract Documents.

Authorized persons:

Modjtaba Tabazadeh

Sean Tabazadeh

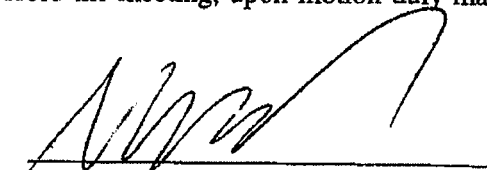
Gary Sdao

Voting for: Modjtaba, Tabazadeh, Sean Tabazadeh,
Voting against: None

4. Adjournment

There being no further business to come before the meeting, upon motion duly made, the meeting was adjourned at 2:15 p.m.

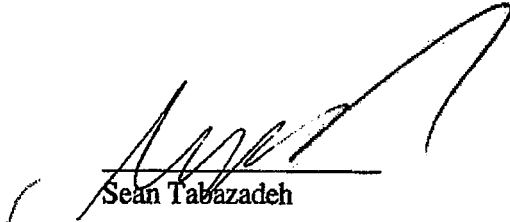
Date: June 1, 2015


Sean Tabazadeh, Secretary

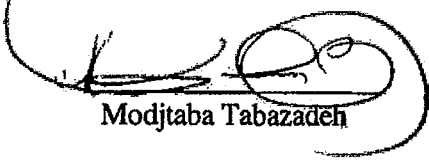
**WAIVER OF NOTICE AND CONSENT TO HOLDING
OF SPECIAL BOARD MEETING
OF DIRECTORS OF
BEST CONTRACTING SERVICES, INC.**

The undersigned, being the directors of BEST CONTRACTING SERVICES, INC., hereby waive notice of and consent to the holding of the special joint meeting of the directors and shareholders on June __, 2015, at 2:00 p.m., at 19027 S. Hamilton Ave., Gardena, California, and agree that any business transacted at said meeting shall be as valid and legal and of the same force and effect as though said meeting were held after notice duly given.

Date: June __, 2015



Sean Tabazadeh



Modjtaba Tabazadeh

CONTRACT**CITY OF OXNARD CONTRACT FOR
POLICE STATION ROOF REPLACEMENT — PROJECT NO. PW 17-33**

THIS CONTRACT ("Contract") is made and entered this 19th day of December, 2017 ("Effective Date"), by and between the CITY OF OXNARD, a California municipal corporation ("City") and BEST CONTRACTING SERVICES, INC., ("Contractor"). Contractor's license number is 456263.

In consideration of the covenants set forth herein, the parties hereto agree as follows:

1. Incorporation. The Contract consists of all Contract Documents, which shall include the Notice Inviting Bids, Instructions to Bidders, General Provisions, Special Provisions, Plans, Standard Plans, Greenbook, Reference Specifications, Bid (including documentation accompanying the Bid and post-Bid documentation submitted before the notice of award), insurance documentation, Bonds, the City business license, permits from regulatory agencies, Addenda, Change Orders and Supplemental Agreements. These documents are incorporated herein by reference.
2. Scope of Services. Contractor shall perform the Work in a good and workmanlike manner for the project identified as Police Station Roof Replacement – Project No. PW 17-33 ("Project"), as described in this Contract and in the incorporated Contract Documents.
3. Compensation. In consideration of the services rendered hereunder, City shall pay Contractor a not to exceed amount of five hundred sixty nine thousand nine hundred seventy nine dollars (\$569,979.00) in accordance with the prices as submitted in the Bid, attached hereto as Exhibit "B" and incorporated herein by this reference.
4. Antitrust Claims. In entering into this Contract, Contractor assigns to City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Business and Professions Code Section 16700 *et seq.*) arising from purchases of goods, services, or materials pursuant to the Contract. This assignment shall be made and become effective at the time City tenders final payment to Contractor without further acknowledgment by the parties.
5. Insurance. The insurance requirements are listed in the document titled INS-E, which is attached hereto and incorporated herein by this reference.
6. Prevailing Wages. City and Contractor acknowledge that the Project is a public work to which prevailing wages apply. Copies of the prevailing rate of per diem wages for each craft, classification, or type of worker needed to perform the Project are on file with the Project Coordinator at City Hall and will be made available to any interested party on request.
7. Workers' Compensation. Labor Code Sections 1860 and 3700 provide that every contractor will be required to secure the payment of compensation to its employees. In accordance with the provisions of Labor Code Section 1861, by signing this Contract, the Contractor certifies as follows: "I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the Work of this Contract."

8. Titles. The titles used in this Contract are for convenience only and shall in no way define, limit or describe the scope or intent of this Contract or any part of it.

9. Authority. Any person executing this Contract on behalf of Contractor warrants and represents that he or she has the authority to execute this Contract on behalf of Contractor and has the authority to bind Contractor to the performance of its obligations hereunder.

10. Entire Agreement. This Contract, including any incorporated documents, constitutes the entire agreement between the parties hereto with respect to the Project, and supersedes all previous agreements, promises, proposals, representations, understandings and negotiations, whether written or oral, between the parties regarding the subject matter.

11. Amendment. No Contract modification, amendment or supplement will be binding unless written and signed by the parties' duly authorized representatives.

12. Counterparts. This Contract may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. A signed copy of this Contract transmitted by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Contract for all purposes.

(signatures continued on following page)

IN WITNESS WHEREOF, the parties hereto have executed the Contract on the Effective Date.

CITY OF OXNARD

Tim Flynn, Mayor

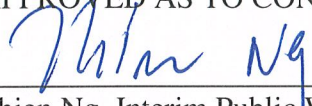
ATTEST:

Michelle Ascencion, City Clerk

APPROVED AS TO FORM:

 11/8/17
Stephen M. Fischer, City Attorney

APPROVED AS TO CONTENT:

 11/9/17
Thien Ng, Interim Public Works Director

Ruth Osuna, Assistant City Manager

APPROVED AS TO AMOUNT:

Greg Nyhoff, City Manager

APPROVED AS TO INSURANCE:

Mike More, Risk Manager

City requires the following for any contract: for a corporation or s-corporation, two signatures: (1) the Board President, CEO or Vice President, and (2) the Board Secretary, Assistant Secretary, CFO or Assistant Treasurer; for an LLC, two signatures, both of whom must be managers of the LLC; and for a partnership or limited partnership, the signatures of all partners. If your entity 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 Contractor.

BEST CONTRACTING SERVICES, INC.

Mojib Tabazadeh

Title: ☐ Chairman x ☒ President ☐ Vice President

Sean Tabazadeh

Title: ☒ Secretary ☐ Asst. Secretary

☐ Chief Finance Officer ☐ Asst. Treasurer

Agreement No. A-8029

Exhibit INS-E

**INSURANCE REQUIREMENTS FOR CONSTRUCTION PROJECTS
(WITH BUILDER'S RISK REQUIREMENT)**

1 Contractor shall obtain and maintain during the performance of any services under this Contract 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 Contractor, its agents, representatives, employees or subcontractors.

2.1 Commercial General Liability Insurance, including Contractual Liability, in an amount not less than \$2,000,000 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 location or shall be twice the occurrence amount;

2.2 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;"

2.3 If architectural, engineering, or electrical work will be performed under the Contract, Professional Liability/Errors and Omissions Insurance appropriate to the work being done in an amount not less than \$1,000,000, with neither Contractor nor listed subcontractors having less than \$500,000 individually. The Professional Liability/Errors and Omissions Insurance must be project specific with at least a one-year extended reporting period, or longer upon request.

2.4 Course of Construction Insurance providing coverage for "all risks" of loss in an amount not less than the completed value of the project, with City named as Owner and Insured.

2.5 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.

2 Contractor shall, prior to performance of any services, file with the Risk Manager certificates of insurance with original endorsements effecting coverage required by this Exhibit INS-E. 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 forwarded to the Risk Manager, addressed as follows:

City of Oxnard
Risk Manager
Reference No. PW 17-33
300 West Third Street, Suite 302
Oxnard, California 93030

3 Contractor 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 Contractor 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 Contractor; products and completed operations of Contractor; premises owned, occupied or used by Contractor; or automobiles owned, leased, hired or borrowed by Contractor. 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-E or substitute forms containing the same information and acceptable to the Risk Manager shall be used to provide the endorsements (ISO form CG 2010 11/85 or if not available, CG 2010 with an edition date prior to 01/04 and CG 2037).**

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

6 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 Contractor shall also be applicable to Contractor's subcontractors. Contractor agrees to maintain appropriate agreements with subcontractors and to provide proper evidence of coverage upon receipt of a written request from the Risk Manager.

INSTRUCTION FOR SUBMITTING INSURANCE CERTIFICATES AND ENDORSEMENT FORMS***Certificates of Insurance***

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

Endorsement Forms

Original endorsements are required for 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 sample accord form.

INS-E.doc

ACORD CERTIFICATE OF INSURANCE

ISSUE

DATE

(MM/DD/YY)

PRODUCER

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

CODE

SUB-CODE

COMPANIES AFFORDING INSURANCE COVERAGE

INSURED

COMPANY
LETTER **A**

SPECIFY COMPANY NAMES IN THIS SPACE

COMPANY
LETTER **B****COVERAGES**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY ☒ COMMERCIAL GENERAL LIABILITY ☒ CLAIMS MADE ☒ OCCUR ☒ OWNER'S & CONTRACTOR'S PROT.				GENERAL AGGREGATE \$2,000,000 PRODUCTS COMP/OP AGG. \$2,000,000 PERSONAL & ADV. INJURY \$2,000,000 EACH OCCURRENCE \$2,000,000 FIRE DAMAGE (Any one fire) \$ MED. EXPENSE (Any one person) \$
A	AUTOMOBILE LIABILITY ☒ 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 EACH ACCIDENT \$1,000,000 DISEASE-POLICY LIMIT \$1,000,000 DISEASE-EACH EMPLOYEE \$1,000,000
A	OTHER Errors and omissions insurance or malpractice insurance available for the insured's profession; if architectural, engineering or electrical work will be performed under the Contract, Course of Construction Insurance				Minimum coverage \$1,000,000 Each consultant/ \$500,000 & listed sub-consultant Course of Construction Completed Value of Project

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/RESTRICTIONS/SPECIAL ITEMS

CERTIFICATE HOLDER

City of Oxnard

Attn: Risk Manager

Reference No. PW 17-33 _____

300 W. Third Street, Suite 302

Oxnard CA 93030

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

GENERAL LIABILITY SPECIAL ENDORSEMENT FOR THE CITY OF OXNARD (the "City")						SUBMIT IN DUPLICATE	
						ENDORSEMENT NO.	ISSUE DATE (MM/DD/YY)
PRODUCER				POLICY INFORMATION:			
Telephone:				Insurance Company: Policy No.: Policy Period: (from) _____ (to) LOSS ADJUSTMENT EXPENSE Included in Limits In Addition to Limits			
				Deductible Self-Insured Retention (check which) of \$ _____ with an Aggregate of \$ _____ applies to _____ coverage. Per Occurrence Per Claim (which)			
NAMED INSURED				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:			
TYPE OF INSURANCE				CITY AGREEMENTS/PERMITS			
GENERAL LIABILITY COMMERCIAL GENERAL LIABILITY COMPREHENSIVE GENERAL LIABILITY OWNERS & CONTRACTORS PROTECTIVE				OTHER PROVISIONS			
COVERAGES				LIABILITY LIMITS IN THOUSANDS \$			
				EACH OCCURRENCE AGGREGATE			
GENERAL PRODUCTS/COMPLETED OPERATIONS PERSONAL & ADVERTISING INJURY FIRE DAMAGE 				Underwriter=s representative for claims pursuant to this insurance. CLAIMS: Name: _____ Address: _____ Telephone: () _____			
In consideration of the premium charged and notwithstanding any inconsistent statement in the policy to which this endorsement is attached or any endorsement now or hereafter attached thereto, insurance company agrees as follows:							
1. INSURED. The City, its officers, agents, employees and volunteers are included as insureds with regard to liability and defense of suits arising from the operations, products and activities performed by or on behalf of the named insured.							
2. CONTRIBUTION NOT REQUIRED. As respects: (a) work performed by the named insured for or on behalf of the City; or (b) products sold by the named insured to the City; or (c) premises leased by the named insured from the City, the insurance afforded by this policy shall be primary insurance as respects the City, its officers, agents, employees or volunteers; or stand in an unbroken chain of coverage excess of the named insured's scheduled underlying primary coverage. In either event, any other insurance maintained by the City, its officers, agents, employees or volunteers shall be in excess of this insurance and shall not contribute with it.							
3. SEVERABILITY OF INTEREST. This insurance applies separately to each insured against whom claim is made or suit is brought except with respect to the company's limits of liability. The inclusion of any person or organization as an insured shall not affect any right which such person or organization would have as a claimant if not so included.							
4. CANCELLATION NOTICE. With respect to the interests of the City, this insurance shall not be canceled, or materially reduced in coverage or limits except after thirty (30) days prior written notice by receipted delivery has been given to the City.							
5. PROVISIONS REGARDING THE INSURED'S DUTIES. Any failure to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the City, its officers, agents, employees or volunteers.							
6. SCOPE OF COVERAGE. This policy, if primary, affords coverage at least as broad as: a. Insurance Services Office Commercial General Liability Coverage, "occurrence" form CG0001; or a. If excess, affords coverage which is at least as broad as the primary insurance form CG0001.							
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: Risk Manager Reference No._PW 17-33 300 W. Third Street, Suite 302 Oxnard, CA 93030				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 _____			

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

COMMERCIAL AUTO POLICY _____

BUSINESS AUTO POLICY _____

OTHER _____

OTHER PROVISIONS

LIMIT OF LIABILITY

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

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

Name: _____

Address: _____

Telephone: () _____

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

1. **INSURED.** The City, its officers, agents, volunteers and employees are included as insureds with regard to liability and defense of suits arising from the operations, products and activities performed by or on behalf of the named insured.

2. **CONTRIBUTION NOT REQUIRED.** As respects: (a) work performed by the named insured for or on behalf of the City; or (b) products sold by the named insured to the City; or (c) premises leased by the named insured from the City, the insurance afforded by this policy shall be primary insurance as respects the City, its officers, agents, employees or volunteers; or stand in an unbroken chain of coverage excess of the named insured's scheduled underlying primary coverage. In either event, any other insurance maintained by the City, its officers, agents, employees or volunteers shall be in excess of this insurance and shall not contribute with it.

3. **SEVERABILITY OF INTEREST.** This insurance applies separately to each insured against whom claim is made or suit is brought except with respect to the company's limits of liability. The inclusion of any person or organization as an insured shall not affect any right which such person or organization would have as a claimant if not so included.

4. **CANCELLATION NOTICE.** With respect to the interests of the City, this insurance shall not be canceled, or materially reduced in coverage or limits except after thirty (30) days prior written notice by receipted delivery has been given to the City.

5. **PROVISIONS REGARDING THE INSURED'S DUTIES.** Any failure to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the City, its officers, agents, employees or volunteers.

6. **SCOPE OF COVERAGE.** This policy, if primary, affords coverage at least as broad as:

a. Insurance Services Office Automobile Liability Coverage, "occurrence" form CA0001, code ("any auto"); or

b. If excess, affords coverage which is at least as broad as the primary insurance form referenced in the preceding section (1).

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

ENDORSEMENT HOLDER

CITY OF OXNARD

Attn: Risk Manager

Reference No. PW 17-33

300 W. 3rd Street, Suite 302

Oxnard, CA 93030

AUTHORIZED REPRESENTATIVE

Broker/Agent _____

Underwriter _____

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

Signature _____

(original signature required)

Telephone: () _____ Date Signed _____

Bond No. _____

**PAYMENT BOND
(LABOR AND MATERIALS)**

KNOW ALL PERSONS BY THESE PRESENTS that:

WHEREAS the City of Oxnard ("Agency"), State of California, has awarded to _____

____ (“Principal”)

(Name and address of Contractor)

a contract (the "Contract") for the Work described as POLICE STATION ROOF REPLACEMENT – PROJECT NO. PW 17-33.

WHEREAS, under the terms of the Contract, the Principal is required before entering upon the performance of the Work, to file a good and sufficient payment Bond with the Agency to secure the claims to which reference is made in Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code.

NOW, THEREFORE, we, the undersigned Principal, and _____

(Name and address of Surety)

a corporation organized and existing under the laws of the State of _____
 ("Surety") a duly admitted surety insurer under the laws of the State of California, as Surety, are
 held and firmly bound unto the Agency and all Contractors, Subcontractors, laborers, material
 suppliers, and other persons employed in the performance of the Contract and referred to in
 Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code in the penal sum
 of _____ Dollars (\$ _____), this
 amount being not less than a hundred percent (100%) of the total Contract price, for materials
 furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance
 Act with respect to this Work or labor, that the Surety will pay the same in an amount not
 exceeding the amount hereinabove set forth, and also in case suit is brought upon this Bond,
 will pay, in addition to the face amount thereof, costs and reasonable expenses and fees,
 including reasonable attorneys' fees, incurred by Agency in successfully enforcing this
 obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in
 the judgment therein rendered.

It is hereby expressly stipulated and agreed that this Bond shall inure to the benefit of any and all persons, companies, and corporations entitled to file claims under Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this Bond.

Upon expiration of the time within which the California Labor Commissioner may serve a civil wage and penalty assessment against the principal, any of its Subcontractors, or both the principal and its Subcontractors pursuant to Labor Code Section 1741, and upon expiration of the time within which a joint labor management committee may commence an action against the principal, any of its Subcontractors, or both the principal and its Subcontractors pursuant to

Labor Code Section 1771.2, if the condition of this Bond be fully performed, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

The Surety hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Contract or the Specifications accompanying the same shall in any manner affect its obligations on this Bond, and it does hereby waive notice of any such change, extension, alteration, or addition. Surety hereby waives California Civil Code 2845.

IN WITNESS WHEREOF, this instrument has been duly executed by Principal and Surety, on the date set forth below, the name of each corporate party being hereto affixed and these presents duly signed by its undersigned representative(s) pursuant to authority of its governing body.

Dated: _____

"Principal"

"Surety"

By: _____

By: _____

Its: _____

Its: _____

By: _____

By: _____

Its: _____

Its: _____

(Seal)

(Seal)

Notes: This Bond must be executed in duplicate and dated, all signatures must be notarized, and evidence of the authority of any person signing as attorney-in-fact must be attached. If Contractor is a Partnership, all partners must execute Bond. Date of Bond must not be before date of Contract. Surety companies executing Bonds must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the State of California.

Bond No. _____

PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS that:

WHEREAS the City of Oxnard ("Agency"), has awarded to _____

(“Principal”)

(Name and address of Contractor)

a contract (the "Contract") for the Work described as POLICE STATION ROOF REPLACEMENT – PROJECT NO. PW 17-33.

WHEREAS, Principal is required under the terms of the Contract to furnish a Bond for the faithful performance of the Contract.

NOW, THEREFORE, we, the undersigned Principal, and _____

(Name and address of Surety)

a corporation organized and existing under the laws of the State of _____
 ("Surety") a duly admitted surety insurer under the laws of the State of California, as Surety, are
 held and firmly bound unto the Agency in the penal sum of _____

_____ Dollars (\$ _____), this amount being not less than a hundred percent (100%) of the total Contract price, in lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, successors executors and administrators, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, if the hereby bounded Principal, his, her or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the Contract and any alteration thereof made as therein provided, on the Principal's part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the Agency, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void on the date of recordation of the Notice of Completion for the Project; otherwise, it shall be and remain in full force and effect.

As a part of the obligation secured hereby and in addition to the face amount specified therefor, there shall be included costs and reasonable expenses and fees, including reasonable attorneys' fees, incurred by Agency in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered. Surety hereby waives any statute of limitations as it applies to an action on this Bond.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract or of the Work to be performed thereunder or the specifications accompanying the same shall in anywise affect its obligations under this Bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to

the terms of the Contract or to the Work or to the specifications. Surety hereby waives California Civil Code 2845 and 2849. The City is the principal beneficiary of this Bond and has all rights of a party hereto.

IN WITNESS WHEREOF, this instrument has been duly executed by Principal and Surety, on the date set forth below, the name of each corporate party being hereto affixed and these presents duly signed by its undersigned representative(s) pursuant to authority of its governing body.

Dated: _____

"Principal"

"Surety"

By: _____

By: _____

Its: _____

Its: _____

By: _____

By: _____

Its: _____

Its: _____

(Seal)

(Seal)

Notes: This Bond must be executed in duplicate and dated, all signatures must be notarized, and evidence of the authority of any person signing as attorney-in-fact must be attached. If Contractor is a Partnership, all partners must execute Bond. Date of Bond must not be before date of Contract. Surety companies executing Bonds must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the State of California.

Bond No. _____

WARRANTY BOND

KNOW ALL PERSONS BY THESE PRESENTS that:

WHEREAS the City of Oxnard ("Agency") has awarded to

(Name and address of Contractor)

("Principal"), a contract ("Contract") dated _____, which is hereby referred to and made a part hereof, for the work described as POLICE STATION ROOF REPLACEMENT IDENTIFICATION NUMBER PW 17-33 ("Project").

WHEREAS, Principal is required under the terms of the Contract to furnish a three (3) year warranty to make repairs or replacements made necessary by defects in materials, equipment or workmanship related to the Principal's construction of the Project.

NOW, THEREFORE, we, the undersigned Principal, and _____

(Name and address of Surety)

a corporation organized and existing under the laws of the State of _____ ("Surety"), a duly admitted surety insurer under the laws of the State of California, as Surety, are held and firmly bound unto Agency in the penal sum of _____

Dollars (\$ _____), this amount being not less than one hundred (100%) of the total Contract price, in lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, if the hereby bounded Principal, his, her or its heirs, executors, administrators, successors or assigns shall replace and/or remedy, without cost to the Agency, any defects which may develop during a period of three (3) years from the date of completion and acceptance of the work performed under the Contract, caused by defective or inferior materials or workmanship or by any other reason other than the Agency's direct causing of said defects, and the hereby bounded Principal, his, her or its heirs, executors, administrators, successors or assigns shall indemnify, defend and hold harmless the Agency, its officers, agents, and employees for any and all claims, demands, causes of action, damages, injuries, liabilities, losses, costs or expenses, including attorneys' fees and costs of defense, which arise out of, pertain to, or relate to such defects or to the Principal's actions or inactions in remedying such defects, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

In case suit is brought upon this bond, Surety further shall pay, in addition to the Penal Sum, all costs and reasonable expenses and fees, including reasonable attorneys' fees, incurred by the Agency in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

FURTHER, for value received, the Surety hereby stipulates and agrees that no change, extension of time, alteration or addition or modification to the terms of the Contract or to the work to be performed thereunder or the specifications for the same shall in any way affect its obligations under this bond, and it does hereby waive notice of any such change, extension of time, alteration, addition or modification to the terms of the Contract or to the work or to the specifications. Surety hereby waives the provisions of California Civil Code Sections 2845 and 2849. The Agency is the principal beneficiary of this bond and has all rights of a party thereto.

IN WITNESS WHEREOF, this instrument has been duly executed by Principal and Surety, on the date set forth below, the name of each corporate party being hereto affixed and these presents duly signed by its undersigned representative(s) pursuant to authority of its governing body.

Dated: _____

"Principal"

"Surety"

By: _____

By: _____

Its: _____

Its: _____

By: _____

By: _____

Its: _____

Its: _____

(Seal)

(Seal)

Notes: This Bond must be executed in duplicate and dated, all signatures must be notarized, and evidence of the authority of any person signing as attorney-in-fact must be attached. If Contractor is a Partnership, all partners must execute Bond. Date of Bond must not be before date of Contract. Surety companies executing Bonds must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the State of California.

CITY OF OXNARD

BID SHEETS FOR POLICE STATION ROOF REPLACEMENT – PROJECT NO. PW 17-33

Bidder's Name: Best Contracting Services, Inc.

To the Honorable Mayor and Members of the City Council:

In compliance with the Notice Inviting Bids, the undersigned hereby agrees to execute the Contract to furnish all labor, materials, equipment and supplies for the Project in accordance with the Contract Documents to the satisfaction and under the direction of the Project Manager at the following prices:

ITEM NO.	DESCRIPTION	UNIT OF MEASURE	ESTIMATED QUANTITY	UNIT PRICE	EXTENDED AMOUNT
1	Mobilization and demobilization (up to 3% of Total Bid Price)	LS	1	\$15,000.00	\$15,000.00
2	Demolition and disposal per industry standards	LS	1	\$50,000.00	\$50,000.00
3	Post removal and demolition of roof deck area that needs repair	LS	1	\$5,000.00	\$ 5,000.00
4	Furnish and install 1.5" thermal insulation 0.5" barrier board and membrane roofing	LS	1	\$445,979.00	\$ 445,979.00
5	Furnish and install equipment screen and panel doors	LS	1	\$40,000.00	\$ 40,000.00

6	Furnish and install flashing, edging and penetration device to provide a complete seal from water infiltration.	LS	1	\$3,000.00	\$ 3,000.00
7	Provide method (crane) to lift existing equipment up in place and to bring roofing material up curbs and under equipment. Re-install all equipment in original location.	LS	1	\$3,000.00	\$ 3,000.00
8	Furnish and install new mounting plates for cameras and lights	LS	1	\$ 2,000.00	\$ 2,000.00
9	Furnish and install new roofed in sleepers for equipment storage shed (shed provided by City).	LS	1	\$1,000.00	\$ 1,000.00
10	Furnish and install Dura-Block or equal supports or equal for all utility runs that sit on the roof.	LS	1	\$ 1,000.00	\$ 1,000.00

11	Provide water run-off test. Furnish and install new drains per detail.	LS	1	\$ 3,000.00	\$ 3,000.00
12	Repair Damaged Roof Deck Areas	SF	1	\$1,000.00	\$ 1,000.00
TOTAL BASE AMOUNT:					\$ 569,979.00

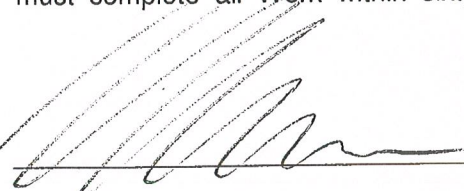
Note: Several items may be adjusted or deleted. Any changes to the quantities for these items shall not classify as a substantial change as stipulated in Greenbook Section 3-2.2.1. Regardless of total actual volume compared to estimated quantities, the unit prices provided above shall be applied to the final quantity when payment is calculated for these items. No adjustment in the unit prices will be allowed. The City reserves the right to not use any of the estimated quantities, and if this right is exercised, the Contractor will not be entitled to any additional compensation. Cost of all export of material shall be included in the above unit costs; no additional compensation will be granted for such expenses.

TOTAL BID PRICE IN DIGITS: \$ 569,979.00

Five Hundred Sixty Nine Thousand

TOTAL BID PRICE IN WORDS: Nine Hundred Seventy Nine Dollars

Contractor must complete all Work within sixty (60) Working Days of the City's Notice to Proceed.

Signature: 

Sean Tabazadeh,
Title: Secretary Date: 10/31/2017

Bidder acknowledges receipt of all addenda

Addendum: Date Received:
#01 None
#02 _____
#03 _____
#04 _____

Addendum: Date Received:
#05 _____
#06 _____
#07 _____
#08 _____

REQUEST FOR BUDGET APPROPRIATION

Department: Public Works
Project/Program
Manager: Thien Ng

Date: December 19, 2017
Phone: 805-432-3575

Reason for Appropriation:

Additional funding for Police Station Roof Replacement Project (Project No. MO2107).

Accounts and Descriptions

AMOUNT

Fund: 104 - HALF CENT SALES TAX

Expenditures/Transfers Out

Project# MO2107 Police Building C Roof Replacement

104-2103-826.86-05	CAPITAL OUTLAY / IMPROV NOT BUILD-MAJOR RE	<u>251,000</u>
--------------------	--	----------------

Sub-total Expenditures	<u>251,000</u>
-------------------------------	----------------

Net Change to Fund Balance	<u><u>(251,000)</u></u>
-----------------------------------	-------------------------

Net Appropriation Change	<u><u>251,000</u></u>
---------------------------------	-----------------------

Approvals

Department Director _____

Chief Financial Officer _____

City Manager _____

REQUIRES CITY COUNCIL AUTHORIZATION

BA# (Finance Use Only) _____

BA Doc# (Finance Use Only) _____

Rev _____

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**CITY COUNCIL
AGENDA REPORT**

TYPE OF ITEM: Report
AGENDA ITEM NO.: 1

DATE: December 19, 2017

TO: City Council

THROUGH: Greg Nyhoff
City Manager

A handwritten signature in blue ink, appearing to read "Greg Nyhoff".

FROM: Ashley Golden
Development Services Director

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

SUBJECT: Payment of Future Utility Bills from the Channel Islands Beach Community Services District for Services Within the Channel Islands Harbor Relating to Parks and Street Medians (5/10/10)

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

RECOMMENDATION:

That the City Council:

1. Authorize payment of utility services provided by the Channel Islands Beach Community Services District within the Channel Islands Harbor for park and median landscaping and maintenance of bathrooms through February 28, 2018; and
2. Approve an appropriation of \$50,000 for utility services from General Fund Reserves.

BACKGROUND

In 1963, the City of Oxnard (City) and the County of Ventura (County) entered into an Annexation Agreement (Agreement) relating to the development of Channel Islands Harbor (Harbor). The Agreement arose from the County's need for infrastructure to develop the Harbor, including water and sewer services, streets and park areas. In exchange for the City providing specific services (including, but not limited to, maintenance of parks and street medians and paying the associated costs for utilities), the County agreed to annex the land portion of the Harbor into the City instead of the City of Port Hueneme, which also sought to have the Harbor annexed within its corporate boundaries. Because of the annexation, the City receives its share

Payment of Future Utility Bills for Channel Islands Beach (5/10/10)

December 19, 2017

Page 2

of sales tax, possessory interest taxes and transient occupancy taxes as the Harbor has developed over the years.

In the 52 years that followed, there were seven amendments and two time extensions to the Agreement, as well as a separate lease agreement in 1976 for City Fire Station 6 located on Peninsula Road at the intersection of Channel Islands Boulevard. In 2013, the parties extended the Agreement for one year to November 2014 in order to negotiate terms of a new agreement. In December 2014, both parties extended the Agreement for an additional four months to allow City and County staff to work on the terms of a new or amended agreement relating to the Harbor.

During the months that followed, a tentative agreement was reached at the staff level in the form of a Memorandum of Agreement and License Agreement, with the Board of Supervisors subsequently approving the documents. The City Council, however, elected not to approve the Memorandum of Agreement and License Agreement because of the desire to address additional issues that went beyond the scope of the documents and the Agreement expired.

Although the Agreement had expired and the City and County had not entered into the Memorandum of Agreement and License Agreement, the City continued maintenance of the landscaped portion of specific parks within the Harbor (including certain restrooms), and the street medians within the Harbor, as well as continuing to pay the associated utilities costs. These associated costs were included as part of the City's adopted budgets, and the continued maintenance helped ensure that these amenities were properly maintained and available to benefit the residents of the City of Oxnard and visitors to the City of Oxnard while there were continued discussions between the City and County regarding Harbor-related issues.

On September 12, 2017 the City Council approved the following:

1. authorized payment of past utility bills from the Channel Islands Beach Community Services District for services provided within the Channel Islands Harbor for park and median landscaping and maintenance of bathrooms; and
2. authorized payment of utility services provided by the Channel Islands Beach Community Services District within the Channel Islands Harbor for park and median landscaping and maintenance of bathrooms through December 31, 2017;
3. made a specific finding that a public purpose exists for the payment of such utility bills because the utility services are necessary for park and median landscaping and maintenance of bathrooms within the Channel Islands Harbor that benefit the residents of the City of Oxnard and visitors to the City of Oxnard.

The intent of authorizing payment of these utility costs through December 31, 2017 was to allow City staff to enter into final negotiations with the County regarding possible maintenance by the City of specific public parks and street medians within the Harbor. In the September City Council item, staff indicated that if the negotiations break down prior to November 1, 2017, then

Payment of Future Utility Bills for Channel Islands Beach (5/10/10)

December 19, 2017

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the City would cease this maintenance upon sixty days notice to the County. The City has not provided this notice to the County.

This draft MOA was transmitted to the County on November 14, 2017. The County is currently reviewing the draft MOA. Unfortunately due to unforeseen pressing items staff has not had adequate time to negotiate the MOA terms or present a draft MOA to the Channel Islands Task Force; therefore, staff is requesting Council authorize payment of the utility cost through February 28, 2018. Staff will continue to negotiate with the County, and present a draft MOA to the CITF by mid-January.

If City Council does not approve the MOA by February 28, 2018, then the City would cease the maintenance of the landscaped portion of specific parks within the Harbor (including certain restrooms) as of February 28, 2018, and the County will not present the MOA to their Board.

While these areas are within the City's corporate boundaries, they are owned by the County so the public can expect to see these areas not maintained or watered if the County does not assume these responsibilities.

On June 13, 2017, the Channel Islands Beach Community Services District Board of Directors approved Ordinance No. 87 establishing rates, fees, and regulations related to the provisions of water and wastewater. These new rates are a budget impact and therefore require an additional appropriation to cover the services provided by the district.

STRATEGIC PRIORITIES

This agenda item is a routine operational item or does not relate to the four strategic plans adopted by City Council on May 17, 2016.

FINANCIAL IMPACT

Approval of this action would require an appropriation of \$50,000 for utility services from General Fund Reserve to Channel Islands Beach Community. For FY 2017/18 the unaudited estimated fund balance is \$17.0 Million.

ATTACHMENTS:

Attachment A: Budget Appropriation

REQUEST FOR BUDGET APPROPRIATION

Department: Development Services
Project/Program
Manager: Ashley Golden

Date: December 19, 2017
Phone: (805) 385-7882

Reason for Appropriation:

To provide funding for the utility bills from Channel Islands Beach Community through February 2018 in the amount of \$50,000 from the General Fund Reserve.

Accounts and Descriptions

AMOUNT

Fund: GENERAL FUND (101)

Expenditures/Transfers Out

Parks (5701)

101-5701-805.82-67	UTILITY EXPENSE-WATER	40,000
101-5705-805.82-67	UTILITY EXPENSE-WATER	10,000
	Sub-total Expenditures	50,000

Net Change to Fund Balance **(50,000)**

Net Appropriation Change **50,000**

Approvals

Department Director

Chief Financial Officer

City Manager

ACM

REQUIRES CITY COUNCIL AUTHORIZATION

BA# (Finance Use Only) _____
 BA Doc# (Finance Use Only) _____
 Revi _____

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CITY COUNCIL
AGENDA REPORT

TYPE OF ITEM: Report
AGENDA ITEM NO.: 2

DATE: December 19, 2017

TO: City Council

THROUGH: Greg Nyhoff
City Manager

FROM: Arturo Casillas
Housing Director

SUBJECT: Appropriation for Extended Daytime Shelter Services (5/10/10)

CONTACT: Arturo Casillas, Housing Director
Arturo.Casillas@oxnard.org, 385-8094

RECOMMENDATION:

That the City Council:

1. Approve a budget appropriation of \$44,000 from General Fund Reserves for extended daytime shelter services for the Homeless at Community Action of Ventura County;
2. Authorize the Housing Director to execute the necessary agreements with Community Action of Ventura County to fund the operation of the Shelter.

BACKGROUND

Community Action of Ventura County (CAVC) is a non-profit homeless services organization, which operates a daytime drop-in facility for homeless persons at its office on 621 Richmond Avenue, just east of downtown Oxnard. The facility serves dozens of homeless persons every day, and operates from 8:00 a.m. until 12:00 a.m. Mondays through Friday. After CAVC's closing hour, homeless persons have no other nearby facility that can provide a place to congregate or receive services. As a result, many gravitate toward the downtown area, adding to the homeless presence in Plaza Park and the commercial district.

Based on financial support provided by the Oxnard City Council, the City of Ventura, and the County of Ventura, The western Ventura County Winter Warming Shelter (WWS) is slated to open on December 15, 2017, at the Ventura National Guard Armory. The WWS will offer a hot

Appropriation for Extended Daytime Shelter Services (5/10/10)

December 19, 2017

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meal, shower facilities, and a safe place to sleep. Pursuant to National Guard regulations, entrance by homeless persons to the WWS does not begin until 6:00 p.m.

DISCUSSION

Staff is aware of the afternoon time gap between the closure of CAVC and the evening entry to the WWS. CAVC submitted a proposal to the City's Homeless Services Division to operate and extend its service hours daily, including Saturday and Sunday, until 4:00 p.m. to support homeless individuals and families during the winter months. The proposal was made as an effort to support coordinated efforts for the annual Winter Warming Shelter by providing extended day shelter services, especially during inclement winter weather periods. The time period for the proposed services will coincide with the operation schedule of the Winter Warming Shelter: Dec. 15 to March 31, 2017.

The critical need to shelter homeless individuals and families increases during the winter months. Homeless advocates and homeless service providers are vocal by reminding the public how the cold and rainy months are unsafe for the homeless population. Currently, there are significant issues associated with the homeless living in City parks, the Halaco site, vehicles and other designated areas within the City. These issues have also raised a citywide concern of how the homeless population can be relocated during the winter months and how the City can coordinate efforts to build a sustainable year around shelter. Community Action of Ventura County has been a local non-profit leader in providing daytime shelter services in Oxnard for many years and has recognized that they can step in and provide additional daytime services for the homeless during the winter months. Extended daytime shelter services will also support coordinated efforts to reduce homelessness overall in the City, since other service providers use the CAVC site to connect with the homeless.

The Need

The need for extended shelter services for the homeless continues to be great, as shown by the Winter Warming Shelter utilization data below.

Last year (2016-2017):

- Average nightly attendance: 93 persons per night (average attendance in 2015-2016 was 92 persons).
- Armory reached maximum capacity of 120 twice in January. WWS deployed additional resources (Oxnard Boys and Girls Club, Ventura Mission Church housed overflow).
- Wettest winter in 20 years and colder temperatures than in past years.

From 12/7/16 – 3/31/17: 10,699 Bed-nights

- Unduplicated Count: 610 Persons

Appropriation for Extended Daytime Shelter Services (5/10/10)

December 19, 2017

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439 Males (72%)
 170 Females (28%)
 (30 of the 610, or 5%, were children)

WWS Clientele Place of Origin:

- City of Oxnard: 356 Persons (58%)
- City of Ventura: 116 Persons (19%)
- Other places: 138 Persons (23%)

The Plan

Community Action of Ventura County will operate an extended daytime shelter service center from 7:00 A.M. to 5:00 P.M. daily Monday thru Sunday between December 15, 2017 thru March 15, 2018. This operation will be used as a resource to direct homeless individuals and families into a daytime shelter environment. Resources and support will be given to all participants seeking assistance during the winter months and the location will act a safe haven for individuals and families seeking daytime shelter services after the Ventura Armory winter shelter closes its evening operations at 6:00 A.M. Participants will be offered bus passes for traveling daily between the two shelters.

The Community Action daytime shelter will also be a daytime haven and resource for homeless individuals who are displaced from unapproved public or private locations within the city limits. The combination of combining the daytime shelter schedule and extended hours with the evening winter warming shelter provides an immediate and temporary stopgap measure for three and one-half months and allows the City to seek other alternatives for shelter that may be sustainable and permanent.

This requested appropriation will fund staff time, operational support and supplies. A budget is attached, as well as the proposal from Community Action of Ventura County.

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 2. Address homelessness through the development and implementation of a multi-tiered strategy.

Objective 2a. Identify the City's homelessness mission and create a 5-year plan to address homelessness.

FINANCIAL IMPACT

Appropriation for Extended Daytime Shelter Services (5/10/10)

December 19, 2017

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The proposed action will require an appropriation of \$44,000 to the Housing Homeless Professional Contract budget category (Account No. 101-5105-804.82-09) from General Fund Reserves. Based on current appropriations, the estimated unaudited year-end undesignated FY17-18 Fund Balance for General Fund 101 is \$ \$17 Million.

ATTACHMENTS:

Attachment A: CAVC Winter.Proposal

Attachment B: CAVC Budget

Attachment C: BA - Housing - Agenda Item# 1971



Proposal to Offer Homeless Day Services for Dec. 2017—Mar. 2018

Background:

The County of Ventura recently distributed a Request for Proposals (RFP) for providers to operate a 24-hour emergency shelter to be open 12/17—3/18. The hope is that the emergency shelter could transition to a year-round 24-hour homeless shelter.

For the past 13 years the County of Ventura, the City of Ventura and the City of Oxnard have joined forces to operate a 12-hour emergency overnight shelter located at the Ventura Armory and, alternatively, at the Oxnard Armory. The past operator, St. Vincent de Paul, indicated they no longer wish to operate the shelter.

To date, no one has stepped forward to indicate interest in applying to the RFP for the 24-hour shelter. Therefore, a 12-hour overnight shelter will be offered at the Ventura Armory with a security company providing oversight.

Potential Role for CAVC:

CAVC briefly considered applying to the RFP in an effort to do our part in ensuring that the homeless have shelter during the potentially cold and rainy winter months. However, both board and staff determined that we are not prepared to provide operational oversight for a 24-hour shelter at this time, especially with such a short timeframe.

However, we would like to propose that we provide a seamless overlap of day services to support the night services offered at the Armory.

Specifically, we will extend our hours to be open 9 hours per day. We will open at 7:00 a.m. and close at 4:00 p.m. at which time clients can ride the bus to the Armory for the night. They can then ride the bus back to CAVC each morning. This plan will allow CAVC to provide day services to coordinate with the night services at the Armory. Currently we are open from 7:00 a.m. until Noon. This plan will add four continuous hours to our operation, for a total of 9 continuous hours daily—December through March.

Services Provided:

CAVC provides the following services daily to approximately 100 homeless individuals: showers, laundry, snacks, shelter, computer and phone use, lockers/storage, U.S. Mail box, and bus passes. In addition, every Wednesday morning we host the One-Stop which includes behavioral health assistance, food stamp application assistance, TB testing, general relief application assistance, medical clinic, medication assistance, risk assessments, STAR assessments, Veteran assistance, HIV testing, legal assistance, employment assistance, medical benefits application assistance, Medi-Cal/Covered California assistance, and more. Every Thursday afternoon we distribute fresh and frozen food through our Food Pantry program to 100 families.

Cost Projection:

Operational costs over and above our current day service expenses would include salaries, facilities expenses, insurance, consumables, and administration. Estimated costs for increasing operation of day services from 5 hours per day to 9 hours per day, seven days per week, for 4 months is \$44,000. Since our budget cannot support this expense, we will need to identify sources of funding. We are hopeful that the City of Oxnard and, perhaps, the County of Ventura will join forces to fund this important project.

These cost estimates do not include meals or transportation. We will make every effort to partner with a variety of agencies to provide case management and other essential services. Meals and food will be provided through a collaboration with the Rescue Mission and Food Share. Transportation from the Armory to CAVC and back will be provided by the County of Ventura through bus passes.

We are happy to provide alternative budgets to reflect reduced service—perhaps for 5 days per week instead of 7 or for fewer hours per day.

Summary:

This plan will provide a seamless overlap of day services to support the night services offered at the Armory. We will continue to offer a high quality program with the lowest barrier to entry. This program will help vulnerable members of our community come in out of the cold and begin working on a sustainable plan that promotes dignity and self-sufficiency.

Term: Dec. 2017--Mar. 2018					
Total Cost: \$44,000					
Expected Increase in Expenses:					
	Dec-17	Jan-18	Feb-18	Mar-17	4 Mth Period
Cost increase for operation -- 7 Day/Week					
Operational Staff (5)--Referral Specialists	8,732.25	8,732.25	8,732.25	8,732.25	34,929.00
Payroll Tax	668.02	668.02	668.02	668.02	2,672.07
Worker Compensation	182.50	182.50	182.50	182.50	730.02
Total Salary & Benefits	\$9,582.77	\$9,582.77	\$9,582.77	\$9,582.77	\$38,331.08
Other Costs Incurred					
Janitorial Service & Supplies	165.00	165.00	165.00	165.00	660.00
Consumable Supplies	296.00	296.00	296.00	296.00	1,184.00
Storage & Trash	956.25	956.25	956.25	956.25	3,825.00
Sub-Total Other Costs	1,417.25	1,417.25	1,417.25	1,417.25	5,669.00
TOTAL OPERATIONAL EXPENSES	\$11,000.02	\$11,000.02	\$11,000.02	\$11,000.02	\$44,000.08
IN-KIND GOODS AND SERVICES					
Program Director's Salary Allocation	2,200.00	2,200.00	2,200.00	2,200.00	8,800.00
Food/Meals (Provided by Rescue Mission & FoodShare)	1,765.00	1,765.00	1,765.00	1,765.00	7,060.00
Transportation (Bus passes provided by County)	2,000.00	2,000.00	2,000.00	2,000.00	8,000.00
Equipment/IT - Repairs, Maint. & Support	10.00	10.00	10.00	10.00	40.00
Insurance Allocation	70.00	70.00	70.00	70.00	280.00
Facility Rent Allocation	200.00	200.00	200.00	200.00	800.00
Utilities Allocation	225.00	225.00	225.00	225.00	900.00
Total IN-KIND	\$6,470.00	\$6,470.00	\$6,470.00	\$6,470.00	\$25,880.00

REQUEST FOR BUDGET APPROPRIATION

Department: Housing
Project/Program
Manager: Arturo Casillas

Date: December 19, 2017
Phone: 805-385-8094

Reason for Appropriation:

To appropriate General Fund Reserves for the Winter Warming Shelter - Extended Daytime Services

Accounts and Descriptions

AMOUNT

Fund: GENERAL FUND (101)

Expenditures/Transfers Out

HOMELESS PROG ADMIN (5105)

101-5105-804-8209 SVCS-OTHER PROF/CONTRACT 44,000

Sub-total Expenditures 44,000

Net Change to Fund Balance (44,000)

Net Appropriation Change 44,000

Approvals

Department Director _____

Chief Financial Officer _____

City Manager _____

REQUIRES CITY COUNCIL AUTHORIZATION

BA# (Finance Use Only) _____

BA Doc# (Finance Use Only) _____

Rev# _____

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**CITY COUNCIL
AGENDA REPORT**

TYPE OF ITEM: Report
AGENDA ITEM NO.: 3

DATE: December 19, 2017

TO: City Council

THROUGH: Greg Nyhoff
City Manager

FROM: Thien Ng
Interim Public Works Director

Thien Ng

SUBJECT: Sixth Amendment to Agreement No. 6212-13-CM with Genuine Parts Company
Dba NAPA Auto Parts (5/5/5)

CONTACT: Thien Ng, Interim Public Works Director
thien.ng@oxnard.org, 432-3575

RECOMMENDATION:

That City Council approves and authorizes the Mayor to execute the Sixth Amendment to the Agreement (6212-13-CM) with Genuine Parts Company d.b.a. NAPA Auto Parts for \$1,468,877, for a total contract amount of \$9,583,877, and extending the agreement until June 30, 2018 to provide on-site repair parts and tires to City until staff finalizes a new agreement for this service. This expense has been approved in the FY 2017-18 Fleet Services Divisions' operating budget.

BACKGROUND

The Fleet Services Division of the Public Works Department maintains and repairs the City's vehicle and equipment fleet. As Fleet Services does not have a City-owned parts store or dedicated parts staff, this essential service has been provided, since June 1, 2007, via contract through an on-site store located at 1060 Pacific Avenue, Oxnard.

Currently, Genuine Parts Company operates a NAPA Integrated Business Solutions (IBS) store located in the City of Oxnard's Corporate Yard where the City's Fleet Services Division is located. The City benefits from the competitive parts pricing available to NAPA because of its large market presence. NAPA has over 400,000 part numbers in its extensive parts catalog available for viewing by Fleet Services personnel and, if available in the United States, can be

Sixth Amendment to Agreement No. 6212-13-CM with Genuine Parts Co. D.B.A. NAPA Auto Parts (5/5/5)
 December 19, 2017
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shipped through the NAPA parts distribution network in two (2) business days. Since July 1, 2016, Fleet Services has placed 6,812 individual parts requests with 90 percent of requested parts delivered within 24 hours.

The fiscal year 2017-18 budget for parts from NAPA is \$2 million dollars. Expenses for parts through the first five periods of the fiscal year total approximately \$1 million dollars. It is anticipated that due to the timing of parts purchases and the Division's anticipated workload, the remaining budgeted funds will be sufficient for the balance of the fiscal year. No budget adjustment or budget transfer is needed.

Notwithstanding the availability of funds budgeted for fleet parts for fiscal year 2017-18, the term and total value of the Agreement should be amended for budget consistency.

Term: The term of the agreement should be changed from December 31, 2017 to June 30, 2018.

Agreement Value: As of July 1, 2017, Agreement expenditures totaled \$7,583,877. As described, \$2 million in expenditures with NAPA are anticipated in fiscal year 2017-18. A total Agreement value of \$9,583,877 is needed to accommodate the anticipated fiscal year activity. The current agreement value is \$8,115,000, thus, the not-to-exceed amount will be increased by \$1,468,877 for a total amount of \$9,583,877.

The following table provides a chronology of Agreement No. 6212-CM and amendments.

Date	Item	Key Provision(s)	Agreement Value Increase	Total Agreement Value
July 1, 2013	Agreement 6212-CM for on-site fleet service parts supplier	Expires August 31, 2013	-	\$6,000,000
September 1, 2013	First Amendment	Term of agreement is changed to "October 31, 2013"	\$0	\$6,000,000
November 1, 2013	Second Amendment	Term of agreement is changed to "June 30, 2016"	\$0	\$6,000,000
July 20, 2016	Third Amendment	Term of agreement is changed to "June 30, 2017"; \$2M added to agreement value.	\$2,000,000	\$8,000,000
July 18, 2017	Fourth Amendment	Term of Agreement is changed to "September 30, 2017"; \$115,000 added to agreement value	\$115,000	\$8,115,000
September 19, 2017	Fifth Amendment	Term of Agreement is changed to "December 31, 2017"	\$0	\$8,115,000
December 19, 2017	<i>Sixth Amendment (proposed)</i>	<i>Term of Agreement is changed to "June 30, 2018"; \$1,468,877 added to agreement value</i>	<i>\$1,468,877</i>	<i>\$9,583,877</i>

Sixth Amendment to Agreement No. 6212-13-CM with Genuine Parts Co. D.B.A. NAPA Auto Parts (5/5/5)
 December 19, 2017
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In or around the time of the Fourth amendment to the Agreement, staff initiated a competitive process to award a new contract for vehicle fleet parts supply services. Staff issued a request for proposal (RFP) inviting potential vendors to submit proposals for the requested service. Staff received and evaluated a number of proposals and determined that NAPA Auto Parts was the successful proposer.

Subsequent to the RFP process and during the development of a new agreement, it was determined that the RFP process was not the appropriate competitive process for the provision of fleet vehicle parts. Staff determined that a request for bids (RFB) would need to be developed and the project would have to be re-bid.

This Sixth Amendment extends the agreement from December 31, 2017, until June 30, 2018, and adds an additional \$1,468,877 to the agreement. The total value of Genuine Parts Company's original agreement plus all amendments is \$9,583,877.

Staff is developing a competitive bid process to secure a new long term agreement for this service. The following critical path tasks will be completed as part of this process:

- A request for bids (RFB) will be developed and issued - mid January
- Low bidder selection - early March
- Contract development - early April
- City Council award new agreement – mid May
- New vendor mobilization and set up – mid May through June 30th.

STRATEGIC PRIORITIES

This agenda item is a routine operational item or does not relate to the four strategic plans adopted by City Council on May 17, 2016.

FINANCIAL IMPACT

As an internal service fund, Fleet Services charges each customer department for services and supplies purchased on its behalf. Services provided will be based on funding available in respective departments' FY 2017/18 operating budgets.

ATTACHMENTS:

Attachment A - Sixth Amendment to Agreement No. 6212-13-CM

Agreement No. 6212-13-CM**SIXTH AMENDMENT TO AGREEMENT FOR ON-SITE CONSULTING SERVICES**

This Sixth Amendment ("Sixth Amendment") to the Agreement for On-Site Consulting Services ("Agreement") is made and entered into in the County of Ventura, State of California, this ____ day of December, 2017, by and between the City of Oxnard, a municipal corporation ("City"), and Genuine Parts Company dba NAPA Auto Parts ("Contractor"). This Sixth Amendment amends the Agreement entered into on July 1, 2013, by City and Contractor. The Agreement previously has been amended on September 1, 2013, by a First Amendment, on November 1, 2013, by a Second Amendment, on July 20, 2016, by a Third Amendment, on July 18, 2017, by a Fourth Amendment and on ____, by a Fifth Amendment.

City and Contractor agree as follows:

1. In Section 12 of the Agreement, the date "December 31, 2017," is deleted and replaced with the date "June 30, 2018."
2. In Section 15, subsection (g) is deleted and replaced with the following:

"In any case, the City shall not pay the Consultant for Services in accordance with this Section any amount that exceeds nine million, five hundred-eighty three thousand, eight hundred-seventy seven dollars (\$9,583,877)."
3. As so amended, the Agreement remains in full force and effect.

[Signatures on next page]

Agreement No. 6212-13-CM

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)
☐ Greg Nyhoff, City Manager (if agreement is \$25,000.01-\$250,000.00)
☐ Purchasing Agent (if agreement is up to \$25,000.00)

 12/13/17

Tom Skov, Division Vice President Date

 12/12/17

Jett Kuntz, Vice President of IBS Date

ATTEST:

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

APPROVED AS TO FORM:

 12/11/17
Stephen M. Fischer, City Attorney
(required for any agreement amount) Date

APPROVED AS TO CONTENT:

Joseph Rodriguez, Project Manager
(required for any agreement amount) Date

Thien Ng,
Interim Public Works Director
(if agreement is \$25,000.01 or more) Date

Ruth Osuna, Assistant City Manager Date

APPROVED AS TO AMOUNT:

Greg Nyhoff, 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

SIXTH AMENDMENT TO AGREEMENT FOR ON-SITE CONSULTING SERVICES